

EIR

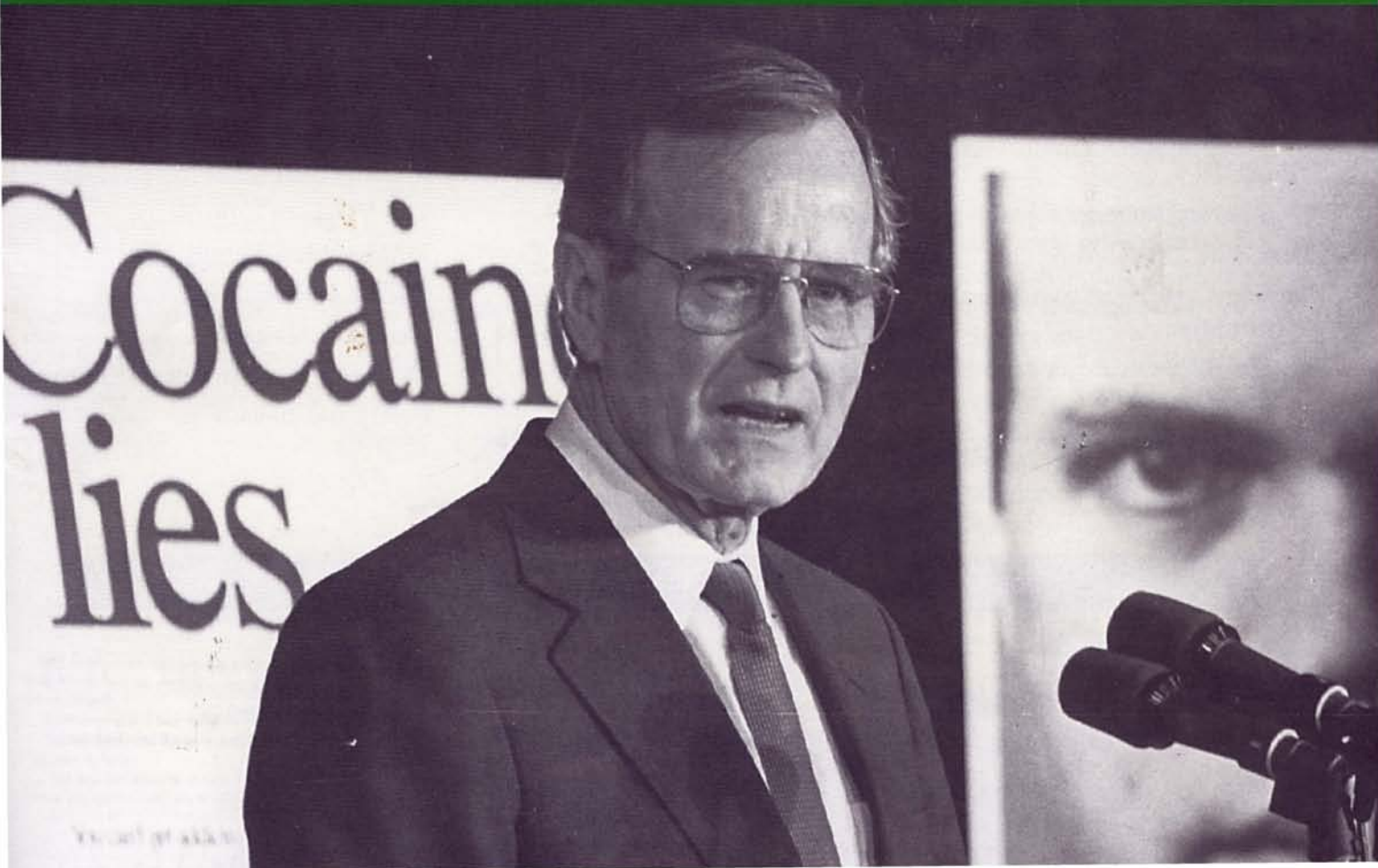
Executive Intelligence Review

September 13, 1996 • Vol. 23 No. 37

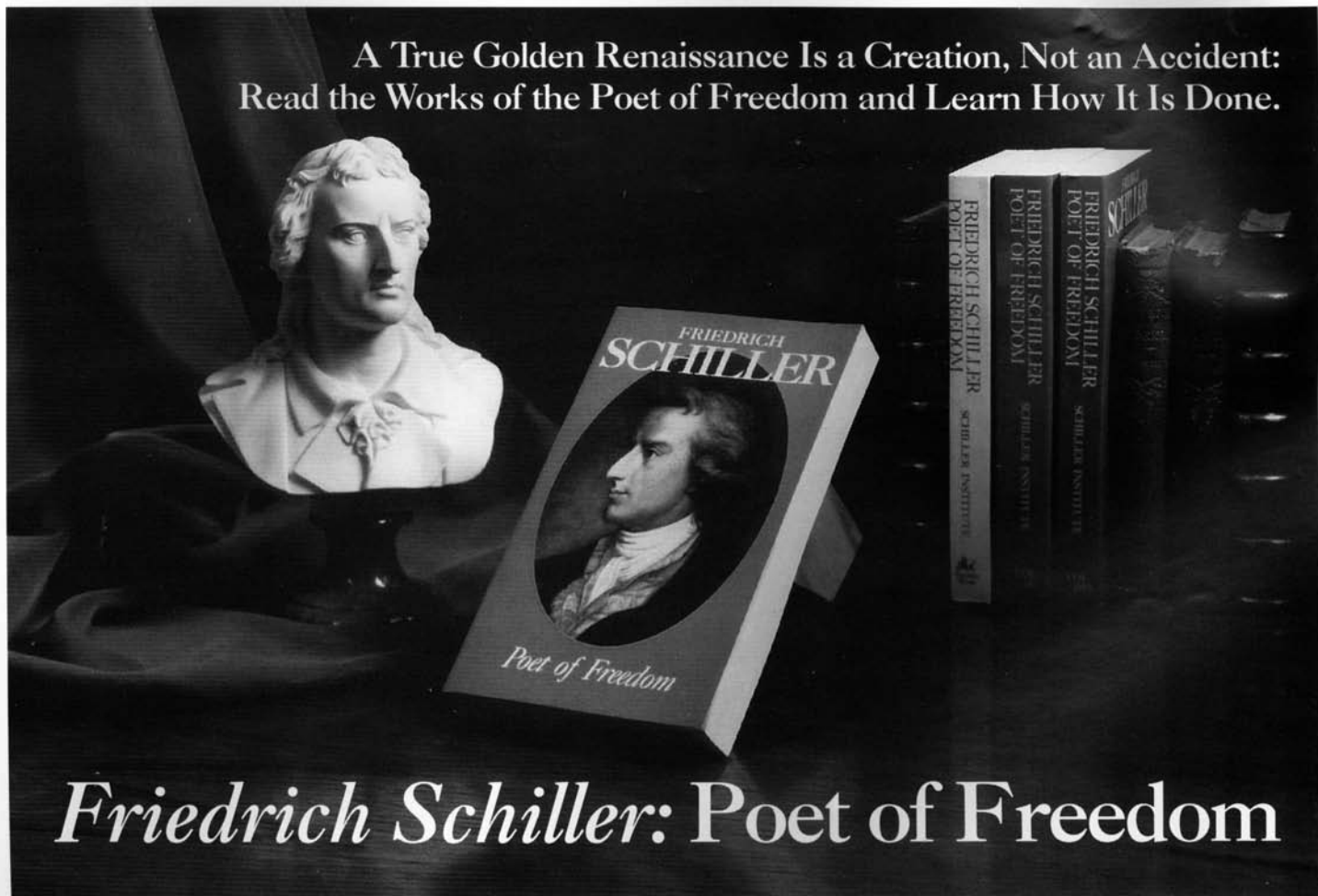
\$10.00

Attack on Iraq is a national security disaster
LaRouche's 'third force' will shape U.S. election
Stop the coverup of Gulf War Syndrome

**George Bush: 'crack'
kingpin of the 1980s**



A True Golden Renaissance Is a Creation, Not an Accident:
Read the Works of the Poet of Freedom and Learn How It Is Done.



Friedrich Schiller: Poet of Freedom

Selected works in new English translations.

The writings of Friedrich Schiller, the great 19th-century poet, playwright, historian and philosopher, have inspired patriots and world citizens for 200 years.

VOLUME I

Don Carlos, Infante of Spain
Letters on Don Carlos
Theater Considered as a Moral
Institution
On the Aesthetical Education of
Man
The Ghost Seer
Poetry and Epigrams

\$9.95

VOLUME II

Wilhelm Tell
What Is, and To What End Do
We Study Universal History?
The Legislation of Lycurgus and
Solon
On Grace and Dignity
Poetry, including The Song of the
Bell

\$15.00

VOLUME III

The Virgin of Orleans
Philosophical Letters
On the Pathetic
On the Sublime
On Naïve and Sentimental Poetry
Poetry and Ballads

\$15.00

SPECIAL OFFER: Buy the three-volume set for only \$34.50.

Make check or money order payable to:

Ben Franklin Booksellers

107 South King St. Leesburg, Va. 22075 1-800-453-4108 or 1-703-777-3661

Shipping and handling: Add \$4 for the first book and \$.50 for each additional book in the order. Virginia residents add 4.5% sales tax. We accept Mastercard, Visa, American Express, and Discover.

EIR

Founder and Contributing Editor:

Lyndon H. LaRouche, Jr.

Editorial Board: Melvin Klenetsky, Antony Papert, Gerald Rose, Dennis Small, Edward Spannaus, Nancy Spannaus, Jeffrey Steinberg, Webster Tarpley, Carol White, Christopher White

Senior Editor: Nora Hamerman

Associate Editor: Susan Welsh

Managing Editors: John Sigerson, Ronald Kokinda

Science and Technology: Carol White

Special Projects: Mark Burdman

Book Editor: Katherine Notley

Advertising Director: Marsha Freeman

Circulation Manager: Stanley Ezrol

INTELLIGENCE DIRECTORS:

Agriculture: Marcia Merry

Asia and Africa: Linda de Hoyos

Counterintelligence: Jeffrey Steinberg, Paul Goldstein

Economics: Christopher White

European Economics: William Engdahl

Ibero-America: Robyn Quijano, Dennis Small

Law: Edward Spannaus

Russia and Eastern Europe:

Rachel Douglas, Konstantin George

United States: Kathleen Klenetsky

INTERNATIONAL BUREAUS:

Bogotá: José Restrepo

Bonn: George Gregory, Rainer Apel

Buenos Aires: Gerardo Terán

Caracas: David Ramonet

Copenhagen: Poul Rasmussen

Houston: Harley Schlanger

Lima: Sara Madueño

Mexico City: Hugo López Ochoa

Milan: Leonardo Servadio

New Delhi: Susan Maitra

Paris: Christine Bierre

Rio de Janeiro: Silvia Palacios

Stockholm: Michael Ericson

Washington, D.C.: William Jones

Wiesbaden: Göran Haglund

EIR (ISSN 0273-6314) is published weekly (50 issues) except for the second week of July, and the last week of December by EIR News Service Inc., 317 Pennsylvania Ave., S.E., 2nd Floor, Washington, DC 20003. (202) 544-7010. For subscriptions: (703) 777-9451.

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

In Denmark: EIR, Post Box 2613, 2100 Copenhagen ØE, Tel. 35-43 60 40

In Mexico: EIR, Río Tiber No. 87, 5o piso. Colonia Cuauhtémoc. México, DF, CP 06500. Tel: 208-3016 y 533-26-43.

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

Copyright © 1996 EIR News Service. All rights reserved. Reproduction in whole or in part without permission strictly prohibited. Periodicals postage paid at Washington D.C., and at an additional mailing offices. Domestic subscriptions: 3 months—\$125, 6 months—\$225, 1 year—\$396, Single issue—\$10

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

From the Associate Editor

George Bush, a crack cocaine kingpin? Read on!

Our *Feature* this week is the first salvo in a campaign launched by Lyndon LaRouche on Aug. 31, to make Bush's crimes the central issue of the 1996 Presidential election. The next salvo will be the release of an *EIR* multi-client *Special Report* containing even more extensive documentation and historical background. The report will be titled, "Would a President Bob Dole Prosecute Drug Super-Kingpin George Bush?" It will, as LaRouche explains, document "the ongoing war between U.S. President Bill Clinton and the Queen's own Republican Party of 1980s drug super-kingpin, George Bush." (The report will sell for \$100, and will be available from this news service and its regional distributors.)

In a memorandum to *EIR* staff outlining the forthcoming report, LaRouche emphasizes that behind the Bush apparatus, lies *the greatest single terrorist threat to the United States today*. This threat, backed by the new Franco-British "Entente Cordiale," is evident in several news articles in the current issue:

- "*Islamic*" terrorists and the afghansi. British control of a myriad of terrorist groups from the Mideast and southwest Asia, is now being precisely identified by Egyptian news media and others. See *Entente Bestiale*, p. 38. To understand what this has to do with George Bush, see the article on Afghanistan and drugs (p. 30).

- *Ibero-American narco-terrorists*. As we go to press, an enormous terrorist destabilization of Mexico and Colombia has broken out. See *International* for a report.

- Most dangerous, and foolish, is President Clinton's decision to follow in the footsteps of George Bush, by launching military strikes against Iraq. The policy is an unmitigated disaster, supported by almost nobody except the British. It will accelerate tendencies toward general destabilization and war throughout the region.

At the conference of the Schiller Institute and International Caucus of Labor Committees on Labor Day weekend, LaRouche and associates laid out a strategy to reverse the crisis, focussing on the U.S. Presidential election. See *National* for a report by Mel Klenetsky; we shall be publishing other aspects of the rich conceptual material presented at the conference, in future issues.

Susan Welsh

EIR Contents

Departments

7 Report from Bonn

Resistance grows to the Green agenda.

38 Entente Bestiale

Egypt charges: London's support of terrorism is new face of colonialism.

64 Editorial

The bombing of Iraq—a grave blunder.

Economics

4 'Hot autumn' in France may finish off foolish Chirac

All economic indicators are in the red, as political commentators and trade unionists are forecasting a social explosion in the autumn.

6 Currency Rates

8 Business Briefs

Photo and graphic credits: Cover, pages 19, 25, 41, EIRNS/Stuart Lewis. Page 5, UN Photo 168461/Milton Grant. Page 11, EIRNS. Page 44, JP Elektroprivreda BiH. Pages 49, 54, U.S. Army.

Feature



President George Bush. Cocaine lies, and so does he.

10 George Bush: crack kingpin of the 1980s

The *San Jose Mercury* has exposed how the Nicaraguan Contra apparatus provided crack cocaine and guns to Los Angeles street gangs such as the Crips and the Bloods. *EIR*'s dossier provides the essential, missing piece of the picture, tracing the command of this operation all the way to the top: George Bush.

12 The Contras and the crack epidemic

15 How the 'Iran-Contra' investigation protected Bush's secret drug network

The truth behind Oliver North's dirty "Enterprise."

22 What really went on at the Mena airport?

24 Iran-Contra prosecutor never investigated drug-running

Somehow, this crucial aspect of the picture "fell between the cracks" of Lawrence Walsh's investigation.

26 Mexico's drug kingpin is a Bushman, too

27 Bush's friends ran drugs in Panama

28 Bush created Colombia's narco-government

29 Guns and drugs: the Syrian connection

30 Afghanistan drugs: a withdrawal syndrome

Investigation

48 Gulf War Syndrome: deadly legacy of George Bush's war

Up to 150,000 soldiers returned from the 1991 Gulf war with symptoms, 60,000 with severe symptoms, but the Pentagon and the Veterans Administration deny them medical care and testing, writing the problem off as due to "combat stress." Carol Hugunin reports.

50 Thatcher, Bush set up the war against Iraq

International

32 U.S. attack on Iraq plays right into British hands
President Clinton, incompetently briefed on the consequences of his action, launched bombing raids against Iraq which have outraged just about everybody in the world, except the British.

35 Kurds' interests hurt by geopolitical games

36 Russia's crisis enters lull before the storm

41 Terror International launches new insurgency in Ibero-America
Mexico and Colombia have been hit with an explosion of narco-terrorism, at a new level of intensity and barbarism.

42 The FARC Cartel

43 Schiller Institute visits Sarajevo on eve of Bosnian elections
The Dayton Accord is being flagrantly violated by the Bosnian Serbs, jeopardizing the election process.

46 International Intelligence

National

58 LaRouche builds 'third force' in Democratic election fight
With the resignation of Clinton campaign "Rasputin" Dick Morris and the coming resignation of Democratic National Committee chairman Donald Fowler, the opportunity opens up for a political transformation of the Democratic Party.

60 The murderous impact of the welfare bill
From the debate in the House and Senate prior to the passage of the "Personal Responsibility and Work Opportunity Reconciliation Act of 1996."

62 National News

‘Hot autumn’ in France may finish off foolish Chirac

by Christine Bierre

As France moves into its September *rentré*, after the summer vacation period, President Jacques Chirac is facing a combined economic, social, and political upheaval, brought about by his craven efforts to bring the nation into line with the economic dictates of the Maastricht Treaty.

On the economic side, all the indicators are in the red: The public deficit, indebtedness, unemployment are all on the rise, as the franc and the stock market hit all-time lows. Worse, the country now faces the specter of deflation and a depression. On the social front, political commentators and trade unionists are warning of a revolt this autumn, comparable to the mass strikes of last December. Politically, Chirac and his government will have to deal not only with a more determined left-wing opposition, but with widespread discontent and demoralization in his own camp. Day after day, the leading figures in the parliamentary majority—former Prime Minister Edouard Balladur, arch-monetarist former Finance Minister Alain Madelin, former Interior Minister Charles Pasqua, and National Assembly President Philippe Séguin—make known their opposition to the government policies.

What went wrong with the Chirac Presidency, in such short period of time? Where is the Chirac who took power just 18 months ago, and like a little Bonaparte, defied the world by relaunching nuclear tests? Where will the chauvinistic Chirac be in the weeks ahead, who claimed to teach the United States the lesson which de Gaulle wasn't able to teach?

Lyndon LaRouche situated the crisis in France within the context of the collapse of Maastricht, which he called “a scramble. It's part of the process of the ongoing wave of disintegration of the world's banking system. Nothing is working. There's a lot of pretense by governments and by news media, *to pretend* that there is no such crisis, but the crisis keeps coming. It's just like King Canute yelling at the

waves: ‘Don't come, waves!’ But the waves keep coming.” Speaking on Aug. 29 with the “EIR Talks” radio broadcast, LaRouche continued: “The Maastricht Treaty is going to be scrapped, in its present form anyway, probably totally. . . . You have a general strike in France, which may be the end of Jacques Chirac . . . the man is a stupid, petty-minded, cowardly, fool, who's made himself a total agent of the British, and I think they're about to throw him in the fire, along with the rest of the other fatheads.”

A disastrous economic program

The economic plan that Prime Minister Alain Juppé adopted at the end of last year, over widespread popular opposition, is sending France directly into a brick wall. Aimed at reducing the public deficit and indebtedness through deep-going budget cuts and tax increases, the Juppé plan, imposed so that France could meet the Maastricht convergence criteria by 1997, has done just the opposite. The combination of budget cuts and tax increases has brought the economy to a screeching halt.

Recent statistics indicate that public indebtedness and the deficit will remain at all-time highs, due to drops in tax revenues provoked by lower growth, the continued rise in unemployment, and drops in consumption. While the government had projected a 1996 growth rate of 2.3%, the GNP grew an abysmal 1.1% in the first trimester, and registered a 0.4% drop in the second. In June, unemployment rose again, reaching 12.5% of the total workforce, leaving even Juppé lamenting, the first week of September, that unemployment will continue to rise in the coming months. The fewer people work, the more tax revenues collapse; worse, the whopping FF 120 billion in new taxes collected under the Juppé plan, in an attempt to cover the deficits, resulted in plummeting consumption.

As a result of this entire process, budget deficits will remain high. The Social Security deficit, which the Juppé plan had promised to bring down to, at most, FF 17 billion this year, will shoot up to FF 50-55 billion. As for the national deficit, figures published in June showing a measly reduction this year of FF 1.5 billion over the same period last year, indicating that the government will not fulfill its goal of reducing the deficit by FF 35 billion in 1996. Tax revenues are also well below par: Even though June figures show a 5.5% increase relative to last year, the government was counting on 7.5% growth coming both from tax increases and an increased economic activity.

Bad as all this is, what is panicking in Paris, is a clear tendency for prices to fall, bringing back the specter of a deflationary crisis, which might turn into a full-blown depression. Prices published in June, after a three-month observation period, showed a tendency to fall in many areas: Vegetable prices went down 17.3%, liquid fuels (except gasoline) have dropped 4%, consumer electronics are down 2.1%, and coffee, tea, and cocoa dropped 2.1%. Many press editorials are comparing the deflationary tendency to the 1930s, when Pierre Laval, later a Nazi collaborator, carried out his monetarist obsessions with fixed parity between the franc and the gold standard, leading, much like today's obsession with the monetarists' "strong franc," to widespread unemployment, indebtedness, deflation, and depression.

The revolt grows

The overwhelming stench of the government's utter incompetence to deal with the coming depression, has created the conditions for a broad-based social revolt this autumn. Indicative of the tense mood was the fact that the traditional summer social truce went by the boards this year. Tough strikes and demonstrations occurred throughout the summer, mobilizing workers and company employees from, among others, Air France, the electrical appliances multinational Moulinex, the aerospace GIAT, the naval shipyards in the Loire area, and the some of the near-bankrupt public-sector banks.

Mass demonstrations and strikes are already in the preparation stage among education, banking, and farming workers. During August, a group of cattle-growers travelled from city to city along with their cows, to protest against the huge losses incurred as a result of the Mad Cow disease crisis. All the cattle-grower unions are demanding higher subsidies to compensate for their losses, as well as a halt to all beef imports until the effects of the crisis are relieved.

Every sector of the economy is threatened by layoffs. Unions fear that reorganizations in the near-bankrupt banking sector will lead in the next five years to the elimination of 40,000 jobs, out of the total 250,000 employed by the members of French Banking Association. The bankrupt Crédit Lyonnais, for instance, could lay off as many as 5,000 employees, on top of the 3,000 let go at the end of June; the



French President Jacques Chirac. Even in his own party, the discontent with his incompetence is growing by the day.

Crédit Foncier also fears losing some 1,800 jobs. Other banks such as the BFCE, the CIC, or the Crédit National, are expected to have layoffs due to mergers and "restructuring."

The powerful public-sector teachers unions have already decided, unanimously, on a 24-hour strike on Sept. 30, to protest layoffs and budget cuts. For the first time in at least 20 years, the education budget has not increased, and a general "reduction in force" policy is under way. Jobs open to new applicants have decreased by 10 to 15%; 5,000 elementary and secondary teachers will be laid off in 1996; and some 15,000 assistant teachers will not be rehired this year. The trade unions will be organizing local actions leading up to the national strike on Sept. 30.

The national trade union federations have begun to mobilize their troops, as well. Nicole Notat, the leader of the government-allied CFDT, surprised everyone by warning in an interview with *Le Monde* that "a mood of impotence and of rage" is gaining ground among the working people. Marc Blondel, the leader of the federation Force Ouvrière, predicted a hot autumn, while the CFTC, a smaller Christian union, also warned of a "strong risk of social revolt," were the layoffs to continue.

Whether or not a social explosion occurs right now, discontent with the Chirac-Juppé government and the pessimism engendered by this whole situation is widespread. Opinion polls indicate that 77% of the population believes the economic situation is deteriorating, a feeling which is widely shared by left and right; of those, 69% are expecting a new social crisis of the dimensions of last December (Ipsos/Le Point poll). According to a CSA/La Tribune poll, 73% of corporate heads are pessimistic about the present situation,

an increase of 15% from last year. According to that poll, two categories combined, "very pessimistic" and "somewhat pessimistic," gives a figure of 73% this year as opposed to 47% last year! One out of three individuals interviewed by this second poll says he is against the government's deficit reduction policies, and one out of two would like the government to foster consumption, as some supply-side economists are proposing.

Opposition just beating their gums

The future facing the country, if Chirac continues to fixate on these rotten policies, is very grim. Even though there is much disgruntlement with the government's policies, nobody, with the exception of LaRouche ally and former President candidate Jacques Cheminade, is proposing an alternative. Within the majority, many attack the "strong franc" policy; but instead of blaming it on themselves (they were, after all, complicit when they were in the government under Mitterrand), and proposing to the other European Union partners a return to de Gaulle's dirigist, productive policies, they remain content with placing the blame on Germany and the Bundesbank (central bank), which they accuse of being the enforcers for the harsh Maastricht single currency convergence criteria. The group around Balladur, Pasqua, and Séguin within Chirac's party, the RPR, recently pressured him to have a "straight talk" with German Chancellor Helmut Kohl about easing the Maastricht criteria and being more flexible, if he is really serious about completing the European Monetary Union and its single currency.

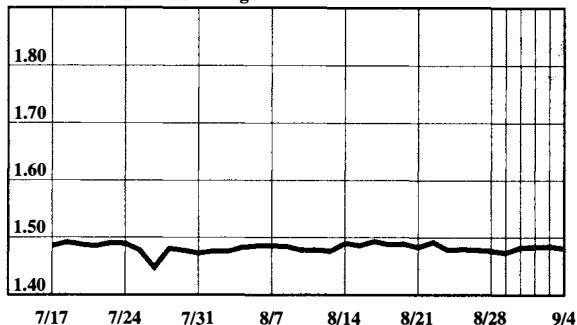
Others, like Mont Pelerin Society president Alain Madelin, Chirac's short-lived finance minister, recently issued a call in *Le Monde*, for the government to bailout the bankrupt banking system. Madelin proposed to reduce interest rates as close to zero as possible, in order to refinance the banks that will then be able to lend for a theoretical upswing. Ironically, Edouard Balladur, a fervent supporter of the Maastricht Treaty and its strong franc corollary, recently called on France to follow the "German reunification" model, where state subsidies financed the industrial reconstruction of the eastern sector. He proposed that the government credit institution, the Caisse des Dépôts et des Consignations, issue a large public loan to be used to relaunch the French government infrastructure projects, which were discontinued in the budget-balancing frenzy. Doing this, said Balladur, could restart investment in the public and the private sector.

The Socialist Party's Lionel Jospin opened the traditional summer cadre school with a new get-tough speech. The present disaster is a result of the "lies" Chirac told when he was running for President last year, he said. Even though Jospin called on his troops to fight those policies and not to go down as the "generation of the '30s," the Socialist Party supports the Maastricht Treaty and could find itself in the same predicament as its predecessors, if it does not explicitly turn its back on Maastricht.

Currency Rates

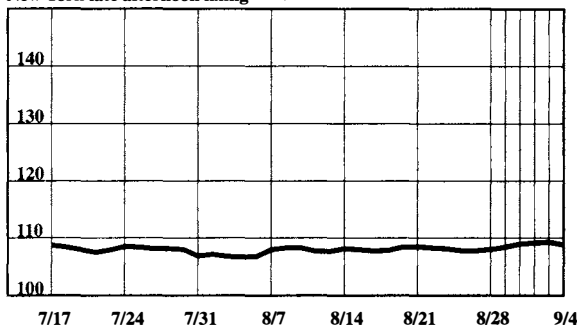
The dollar in deutschemarks

New York late afternoon fixing



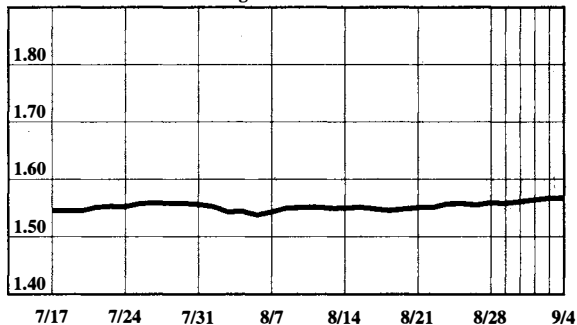
The dollar in yen

New York late afternoon fixing



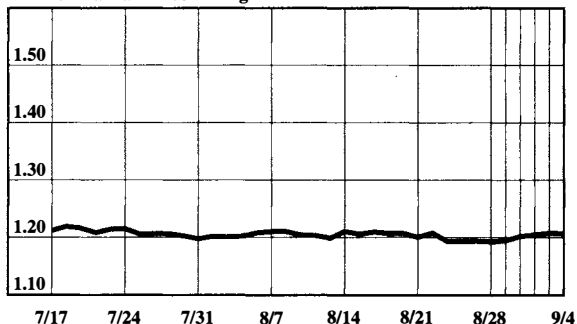
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



Resistance grows to the Green agenda

In both east and west, Germans have begun to repudiate the greenie sabotage of economic infrastructure projects.

The ugly reality of the economic depression is running into increasing conflict with the visions of the ecologist movement, even in a country that has been as pro-greenie as Germany has. The tide of the Green party and its mass movement has primarily been a phenomenon of the western part of Germany, anyway: In the eastern states of the Federal Republic, which suffer from jobless rates twice as great as those in the western states, ecologism has never been as popular as in the west.

Germans in the eastern areas are voicing a much greater interest in the creation of new jobs, than in protecting rare birds, snakes, or snails—the favorite choices of the greenies whenever they seek some new pretext to stop infrastructure development or construction projects. The eastern Germans have remained aloof from most of that ecologism, despite nearly six years of intensive efforts by the predominantly pro-greenie media to brainwash the population.

The Green movement ran up against that lack of support, when they tried to stop the Havel River waterway project, which is one of 17 priority projects in the national transportation program. Four months of intensive campaigning in the eastern state of Brandenburg failed to generate the required 80,000 signatures from the state's population to qualify for a referendum against the project. When the deadline came at the end of August, the Green party and more than 80 allied ecology activist groups were unable to submit more than 60,000 signatures, with about half of

these coming from the greater metropolitan area of Potsdam, the state capital.

In the countryside, however, between Berlin, Potsdam, and Magdeburg, through which most of the waterway travels, the ecologists found it very difficult to garner any support, as many told the greenies, in no uncertain terms, that for the average person, jobs rank far above ecologism. The Havel River waterway project is expected to create several tens of thousands of new jobs during construction, and then, after it is completed, in the shipping sector.

The Havel River project is part of the planned modernization of the 280-kilometer-long waterway linking the cities of Hanover, Magdeburg, and Berlin. It consists of several canals that connect the Elbe and Havel rivers.

The entire waterway project consists of three main sections: 1) the extension of the Central Land Canal (from Hanover to the Elbe River and the large lock complex at Magdeburg); 2) the Elbe-Havel Canal (from Magdeburg to the city of Brandenburg); and 3) the Lower Havel Waterway (from the city of Brandenburg to Berlin). The project, including the modernization of the Elbe River port and lock complex at Rothensee/Magdeburg, will require investments of DM 4.7 billion, and construction is to be completed by the year 2002.

The modernization of this already existing, decades-old waterway is being undertaken to increase the water depth to 3.5 meters, and thus allow use of tandem barges up to a maxi-

imum length of 185 meters—an advance indispensable for the waterway to become a primary artery for bulk transport between the western part of Germany and the Berlin region.

The failure of the anti-Havel referendum is a major setback to the ecologists in the German east.

But, opposition to the greenies is also growing in the west. The most spectacular protest against the ecologists occurred on Aug. 31, near the northwestern coastal city of Wilhelmshaven, in the state of Lower Saxony. There, more than 10,000 citizens gathered to do something that has not happened in Germany for 15 years: to stage a protest rally against the greenie sabotage of economic development. This particular case concerns a dike reinforcement project along the 50 kilometers of North Sea shoreline at Jade Bay.

A recent district court ruling favorable to the green contention that conservation of saltwater marshes just inland from the bay should take priority over the population's interests in protecting against North Sea incursions, has provoked a public outcry. The dike-building project was approved last year, in response to the flood catastrophe in neighboring Netherlands, where 150,000 residents had to endure emergency evacuations when the dikes could not hold back the sea. Even leading members of the otherwise pro-ecologist Social Democratic Party, including the state agriculture minister, took part in the Jade Bay protest, a 10,000-person march that culminated in a candlelight chain along the five kilometers of dike which the Greens don't want to have reinforced.

This is good news coming from Germany, especially from the western part, and there are some prospects that more of the same can perhaps be reported in weeks to come.

Business Briefs

France

Working class mortality high, report warns

A report by France's High Committee on Public Health has found that mortality among the working class is three times higher than in higher-income areas, according to the Paris financial daily *Les Echos* on Aug. 27, in an article entitled "Ever-Widening Inequalities." The committee's report will be released in early September.

Among the committee's findings: Mortality among workers and employees in the 25-54 age group is three times higher than for members of the bourgeoisie, and the gap is widening. The death rate for that age cohort is twice as high as in England. Extremely poor areas, notably the Nord Pas de Calais, where the textile, coal-mining, and steel industries have been liquidated over the last two decades, have a mortality rate 10% higher than high-income regions such as the Mediterranean Coast.

Eleven percent of all adults take tranquilizers regularly, according to the committee—the highest rate in the world.

A significant increase in suicides was also noted by the report, which now is the cause of 20% of deaths among men between 25 and 34.

Asia

Mekong region meeting to boost cooperation

Delegates from the six nations of the Mekong River region (Thailand, Laos, Cambodia, Vietnam, Burma, and China) began a ministerial conference in Kunming, China on Aug. 28, intended to boost cooperation, according to Asian press reports. The sixth meeting of the Greater Mekong Sub-region (GMS) was to review billions of dollars worth of regional infrastructure projects, officials at the conference said.

Norida Morita of the Asian Development Bank said that the meeting would push forward the GMS program. "The main thrust of the Greater Mekong activities is to link

the six countries with a transport network," he said.

A proposed \$490 million road to connect Bangkok, Thailand with Phnom Penh, Cambodia and Ho Chi Minh City, Vietnam, is one project expected to be approved. Other joint projects being considered include a \$1.8-2.1 billion rail line from China to Southeast Asia, and construction of a telecommunications and power transmission network.

The week before the conference began, Chinese President Jiang Zemin told Malaysian Prime Minister Mahathir Mohamad, who was visiting Beijing, that China is committed to the Mekong River project. A Beijing official told the Singapore press that China considers Mekong River cooperation "a model for South-South cooperation," a term the Chinese government uses to promote economic ties among developing nations. There is also an office of the Foreign Trade and Cooperation Ministry which deals with South-South cooperation projects, such as the Eurasia land-bridge and the Mekong region rail lines.

Infrastructure

New body to oversee Asia private investment

A new regional body is being established in Asia to govern private investment policy in infrastructure, the *Asia Times* reported on Aug. 14. The Asia Infrastructure Development Alliance is to be inaugurated in October, at a joint meeting of the UN Economic and Social Commission for Asia and the Pacific and the second World Infrastructure Forum-Asia, to be held in New Delhi. The agency will be centered in Singapore.

British imperial strategy is to halt state support for, and to strangle, infrastructure development. To all appearances, the agency is part of that policy.

Ranjit Gupta, Indian ambassador to Thailand, said, "To the best of my knowledge, this is the first time the private sector is being placed on an equal footing with governments."

Graham Galloway, the chairman of the project, characterized the purpose of the organization: "Asian governments . . . have to

act decisively and engage the private sector in comprehensive and consistent dialogue to find realistic solutions." "Realistic solutions" are identified as including government guarantees and currency convertibility.

Economic Policy

German austerity will increase budget deficit

The German government's austerity package will only increase the budget deficit, the Berlin-based German Institute for Economic Research (DIW) warned in its weekly report at the end of August.

The DIW says that due to falling tax revenue and the ever-higher costs of unemployment, the public budget deficit this year will increase, despite all the budget cuts, from DM 111 billion (roughly \$69 billion) toward DM 130 billion. All public budgets are included in this figure. The federal budget deficit alone will be DM 76 billion, that is, DM 16 billion more than the official estimate.

If the government were to now push through its austerity package, it would only make things worse, warns the DIW. On Aug. 27, Ottmar Issing, the chief economist of the Bundesbank, announced that Germany will in 1996, as in 1995, miss the 3% GDP limit for the budget deficit demanded by the Maastricht Treaty. He said that Germany has now also surpassed the 60% GDP limit of the total public debt, thereby violating another Maastricht criteria.

Central Asia

Kyrgyzstan President boosts Silk Road

Kyrgyzstan needs the Silk Road trade routes to prosper, President Askar Akayev said in an interview with the Aug. 30 *Wall Street Journal Europe*. "Structural changes in our industry require access to new markets in India, Pakistan, and China," he said. "When we had access to all these trading routes, we

Briefly

were a booming country." The Silk Road routes which linked Europe to Asia have to be rebuilt, he said, and include a link from Kyrgyzstan to Pakistan.

"We have very good relations with our neighbors, but we have to put a lot of work into it," the President said. "Our great neighbor to the south is China. Uzbekistan, too, thinks it will be a great nation in the 21st century. And Kazakhstan says, 'Why should we be behind Uzbekistan?' According to the laws of physics, when large masses are putting pressure on, it does not give the small masses the opportunity to relax. Kazakhstan does not worry us, but with the other countries, we have to work constantly."

Relations with Tajikistan are a particular problem, he said, because of its territorial claims on Kyrgyzstan, and its role as an artery for drug- and weapons-smuggling from Afghanistan to Kyrgyzstan, and beyond.

Akayev said he hopes to sign a trade accord with China. "You have to be friends with your great neighbors," he said. He added that he hopes that the rebuilding of the Silk Road and a road to Pakistan will foster economic ties with China.

High Technology

Thailand to consider maglev in modernization

Thailand is planning to modernize its rail infrastructure, and the magnetically levitated Transrapid rail technology built by Germany is one of four options being considered, according to a report in the German economic daily *Handelsblatt* on Aug. 31.

The government of Thailand has authorized the state-owned railway company SRT to conduct a study during the next four months on how to modernize and expand the national rail grid. The study will build on a preliminary study recently done by Arun Chairseri and Schimpeler Associates Co., and the project would involve \$20 billion of investments in an 2,850-kilometer rail network. In the center of efforts would be the modernization of existing rail routes from Bangkok toward the Malaysian border, and from Bangkok to Chiang Mai in the north, Nong Khai in the northeast, and the indus-

trial provinces Chonburi and Rayong in the southeast. Among the four technologies to be studied are conventional high-speed trains with speeds of 200 kilometers per hour (kph); advanced trains which can manage steeper inclines, with speeds of 250 kph; the building of new rail lines using TGV, ICE, or Shinkansen high-speed technology, with speeds of 300 kph; and the Transrapid, with speeds of 500 kph.

The Thai government stated that selection of the technology will be done in consultation with Singapore, Malaysia, Laos, and China, because the Thai projects would be part of a common trans-Asian rail concept.

Middle East

Arab nations cut back economic ties to Israel

Israel's Arab neighbors are slowing down the implementation of economic agreements with Israel in the aftermath of the election of Benjamin Netanyahu as Israeli prime minister, the Israeli daily *Haaretz* reported on Aug. 25.

Egypt's oil minister has reportedly informed his Israeli counterpart recently that Egypt is not interested in resuming talks on the supply of gas to Israel. According to reports from unattributed Egyptian sources, Egypt believes that, after having concluded the principles of the deal with the previous government, the new government must now decide whether to accept these terms, or to cancel the deal altogether. Egyptian President Hosni Mubarak also has warned that his country will not convene the previously planned Mideast economic conference, if there is no apparent progress in the peace process.

Similarly, the Emir of Qatar has frozen discussions on the construction of a gas pipeline from Qatar to Israel, conditioning their resumption on political developments.

Reviewing this situation, the paper commented: "Thus, the Israeli government has achieved its most important feat in record time. It has returned Israel to a familiar situation, in which it knows how to function—in other words, as a small country surrounded by enemies."

THE MIDDLE EAST Regional Development Bank was registered with the UN on Aug. 26, and will begin its work in a few weeks. The bank's initial capitalization will be \$5 billion. Israel, Egypt, Jordan, and the Palestinian Authority will each control 4% of its equity. The United States will be the largest shareholder (21%), followed by Japan (9%), and Russia (6%).

PERU is being told by the World Bank to kick 4 million people off food assistance, the Peruvian daily *Expresso* reported Aug. 26. A World Bank report argues that "malnutrition has not fallen because of the inefficiency of food programs."

UZBEKISTAN Foreign Minister A. Kamilov suggested building a rail and road link to India via Iran, in a meeting with India's Minister of State for Commerce B.B. Ramiah in New Delhi, *Ettela'at* reported Aug. 26.

THE IRANIAN government is suing the German firm Siemens for not completing the 1,200 megawatt nuclear power plant at Bousher after the Iranian revolution, Iran's ambassador to Germany Hussein Moussavian told the daily *Iran* on Aug. 29. The suit seeks \$5 billion in damages. German exports to Iran have collapsed in the last three years to 25% of 1991-92.

RUSSIAN deputies have collected 70 of the 90 signatures required to call an emergency Duma (parliament) session on the food supply situation in the northern territories, *ITAR-TASS* reported Aug. 27. Only about 50% of supplies have been shipped, and 5 million people may be left without food during the winter.

CHINA increased control over stock markets on Aug. 30, the *International Herald Tribune* reported. The new rules ban insider trading, and are intended to control price manipulation. Exchange officials are barred from taking jobs at listed companies or brokerages, and the State Council will now select the head of the stock exchange.

George Bush: crack kingpin of the 1980s

by Jeffrey Steinberg

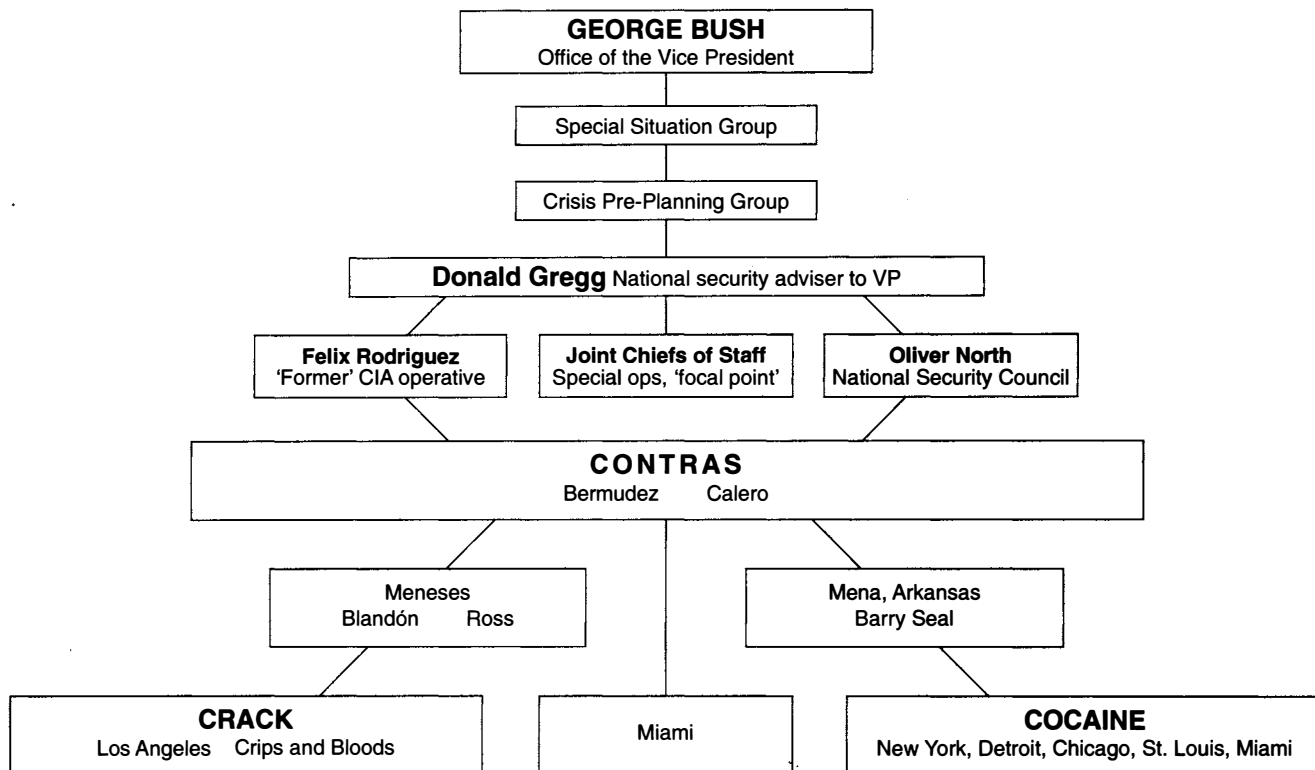
Former President George Bush, while serving as vice president in the Ronald Reagan administration in 1981-89, presided over a Nicaraguan Contra apparatus that was responsible for flooding the streets of Los Angeles' South Central district with crack cocaine, and fueling a murderous cycle of gang violence. This is the most startling conclusion to be drawn from a three-part series of articles published in California's *San Jose Mercury* on Aug. 18-20, 1996.

Based on a review of court records, recently declassified federal government documents, and eyewitness reports, *Mercury* reporter Gary Webb provided a detailed account of how the Nicaraguan Democratic Forces (FDN, the Contras) financed their 1980s war against the Sandinista regime in Managua, through a cocaine pipeline that went from Colombia, to the San Francisco Bay area, to the streets of Los Angeles, placing crack cocaine and guns into the hands of the Crips and the Bloods urban gangs. All the time that this crack epidemic was being unleashed by the Contras, Vice President Bush was the man in charge of the Reagan administration's Central America program, overseeing all of the activities of the CIA, the Pentagon, and every other government intelligence agency. Some of Bush's most immediate subordinates, including his National Security Adviser Donald Gregg, National Security Council staffer Lt. Col. Oliver North, and "ex"-CIA officer Felix Rodriguez, were major players in the day-to-day cocaine-Contra operations.

Speaking to 1,000 people at the annual Labor Day conference of the Schiller Institute, in Reston, Virginia on Aug. 31, Lyndon LaRouche asked: "How many thousands of federal prisoners are doing former Vice President George Bush's prison-time?"

LaRouche told the audience that he intends to make the Bush crack cocaine issue a centerpiece of the 1996 Presidential race between President Bill Clinton and his Republican challenger, Bob Dole. "Would a President Bob Dole, or a President Bill Clinton crack down on the greatest U.S. drug-trafficking kingpin of

'The Bush Cartel'



the 1980s?" LaRouche asked.

The answer may be forthcoming far quicker than either Dole or Bush would care to think. Already, as the result of wide public exposure of the *San Jose Mercury* charges, U.S. Sen. Barbara Boxer (D-Calif.) and Rep. Maxine Waters (D-Calif.) have called for a full federal investigation of the Contra-crack connections. Senator Boxer, on Aug. 28, wrote to CIA head John Deutch, asking him to investigate the *Mercury* allegations, which emphasized the role of the CIA, in directing the FDN. On Sept. 4, Deutch wrote Boxer, that he had ordered the Agency's Inspector General to conduct an internal review of the allegations, and report back to him within 60 days—i.e., before the Nov. 5 national elections.

The Webb stories, while revealing devastating new documentation about the filthy underbelly of the 1980s covert wars in Central America, failed to complete the picture by tracing the command of the Central America program all the way to the top—to the Office of the Vice President. What you are about to read redresses that flaw, in an otherwise critical new contribution to the mounting body of evidence that it was George Bush who presided over the most devastating drug epidemic to beset any nation since the British Opium Wars against China during the last century.

The new evidence of the Bush Contra apparatus role in unleashing the crack epidemic and the accompanying urban

gang wars, is but the latest piece, of a far bigger picture of Bush sponsorship of a global series of covert wars and other clandestine programs—all funded by government-protected illegal narcotics sales.

Prior to the *Mercury* series, there was already massive evidence that the Bush-North Contra apparatus was involved in flooding the United States with cocaine, through Mena, Arkansas and other locations, and repeated efforts by Congressional committees and honest agents of the Drug Enforcement Administration and other law enforcement agencies to investigate, were systematically suppressed for "national security" reasons.

The afghansi mujahideen, for example, the nominally Islamic army deployed in a decade-long war against the Soviet Red Army in Afghanistan, was financed, to a great extent, by the buildup of a massive opium and heroin trade from the Golden Crescent. At points during the height of the afghansi operations in the mid-1980s, over 50% of the heroin sold illegally on the streets of the United States and Europe, came from Afghanistan.

In Mexico, President Carlos Salinas de Gortari, a Bush clone, was responsible for a drug cartel near-takeover of Mexico; and President Bush personally ordered the overthrow of Gen. Manuel Noriega in Panama, in order to turn control over that country, especially its banking system, to the Cali Cartel.

In recent weeks, Bob Dole has accused President Clinton of abandoning the war on drugs of the Republican administrations in the 1980s. Considering that Dole is running as the candidate of the George Bush-dominated Republican Party, these attacks are the height of hypocrisy. This *EIR* report sets the record straight.

The Contras and the crack epidemic

by Jeffrey Steinberg

On Aug. 18-20, the *San Jose Mercury* published a series of articles documenting, for the first time, the role of the George Bush-led Nicaraguan Democratic Force (FDN), the Contras, in creating the crack cocaine epidemic during the mid-1980s. According to the *Mercury* stories, which were based on a series of recent federal narcotics prosecutions and newly declassified FBI files, during 1981-86, this Bush-Contra apparatus flooded the ghetto streets of Los Angeles with tons of cocaine per year, generating hundreds of millions of dollars in profits, that were plowed back into the Contra rebels in Central America. Today, as the result of this Bush treachery, hundreds of thousands of African-Americans, Hispanic-Americans, and others are sitting in state and federal prisons, in effect, doing George Bush's jail time, while the kingpin of the effort roams free, enjoying the celebrity and financial rewards attached to his former posts as vice president and President of the United States.

No city in the United States has been unaffected by the crack epidemic. The Los Angeles street gangs, the Crips and the Bloods, that were the primary recipients of tons of cheap, high-grade cocaine, courtesy of the Bush-Contra apparatus, turned South Central Los Angeles, nearby Compton, California, and, eventually, hundreds of cities and towns all across America, into war zones. The casualties from this urban crack cocaine war, are already into the tens of thousands of deaths, and millions of walking wounded.

The *San Jose Mercury* series, written by Sacramento-based reporter Gary Webb, failed to mention Vice President Bush, or his role as "commander in chief" of the secret war in Central America, and focused instead on the CIA as the principal culprit. But by the end of 1981, through a series of Executive Orders and National Security Decision Directives, many of which have been declassified, Vice President George Bush was placed in charge of all Reagan administration intelligence operations (see article, p.15). All of the covert operations carried out by officers of the CIA, the Pentagon, and every other federal agency, along with a rogue army of "aster-

oid" former intelligence operatives and foreign agents, were commanded by Vice President Bush. In an interview with this writer, Webb acknowledged that he simply had not traced the command structure over the Contras up into the White House, although he had gotten some indications that the operation was not just CIA.

A devastating picture

What Webb did pinpoint, however, is devastating. From the very beginning of the Reagan administration, the United States was actively engaged in a surrogate war against the Sandinista regime in Nicaragua, which had come into power in 1979 by overthrowing the government of Anastasio Somoza—ironically, with the backing of the Jimmy Carter administration. And, from the very beginning of the Reagan administration, the "surrogate force," the Contras, was heavily bankrolled through the trafficking in cocaine on the streets of California, and elsewhere in the United States.

The FDN apparatus in the San Francisco Bay Area, which controlled the cocaine pipeline into Los Angeles, was well known to, and tightly controlled by, the George Bush-led Contra hierarchy. Adolfo Calero, a former Coca Cola executive in Managua, Nicaragua who was the handpicked head of the FDN "government in exile," was on the Bush-North payroll throughout the 1980s. According to court documents obtained by the *Mercury*, and now also in the possession of *EIR*, Calero made frequent trips to the Bay Area throughout the early 1980s, and was photographed with the head of the cocaine ring, Juan Norwin Meneses Cantarero, at at least one Contra fundraising event. Meneses was officially the head of "intelligence and security" of the FDN for California, and he was present at all public and private Calero events, including at least one meeting with Oliver North White House assistant (and former Dan Quayle senatorial staffer) Rob Owen. In memos to North, later unearthed during the investigation of Iran-Contra special prosecutor Lawrence Walsh, Owen freely acknowledged that he was aware that the Contras were being financed by big-time cocaine traffickers.

At the same time, Meneses was a target of the Drug Enforcement Administration (DEA), which had been tracking him as a major international drug trafficker as far back as 1974, when he was known as "El Rey de Drogas" ("The King of Drugs") in Managua. (In 1984, the DEA obtained a sealed indictment against Meneses for cocaine smuggling, but the indictment, and the attached no-bail arrest warrant, were never unsealed. By the late 1980s, Meneses would be a target of 45 separate DEA narcotics probes.)

Launching the 'crack' epidemic

According to testimony in the March 1996 San Diego federal trial of Los Angeles crack dealer Ricky Donnell Ross, the FDN cocaine pipeline was opened in 1981—even before the first FDN "troops" entered Nicaragua. Oscar Danilo Blandón Reyes, one of the key government witnesses against Ross, had been a central player in the FDN cocaine ring. He

told the court that in the spring of 1981, he received a call from a fellow Nicaraguan exile in Miami, Donald Barrios, asking his help in launching an organized military resistance to the Sandinista regime. Blandón had fled his homeland on June 19, 1979, just before the Sandinistas took over Nicaragua. At the time, Blandón had been the head of a \$27 million Somoza government agricultural export program. He was willing to help.

Blandón was told to go to Los Angeles International Airport and make contact with another Nicaraguan exile, Meneses, who would be flying down from San Francisco with details. A few days later, the two men, both from prominent Somoza-era families, flew to Honduras, for a planning session with Col. Enrique Bermudez, the former Nicaraguan military attaché in Washington, D.C., who had already been placed on the CIA payroll to organize an anti-Sandinista resistance force, made up primarily of former members of the Somoza National Guard.

Blandón would later acknowledge that the Honduras meeting had spelled out plans to bankroll the Contra force via cocaine trafficking. (On Dec. 1, 1981, President Reagan would sign a secret order authorizing the CIA to spend \$19.9 million for covert military aid to the recently formed Contras—hardly enough money to launch a serious military operation against the Cuban- and Soviet-backed Sandinista regime.)

Returning to California, Blandón traveled to San Francisco, where he was put through an “apprenticeship” program on how to traffic in illegal narcotics, at the feet of an old master, Meneses. He was instructed to open up a cocaine pipeline into the Los Angeles area.

Blandón’s cocaine business took off, when he made a connection with an up-and-coming drug dealer from South Central Los Angeles, Ricky Donnell Ross. Ross had originally met another Nicaraguan cocaine dealer, Henry Corrales, who began supplying Ross and his partner, Ollie Newell, with, in Ross’s words, “remarkably inexpensive cocaine.” Corrales’s supplier was Blandón. Blandón soon took direct charge of the Ross “account.”

Cocaine comes to the ghetto

Up until Blandón and Ross hooked up, cocaine was a little-known drug on the streets of the Los Angeles ghettos, even though it had already become the “narcotic of choice” for Hollywood’s jet setters. In the late 1970s and early 1980s, when cocaine first began flooding the United States, the drug was too expensive for ghetto users. Ross, Blandón, and Meneses changed all that. Blandón sold cocaine to Ross at rock-bottom prices. According to Ross’s account, Blandón would undersell all the competition by at least \$10,000 per kilo. “Sometimes he’d be giving it away,” Chico Brown, a Ross partner, told the court.

Soon, Ross was pouring millions of dollars worth of cocaine into the hands of the Crips, a Los Angeles gang that was a creation of members of prison gangs inside California’s

maximum security prisons. Members of the Symbionese Liberation Army and the Black Liberation Army, both 1970s-era terrorist groups, were among the leaders of the prison-based gangs, such as the Black Guerrilla Family that spawned the Crips and the Bloods. Ross became the principal supplier to the Crips and the rival Bloods.

By the mid-1980s, Ross was purchasing over a hundred kilos of cocaine a week from Blandón, generating \$2-3 million a day in dope sales! In 1983, Ross became the first major supplier of crack cocaine in the United States—courtesy of his Contra cocaine pipeline. By the time crack hit the streets of Los Angeles, Ross had established a distribution infrastructure—through the Crips and the Bloods—that dominated the city’s South Central neighborhood, and nearby Compton. “It was unreal,” Ross told *Mercury* reporter Webb. “We were just wiping out everybody,” with the high-grade, low-cost free-base form of cocaine.

Between Thanksgiving and Christmas 1985, according to DEA documents, crack cocaine hit the streets of a dozen other U.S. cities. For \$5 a hit, youth nine and ten years of age were given their introduction to cocaine. And it was a killer. Crack, unlike other forms of cocaine, is instantly addicting, because the free-based cocaine rushes from the lungs, to the heart, and then to the brain, causing an immediate rush, and then, an equally powerful crash. Crack users are prone to violence and paranoia.

Even after crack hit the streets of scores of U.S. cities, Ross’s cocaine connection was still the cheapest in the country. Courtesy of Ross, the Crips and the Bloods were able to spread their cocaine operations eastward, opening up branches in cities all across the country. With the spread of the gangs and crack, illegal weapons also flooded the streets of urban America. And, again, the weapons pipeline was via Blandón and George Bush’s Contra infrastructure.

According to Ross, once the Crips and the Bloods had established their crack distribution operations, Blandón became a principal supplier of guns, countersurveillance tools, and other military equipment. “Once he [Blandón] tried to sell my partner a grenade launcher,” Ross told the *Mercury*’s Webb. At least one of Blandón’s weapons suppliers was Ronald J. Lister, a former Laguna Beach, California police detective who went to work for a variety of federal agencies, including the CIA, DEA, and FBI. Lister was a West Coast arms supplier and “fundraiser” for the Contras.

Meneses’s Colombia connection

Blandón’s successful Los Angeles business partnership with Ross was all based on Meneses’s bottomless supply of high-grade, cheap cocaine from Colombia. And that’s where George Bush, Oliver North, “ex”-CIA officer Felix Rodriguez, et al., come back into the picture—with a vengeance.

Meneses had been granted political asylum in California in June 1979—despite the fact that he was all over the DEA’s computers as Nicaragua’s leading drug kingpin. In fact, Meneses would *never* see the inside of a U.S. jail or even a U.S.

courtroom. U.S. anti-drug officials would complain bitterly about the interference they encountered from the “national security apparatus” and the Criminal Division of the Justice Department, every time they tried to nail Meneses. He was eventually arrested in 1992—back home in Managua, by Nicaraguan anti-narcotics police. The police grabbed 750 kilos of pure cocaine in the raid on Meneses’s operation. In the trial that followed, details about the Meneses ring came out.

Enrique Miranda, Meneses’s liaison to the Colombian cocaine cartels, testified that throughout the first half of the 1980s, Meneses obtained his cocaine from Colombia via Marcos Aguado, a Nicaraguan pilot who was, at the time, a senior commander in the El Salvadorean Air Force—running “humanitarian aid” and weapons flights to the Contras out of Ilopango air base near San Salvador, the capital of El Salvador. The DEA country agent for El Salvador, Celerino Castillo, would identify Aguado as one of a score of Contra pilots who were known cocaine smugglers. Aguado would fly Salvadorean Air Force planes to Colombia, load up the planes with cocaine, and then fly to the United States, *where he landed on U.S. military bases*, according to Miranda’s testimony.

The Ilopango Contra supply operation was run out of the White House office of George Bush, via Bush’s national security aide, ex-CIA officer Donald Gregg, and “ex”-CIA officer Felix Rodriguez, who was on the scene at Ilopango. Records released during the 1987 Congressional Iran-Contra hearings revealed that Rodriguez kept Gregg and Bush fully informed on his operations in El Salvador.

But, the inbound flights full of cocaine could not have been cleared onto U.S. military bases without the involvement of senior Pentagon officials, as well. They, too, were subordinate to Vice President Bush, as per National Security Decision Directives 2 and 3, which created the Special Situation Group, and its subordinate Crisis Pre-Planning Group, as the “focal points” for the secret Contra support program.

The secret to Meneses’s discount prices to the Crips and the Bloods, making it possible to flood America’s urban ghettos with Colombian cocaine, was that Meneses’s operation was “bust-proof.” The cocaine was obtained from the Colombia cartels as their “contribution” to the Contra effort—gratis. In return, the cartels enjoyed a decade of relative immunity from any serious U.S. anti-drug effort.

And it’s no surprise. By the mid-1980s, President Reagan had named George Bush to head the White House anti-drug effort. Bush ran the National Narcotics Border Interdiction System, which purported to coordinate the efforts of all federal, state, and local anti-drug agencies, especially along the southern Florida coast, where much of the cocaine came into the United States during the Contra era. Meneses took full advantage of this arrangement. He owned a ranch in Costa Rica which served as a Contra base, and a refueling stop between Colombia and the United States.

Furthermore, planes flying from South America into U.S.

military bases were all-but-immune from intercept by U.S. Coast Guard, U.S. Customs, DEA, and other drug interdiction efforts—through the Joint Chiefs of Staff’s “focal point” logistical system.

The aftermath

In early 1987, Congress failed to renew the Boland Amendment, that had blocked the CIA from openly backing the Contra insurgency in Nicaragua. Now, the money pipeline was opened up—without the 1981 funding cap. The downing of a Contra supply plane over Nicaragua in October 1986 had, for the first time, revealed the scope of the secret White House illegal Contra support operation; and Sen. John Kerry (D-Mass.) was conducting a Foreign Relations subcommittee probe of the by-then massive evidence of narcotics trafficking by the Contras. It was time for damage control.

On Oct. 27, 1986, agents from the FBI, the Internal Revenue Service, the Los Angeles County Sheriffs Office, and local police, raided a dozen southern California locations, armed with arrest warrants for Danilo Blandón, his wife, and scores of associates. Mrs. Blandón had apparently been involved in the cocaine ring. A cousin, Orlando Murillo, a Nicaraguan banker who had fled to Coral Gables, Florida and become vice president of Government Securities Corp., had served as the group’s “banker,” facilitating the laundering of drug money into the Contra accounts.

The raids were, however, a monumental flop. Blandón had been tipped off in advance, and no evidence was discovered. He “retired” to Florida with \$1.6 million in start-up money. But, several years later, Blandón was back in California, running cocaine once again. This time he was busted, and convicted. But, Assistant U.S. Attorney L.J. O’Neale, who had been instrumental in the earlier coverups of the Blandón-Meneses FDN cocaine ring, intervened to get Blandón’s sentence reduced to 28 months, with no parole. Blandón spent much of that time being debriefed by federal agents; and, Sept. 19, 1994, Blandón was released from jail, and put on the payroll of the DEA! Since then, he has received \$166,000 in tax-free pay from the Justice Department.

Meneses left the United States before any actions were ever taken against him. After operating in Costa Rica for several years, he tried, unsuccessfully, to restart his cocaine business in Nicaragua.

In 1987, the Los Angeles Sheriffs Department created a “Freeway Ricky” Task Force to shut down Ross, the county’s most notorious cocaine dealer. Ross left town, and set up shop in Cincinnati, where he was eventually arrested. He served five years in jail, and returned to the streets of Los Angeles last year. But, as fate would have it, Ross was soon back in business with his old partner—Blandón. On March 2, 1995, Ross was arrested by the DEA, courtesy of his Contra supplier. Ross was convicted in August. The government is asking for him to be sentenced to life without possibility of parole.

How the 'Iran-Contra' investigation protected Bush's secret drug network

The following is adapted from a 1994 pamphlet published by the "Defeat that Son-of-a-Bush Committee," which was instrumental in exposing and defeating Oliver North in his 1994 campaign for the U.S. Senate from Virginia.

What do you think of as the biggest scandal of the 1980s? If you answered "Iran-Contra," then you answered the way the American public has been programmed to think.

On Nov. 25, 1986, a myth was born. It was a hoax, promoted by the news media, which had the effect of protecting a "secret government" apparatus, much of whose operations were financed by proceeds of drug-smuggling, which operated under the total and complete control of Vice President George Bush. On that date, at a press conference, Attorney General Edwin Meese for the first time linked the recently exposed illegal Contra support operations to the Iran arms-for-hostages scandal. Meese linked these two hitherto separate operations—previously labelled "Contragate," or "Iran-gate," or "Iranscam"—by revealing that monies from arms transactions between Israel and Iran had been "diverted" to the Contras.

"The only person in the United States government that knew precisely about this," declared Meese, was Oliver North, a member of the staff of the National Security Council operating out of the White House. From that point on, the ever-compliant news media focussed all their attention on Marine Lt. Col. Oliver North, and on something that came to be called "Iran-Contra." Then, most of the media devoted their efforts to trying to find out how much President Ronald Reagan knew about what North was doing. Ultimately, televised Congressional hearings were held, which gave us the famous images of Oliver North.

North was absolutely not a renegade, or a loose cannon on the National Security Council staff. He was simply a staff member of a well-defined but secret operating structure headed by George Bush. This apparatus ran a myriad of covert operations, spied on U.S. citizens, ran guns all over the world, and was responsible for bringing a virtual flood of drugs into the United States. That's what the "Iran-Contra" hoax was intended to hide.

Bush's 'national security cartel'

Bush's "secret government" apparatus, built up from 1981 to 1986, drew upon the CIA and the Department of

Defense's "special operations" capabilities. But the operations run by Bush's White House apparatus were neither "CIA" nor "Pentagon" operations. Rather, they were set up in order to bypass the official agency structure of the federal government. In many cases, the apparatus was used to do things that the CIA could not, or would not, do. It cohered with the "privatization" of many CIA and U.S. intelligence operations, a process which spun off the free-floating intelligence operatives often called "the asteroids."

To understand how Bush's "secret government" worked, we must look at the "crisis management" apparatus in the White House and the misnamed National Security Council staff (which is not a "staff" for the National Security Council, but a staff for White House operations involving national security).

In December 1981, President Reagan signed Executive Order 12333, designed to "unleash" U.S. intelligence agencies from the restrictions of the 1970s. E.O. 12333, governing all "foreign intelligence" operations, included provisions for the use of private "assets" by the intelligence and law enforcement community. E.O. 12333 also designated the National Security Council (NSC) as "the highest Executive branch entity" for review, guidance, and direction of *all* foreign intelligence, counterintelligence, and "special activities" (i.e., covert operations). This effectively put the NSC in charge of the CIA, military intelligence, special operations, etc. This did not mean the President's national security adviser, but the NSC staff structure—which for these areas was run by George Bush. How did that work?

On Jan. 12, 1982, National Security Decision Directive Number 2 (NSDD-2) was issued, which formalized the National Security Council structure. It created a series of Senior Interagency Groups (SIGs) for foreign policy, defense policy, and intelligence. There is no reference to the vice president in NSDD-2.

But a month earlier, on Dec. 14, 1981, in between the adoption of E.O. 12333 and NSDD-2, National Security Decision Directive Number 3 (NSDD-3) had already been issued. Entitled "Crisis Management," it set the stage for George Bush's takeover of intelligence and secret operations. NSDD-3 created the Special Situation Group (SSG), "chaired by the Vice President," which provided that a national security matter which needed to be handled more rapidly than routine NSC staff functions provide, "may be considered in the con-



Oliver North (right) with Henry Kissinger (left) and Sen. Pete Domenici (R-N.M.), members of the Kissinger commission on Central America, in 1983. North later became the staff coordinator for the Crisis Pre-Planning Group, an agency which oversaw the guns-for-drugs Contra operations, run by George Bush and set up to bypass the official agency structure of the federal government.

text of crisis management." Crisis management was designated as the responsibility of Bush's SSG.

Then, on May 14, 1982, an implementing memorandum created the Crisis Pre-Planning Group (CPPG) subordinate to the SSG. The SSG-CPPG (headed by the vice president) was placed on the same level as the National Security Council, and superior to the secretary of state. It was this to which Secretary of State George Shultz vigorously objected. The CPPG was an interagency body which included representatives of the CIA, Pentagon, White House, State Department, and other agencies. Its staff coordinator was—*Oliver North*.

Thus, under NSDD-3, one man was in charge of the "secret government" machinery. This structure combined, as much as possible, all intelligence and foreign policy "crisis management" under the operational control of the vice president of the United States.

The Bush apparatus continued to grow during the next couple of years. On April 10, 1982, President Reagan signed NSDD-30, creating the "Terrorist Incident Working Group" (TIWG, or "Tee-wig"), "to support the Special Situation Group" (i.e., Bush). Then, in July 1985, President Reagan named Bush to head up a new Terrorism Task Force, consisting of representatives of the Defense Department, CIA, State Department, and the National Security Council, plus the FBI's Oliver "Buck" Revell, and the Israeli Amiram Nir.

The task force's report, issued in February 1986, created a permanent extension of the task force: the Operations Sub-Group, officially a sub-group of Bush's TIWG. It also established a permanent counter-terrorism office located in the NSC staff, headed by, guess who?—*Oliver North*. North's

two assistants, Craig Coe and Robert Earl, were simply reassigned from Bush's task force.

The Operations Sub-Group was an interagency coordinating group which operated so as to bypass the regular intelligence and law enforcement agencies. For example, when the FBI's Revell was operating under the authority of the OSG, he would report to the OSG, not to the FBI director. The OSG was used, among other things, to run domestic surveillance and "dirty tricks" against Bush's enemies, particularly against opponents of the Contra policy.

One well-documented incident of Operations Sub-Group targeting of the secret government's "enemies' list" is the case of Jack Terrell, a soldier-of-fortune type who was a source for Congressional investigations and news media exposure of the Contra drug-running operation, beginning in March 1986. Terrell had also been interviewed by federal investigators in Miami who were looking into both gun-running and drug-trafficking in connection with the Contras, and was thus a federal witness.

In response to two news media programs on Contra involvement in drug-running, one on National Public Radio on May 5, 1986, and a second on CBS-TV on June 25, North and Maj. Gen. Richard Secord (ret.) set into motion their plan to silence Terrell, which is documented in materials released by the Congressional Iran-Contra committee. As part of this, FBI official Buck Revell deployed the FBI's Special Operations Groups to conduct intensive surveillance of Terrell. Other FBI officials objected, charging that North "was trying to interfere with a Bureau investigation into allegations that the Contras were involved in running drugs."

'Iran-Contra'

It was to divert attention from this growing focus on Contra drug-running, that the official "Iran-Contra" investigation and coverup was set into motion.

The Iran portion of Iran-Contra generally refers to certain initiatives taken by the Reagan-Bush administration in 1985-86 to sell a certain number of missiles to Iran in hopes of obtaining the release of American hostages being held in Lebanon. There was nothing criminal in this initiative, although it violated stated U.S. policy and possibly violated certain civil statutes. In comparison with large-scale arms and munitions sales to Iran following the release of the U.S. hostages in January 1981, which were either carried out directly by the Reagan-Bush administration, or approved by it, the 1985-86 initiatives were relatively insignificant.

The Contra half of Iran-Contra refers to covert U.S. support for the Nicaraguan Contras (anti-Sandinista "counter-revolutionaries") carried out during 1984-86 over the objections of Congress and in violation of a series of amendments (the "Boland amendments") to Congressional budgetary authorizations. Support for the Contras was drawn from private and off-budget funds, administered through a semi-private operational network known as "the Enterprise."

The focus on the diversion of funds from the Iran hostage operation to the Contras, allowed a much bigger diversion: the diversion of public attention from much bigger scandals, especially the large-scale promotion of international drug-trafficking by these Bush-run covert operations. The two biggest of these were the Contra operation in Central America, and the Afghanistan War. In reality, the covert support for the Afghanistan "freedom fighters" was a much larger operation than the Contra operation, and involved far more drugs than that in the Contra operation.

It is estimated that the U.S. CIA spent \$3 billion smuggling weapons to the Afghan mujahideen; as with many such operations, the United States paid for it, and the British controlled it through "humanitarian" support groups, non-governmental organizations, etc. Even the \$3 billion from the United States was a small portion of the total funding; some sources say that the Colombian Medellín and Cali drug cartels contributed \$10-20 billion to the Afghan mujahideen. Before the war started, very little opium and heroin came out of this Pakistan-Afghanistan area; by the mid-1980s, the "Golden Crescent" in Southwest Asia had surpassed the "Golden Triangle" of Southeast Asia, providing one-half of the heroin reaching the United States!

As well, drug addiction within the area skyrocketed: In 1980, there were only 5,000 addicts in Pakistan; by the mid-1980s, there were over 1.3 million.

(The Afghan operation, which gave us drugs in the 1980s, also produced the terrorist footsoldiers of the 1990s, who, after being cut loose at the end of the war in 1979, were picked up by British and derivative operations. See *EIR Special Report*, Oct. 13, 1995, "New Terror International Targets

South Asia.")

These two covert operations, Afghanistan and the Contras, both of which resulted in flooding the United States with illegal narcotics, might have constituted something called "Afghan-Contra," or perhaps "Narco-gate." But, instead, we got "Iran-Contra," and the story of Bush's drug-trafficking scandals, which were already well known at the time, were suppressed.

'Contragate'

In the months preceding the breaking of the Iran-Contra scandal, in January-February 1986, investigators from the U.S. Attorney's Office in Miami began investigating allegations of drug-running and gun-running involving the Contras. In April 1986, six months before the Iran-Contra scandal broke, a subcommittee of the U.S. Senate Committee on Foreign Relations chaired by Sen. John Kerry (D-Mass.) also began investigating allegations of gun-running and narcotics trafficking associated with the Contras. The committee stated that as it proceeded with its investigation, "significant information began surfacing concerning the operations of international narcotics traffickers, particularly in relation to the Colombian-based cocaine cartels." On this basis, said the committee, the Contra-related allegations were incorporated into a broader investigation "concerning the relationship between foreign policy, narcotics trafficking and law enforcement."

Over the spring and summer of 1986, the Operations Sub-Group had become increasingly worried about public disclosures of the Contra operation and its ties to drug dealers. On May 5, 1986, National Public Radio ran a report on the Contras and their ties to drug-running and gun-running, featuring Jack Terrell. As Terrell later told it, the NPR story fanned the flames of the Contra story. "The White House trotted out its damage-control experts and picked up the pace of its efforts to silence critics through intimidation and smear tactics."

Another target of the OSG was Lyndon LaRouche and his associates, who had been exposing the Contras as drug-runners since the early 1980s. On the same day as the NPR broadcast, a coded message from Richard Secord (the organizer of the Contra resupply operation) to North referred to one of Secord's agents who "has collected info against LaRouche."

Throughout the summer and into the fall of 1986, more and more information was surfacing about the supposedly secret Contra operation. Much of the information concerning drug-smuggling operations was connected to the Contra effort.

The Contra story was blown open on Oct. 5, 1986, when a C-123 cargo plane operated by the CIA-connected Southern Air Transport company was shot down over Nicaragua. The pilot was killed, but crew member Eugene Hasenfus survived and was captured by the Sandinistas. Information in

Hasenfus's possession led directly to known CIA operatives.

Almost a month later, on Nov. 3, 1986, the Lebanese newspaper *al-Shiraa* revealed that the U.S. government was secretly selling missiles to Iran in an effort to gain the release of hostages being held in Lebanon. News media and Congressional attention, which had been focused on Central America, suddenly became riveted on the Middle East. No apparent connection existed at that point between the two stories.

On Nov. 25, Meese gave his famous "diversion" press conference, and the story of Contra drug-running became buried in a torrent of press coverage and speculation about Oliver North and the Iranian ayatollahs.

North had not even gotten involved in the Contra operations until 1984. When the second Boland Amendment was passed by Congress in October 1984, all CIA operations in support of the Contras had to be officially terminated, and the covert support operation began to be run directly out of the White House. The Contra supply operation went "private," under the supervision of George Bush. Much of this was organized by retired CIA agent Felix Rodriguez, who was a friend of Bush's National Security Adviser Donald Gregg from their days in Vietnam.

In late 1984, Gregg introduced North to Rodriguez, who had already been working in Central America under Bush's direction for over a year. In January 1985, Bush's office arranged for Rodriguez to set up a Contra resupply depot at Ilopango Air Base in El Salvador. This became the principal air base later used by the North-Secord operation; it was also, according to eyewitnesses, a major drug transshipment point.

At the recommendation of Director of Central Intelligence William Casey, North enlisted special operations veteran General Secord to aid the Contra supply operation. Secord recruited a staff from the pool of retired Army and Air Force Special Forces operatives, most of whom had, at one point or another, been posted to the CIA-linked Special Operations Division "focal point" within the Joint Chiefs of Staff.

North was not "running" the Contra supply operation, any more than he was "running" any other operation. He was simply carrying out policies set by George Bush, and to a lesser extent by CIA head Casey, who were both running parts of the Contra operation. And, in fact, the famed North-Secord airlift operation was in most respects subordinate to the side of the operation being run by Bush's office through Don Gregg and Felix Rodriguez. What they had in common is that they were all knowingly basing their operation on known drug traffickers.

The 'Narco-Contras'

During all the misdirected hoopla about Iran-Contra, the Senate Foreign Relations subcommittee (known as the "Kerry committee") continued its work. Jack Blum, an investigator

for Senator Kerry, testified to the committee on Feb. 11, 1987 that the Contras move drugs "not by the pound, not by the bag, but by the ton, by the cargo planeload."

Sources close to the investigation told *EIR* that 75% of the evidence on Contra drug-dealing was never used by the Kerry committee. But, what they did use was devastating, and was almost totally ignored by the news media.

The final committee report, entitled "Drugs, Law Enforcement and Foreign Policy," issued in December 1988, stated that the committee had uncovered considerable evidence relating to the Contra network, which substantiated many of the initial allegations put in front of the committee when it began its investigation in the spring of 1986. The report states:

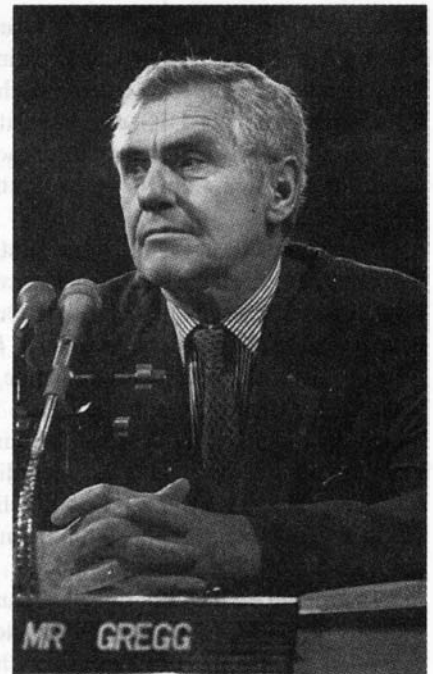
"On the basis of this evidence, it is clear that individuals who provided support for the Contras were involved in drug trafficking, the supply network of the Contras was used by drug trafficking organizations, and elements of the Contras themselves knowingly received financial and material assistance from drug traffickers."

The committee report found that these links included:

- "Involvement in narcotics trafficking by individuals associated with the Contra movement.
- "Participation of narcotics traffickers in Contra supply operations through business relationships with Contra organizations.
- "Provision of assistance to the Contras by narcotics traffickers, including cash, weapons, planes, pilots, air supply services and other materials, on a voluntary basis by the traffickers.
- "Payments to drug traffickers by the U.S. State Department of funds authorized by the Congress for humanitarian assistance to the Contras, in some cases after the traffickers had been indicted by federal law enforcement agencies on drug charges, in others while traffickers were under active investigation by these same agencies."

In a number of instances, the Kerry committee report documents Oliver North's personal knowledge or involvement in these matters involving drug traffickers or drug money.

- So-called "humanitarian" payments to the Contras made through the "Nicaraguan Humanitarian Assistance Organization" (NHAO) were personally overseen and supervised by North. The Kerry committee report shows that many NHAO payments went to companies known to be involved in drug trafficking.
- SETCO (see below) "received funds for Contra supply operations from the Contra accounts established by Oliver North."
- Diacsa, a company under Drug Enforcement Administration (DEA) investigation in 1985-86 for drug trafficking and drug money laundering, was used by the principal Contra organization, the FDN, for "intra-account transfers." "The laundering of money through Diacsa concealed the fact that some funds for the Contras were through deposits arranged by Lt. Col. Oliver North."



Key operatives in the "secret government" apparatus which ran a myriad of covert operations, spied on U.S. citizens, ran guns all over the world, and was responsible for bringing a flood of drugs into the United States (left to right): Assistant Director of the FBI Oliver "Buck" Revell, Maj. Gen. Richard Secord (ret.), and Donald Gregg, George Bush's vice-presidential National Security Adviser and later Bush's ambassador to Korea.

The State Department continued to make payments to the Contras through Diacsa even *after* the top officials of the company were indicted for cocaine trafficking and money laundering in January 1985 and thereafter.

- North suggested to the DEA in June 1985 that \$1.5 million in drug money carried aboard a plane piloted by informant Barry Seal be provided to the Contras.

The Gregg-Rodriguez-North network

The people who Don Gregg, Felix Rodriguez, and Oliver North worked with in the Contra operation could make up an international police lineup of drug traffickers and terrorists. Some of their most notable associates include:

Juan Ramón Matta Ballesteros: This Honduran cocaine kingpin was convicted in July 1990 of conspiracy to kidnap, torture, and murder DEA agent Enrique Camarena. The July 7, 1990 *Los Angeles Times* said that Ballesteros "is reputed to be one of the world's biggest drug kingpins."

At the time of the Camarena affair, Matta Ballesteros was the owner of a Honduran charter airline, SETCO Air, that was paid over a half-million dollars by the U.S. State Department to airlift "humanitarian aid" to the Contras in a program run by North from the White House. Other funds, drawn directly from secret North-Secord bank accounts in Switzerland, were also funneled into SETCO Air.

The Kerry committee report states: "SETCO was the recipient in 1986 of \$185,924, in State Department NHAO of-

...funds for the transportation of humanitarian assistance to the FDN [Contras] based in Honduras. A 1983 U.S. Customs Service report stated that 'SETCO aviation is a corporation formed by American businessmen who are dealing with Matta and are smuggling narcotics into the United States.' The Matta referred to in the report is Juan Matta Ballesteros, a major cocaine trafficker in the region, and wanted by U.S. law enforcement agencies for the brutal murder of DEA agent Enrique Camarena in Mexico."

An Aug. 9, 1985 entry by Oliver North into his notebook removes any shadow of a doubt that North was fully aware of the Contra-cocaine connection: "Honduran DC-6 which is being used for runs out of New Orleans is probably being used for drug runs into U.S." The Honduran plane referenced by North was owned by Matta Ballesteros.

Rafael Caro Quintero: According to CIA contract agent Laurence Victor Harrison, Matta and Mexican drug cartel figures Rafael Caro Quintero and Felix Gallardo enjoyed North's and the CIA's protection in return for letting Central American "freedom fighters" be trained at dope ranches in Mexico, and for flying arms shipments to the Contra supply bases in Central America.

According to a report in the July 5, 1990 *Washington Post*, a ranch near Vera Cruz, Mexico, owned by Caro Quintero, the mastermind of the Camarena torture-murder and the head of the Mexican drug mafia, was used by the CIA to train Central American guerrillas. According to DEA informant

Laurence Victor Harrison, the CIA used Mexico's Federal Security Directorate (DFS) "as a cover in the event any questions were raised as to who was running the training operation. Representatives of the DFS, which was the front for the training camp, were in fact acting in consort with major drug overlords to ensure a flow of narcotics through Mexico into the United States."

Francisco Chanes and Frank Castro: North and company were aware of the cocaine connection even earlier, according to other government records. On Sept. 26, 1984, the Miami Police Department provided FBI Special Agent George Kiszynski with an investigative report identifying a network of Miami cocaine-traffickers which was pouring money into the Contras' coffers. Within days of the report being turned over to Kiszynski, according to congressional testimony, it had been passed on to Oliver "Buck" Revell, North's FBI liaison for the White House Central America program.

The Miami Police Department document stated in unambiguous terms: "Frank Castro is a close associate of an individual by the name of Francisco Chanes. . . . Chanes is a narcotics trafficker. . . . Chanes was giving financial support to anti-Castro groups and the Nicaraguan Contra guerrillas; the monies come from narcotic transactions. . . . Frank Castro contacted Mr. Coutin to give the Legion Cubana financial support to fight the Nicaraguan Sandinista Marxist Government. . . . The financial support was from drug monies."

Frank Castro, a convicted Cuban-American marijuana and cocaine smuggler, was a mainstay of the Contra recruitment and resupply operations in Miami. When the Miami police report was passed to the FBI and eventually on to the North-led interagency task force, the Miami investigation was quashed and all Contra cocaine links suppressed.

Jack Terrell says he was introduced by Tom Posey of Civilian Military Assistance (CMA, a purportedly private operation assisting the Contras) to a Cuban named Francisco "Paco" Chanes, part-owner of Ocean Hunter Seafood in Miami, which bought frozen seafood from *Frigoríficos de Puntarenas*, a Costa Rican seafood company. Terrell says Chanes offered him a million-dollar bribe to help smuggle cocaine into the United States in frozen lobsters. Chanes said that CMA would get a lot of money from the operation.

The Kerry committee report states: "Frigoríficos de Puntarenas, a Costa Rican seafood company, was owned and operated by convicted drug traffickers, Luis Rodríguez, Carlos Soto and Ubaldo Fernández. Frigoríficos received \$231,587 in humanitarian assistance funds for the Contras from the State Department in late 1985 and early 1986. Luis Rodríguez was finally indicted on Sept. 30, 1988 for drug smuggling which took place between November 1980 and January 1983."

John Hull: John Hull's ranch in Costa Rica, whose airstrip was used by the North-Secord Contra arms and re-

supply operation, was also a transshipment point for Colombia cocaine bound for the United States.

The Kerry committee report states: "John Hull was a central figure in Contra operations on the Southern Front when they were managed by Oliver North, from 1984 through late 1986. . . . Five witnesses testified that Hull was involved in cocaine trafficking."

One witness, pilot Gary Betzner, testified that his flights had carried weapons for the Contras to the Hull ranch, and then he carried drugs from the Hull ranch to the United States.

Steve Samos: Steve Samos is a top drug-money launderer in Panama. In January 1987, the *Wall Street Journal* reported that Samos was used by the North-Secord operation for two purposes:

1. Samos created Amalgamated Commercial Enterprises in November 1984, which was used to administer the airlift operation from Ilopango air base in El Salvador to the Contras. Its role was thoroughly established by special prosecutor Lawrence Walsh.

2. Samos also has extensive dealings with Panama's Banco de Iberoamerica, which, according to the *Wall Street Journal*, may have been used for Contra financing. It was also part of the money-laundering apparatus which Samos set up for marijuana smuggler José Antonio Fernández.

Michael Tolliver: Pilot Michael Tolliver, a convicted drug smuggler, testified before the Kerry committee that, at one point, he had flown 20 tons of marijuana to Homestead Air Force Base in Florida, in exchange for weapons for the Contras. The U.S. government settled a civil insurance claim for a plane flown by Tolliver which crashed in 1983; Tolliver said he had been hired to deliver weapons to the Contras and he often brought back drugs on the return flight.

In a deposition in another case, Tolliver testified that he had received payments for the drugs from Felix Rodriguez.

Federal Judge Patrick Kelly accused the U.S. government of engaging in "criminal conduct" in the Tolliver case. He said that the case "stinks to high heaven" and "involves the transport of drugs by agents of the United States, or with the acquiescence of the United States."

A DEA agent's story

Felix Rodriguez's central role in the Contra operation, working under Don Gregg in Bush's office, is thoroughly documented in the Final Report of the Iran-Contra Independent Counsel, issued in 1993. (Indeed, at one point North wrote in his notebook: "Felix talking too much about VP connection.")

Rodriguez's role in drug-running, described by Terry Reed (see p. 22) and also documented by the Kerry committee, has also been confirmed by the U.S. DEA's top agent in El Salvador from 1985 to 1991. Former DEA agent Celerino ("Cele") Castillo, gave interviews in 1994 to the *Texas Observer* magazine and to the Associated Press, charging that

Oliver North knew all about the drug flights in and out of El Salvador. The same information was later published in Castillo's book *Powders Burns: Cocaine, the Contras, and the Drug War*.

Castillo says that the North network and the CIA "were running large quantities of cocaine to the United States via Ilopango," the military air base in El Salvador. The shipments were flown to Florida, Texas, and California. "Oliver North was running the operation. His pilots were known drug traffickers listed in government files and these people were being given U.S. visas," he said.

Castillo said that the drugs were flown into Ilopango from South America, stored in Hangars 4 and 5 there, and then smuggled northward for sale in the United States. One hangar was owned and operated by the CIA, and the other hangar was owned by the NSC, and was run by Felix Rodriguez, alias "Max Gomez."

"Basically they were running cocaine from South America to the U.S. via Salvador," Castillo stated. "That was the only way the Contras were able to get financial help. By going to sleep with the enemy down there." He said that North's agents and the CIA were at the two hangars overseeing the operations "at all times."

In a Feb. 14, 1989 memo to U.S. attaché Robert Stia in Guatemala, Castillo identified more than two dozen known drug smugglers frequenting Hangars 4 and 5, among the pilots hired by Oliver North. "Now all these contract pilots were documented [in DEA files] traffickers, Class I cocaine violators that were being hired by the CIA and the Contras. And the U.S. embassy in El Salvador was giving visas to these people even though they were documented in our computers as being narcotics traffickers."

Castillo says that in 1986, he reported the cocaine smuggling to George Bush in person and to the U.S. ambassador to El Salvador. As to the ambassador's response, Castillo reports: "His words to me were that it was a covert White House operation run by Colonel Oliver North and for us to stay away from the operation."

On Jan. 14, 1986, Castillo says, he met Vice President Bush at a cocktail party at the U.S. ambassador's house in Guatemala City. Castillo described to Bush his job as chief of the U.S. drug law enforcement in the region. When Castillo told Bush minute details of North's drug-running operations, Castillo reports, Bush "just smiled and he walked away from me."

At a press conference in Washington on Aug. 2, 1994, Castillo again reiterated his belief that North knew that narcotics were being run out of the air base in Ilopango. "All of his pilots were drug-traffickers," Castillo said. A majority had been arrested for drug-trafficking. "He knew what they were up to and refused to do anything about it."

Castillo said that he had two informants at Ilopango who had access to all the flight plans and the pilots. The informants saw the drugs and the money, and the pilots also talked freely

about cocaine they were taking to the United States and about the money. When the DEA ran the names of the pilots through their computer, "every single one of them was documented as a narcotics trafficker in DEA files."

Castillo also pointed to the 543 pages of North's notebooks which make reference to drugs and drug trafficking, as identified by the Kerry committee. "Robert Owens, his buddy, was warning him and advising him that the Contras were heavily involved in narcotics trafficking."

Castillo also disclosed that there is still an open DEA investigation on North. He said that the DEA has a case, No. GFGD 91-39, in which North is being investigated for smuggling weapons to the Philippines with known drug traffickers.

North defends a narco-terrorist

Another documented instance in which Oliver North intervened directly in support of a narco-terrorist, is the case of Honduran Gen. José Bueso-Rosa. Bueso-Rosa was convicted in a U.S. court in 1985 in connection with a plot to assassinate the President of Honduras, a plot which was funded by a multimillion-dollar cocaine deal.

The Justice Department had called the case the "most significant case of narco-terrorism yet discovered." Yet, North directly intervened with federal authorities to try to keep Bueso-Rosa from having to serve his U.S. prison sentence! The Kerry committee report states that senior U.S. government officials, including North, "intervened with a federal judge to obtain a reduction to five years in the sentence for Honduran General José Bueso-Rosa, who was convicted in 1985 of conspiring to assassinate President Suaza Cordoba of Honduras."

The Kerry report also says that the assassination attempt was to have been financed by the proceeds from the sale *in the United States* of \$40 million in cocaine.

According to the Kerry committee report, Oliver North "suggested that efforts be made on Bueso-Rosa's behalf" in order to keep him from disclosing details of his support for the Contras. At a meeting of top State and Justice Department officials on Sept. 24, 1986, after Bueso-Rosa had already been sentenced to prison, North demanded that Bueso-Rosa be released and sent back to Honduras, rather than going to a U.S. prison. North did not succeed in preventing Bueso-Rosa from going to prison, but he did succeed in having him transferred from a medium-security facility in Alabama, to the minimum-security "Club Fed" prison camp at Eglin Air Force base in Florida.

North's strenuous and repeated efforts on Bueso-Rosa's behalf were opposed by FBI and Justice Department officials, as well as DEA officials. One U.S. law enforcement official, testifying before the Kerry committee, said that the intervention of North and others had "undermined President Reagan's policies" in the areas of anti-terrorism and anti-narcotics.

What really went on at the Mena airport?

by Edward Spannaus

According to more than one description, one of the world centers of the drug trade in the 1980s was a small town in western Arkansas called Mena. But drugs were only part of the story. The airfield at Mena was also a major transshipment point for arms going to the Nicaraguan Contras, and the wilderness around Mena was a training ground for Contra guerrillas and pilots.

In 1985, two local officials, an Internal Revenue Service agent and a State Police investigator, began looking into and compiling information on Mena. Out of the investigation, at least 30 federal indictments were drawn up by 1987, but the cases were suppressed.

By 1987, the allegations around the Mena drugs-for-guns operation were well-known, at least in Arkansas. Local television and newspapers attempted to probe the story. An article in the *Arkansas Gazette* in late 1987, for example, reported that a Congressional investigator had arrived in western Arkansas to interview people about the activities in Mena. "We're looking at various things pertaining to drugs and guns," the investigator stated.

The 1988 report "Drugs, Law Enforcement and Foreign Policy," produced by the Senate Foreign Relations subcommittee chaired by Sen. John Kerry (D-Mass.) (known as the "Kerry Committee"), stated that, in connection with grand jury investigations of drug trafficking in Mena: "Despite the availability of evidence sufficient for an indictment on money-laundering charges, and over the strong objections of state and federal law enforcement officials, the indictments were dropped. The apparent reason was that the prosecution might have revealed national security information."

At least a half-dozen other investigations of the operations in and around Mena were also undertaken, and killed, in the mid- to late-1980s—in the name of "national security." Who had the power to suppress so many federal investigations? Certainly not the governor of Arkansas, Bill Clinton.

Drugs for guns

As with any major scandal, it is necessary to sort out the wheat from the chaff. The Mena story has been embellished with spin and disinformation by those who want to either discredit it, or to divert attention from the actual culprits onto

others, such as Bill Clinton, who played tertiary roles in the whole affair. For example, although much of what Terry Reed reports in his 1994 book *Compromised* is clearly accurate and is confirmed by other sources, *EIR* has been unable to independently confirm the allegations made by Reed, that Oliver North and Bush's Attorney General, William Barr, were *personally* on the scene, in and around Mena.

But it is beyond dispute that Mena was the hub of a major Contra support operation, centering around a guns-for-drugs operation, run under the supervision of George Bush, Bush's National Security Adviser Donald Gregg, Gregg's longtime crony and former CIA operative Felix Rodriguez, and Bush's flunky Oliver North. Their key on-the-scene agent was Barry Seal, a documented operative for the CIA and an informant for the Drug Enforcement Administration (DEA). The Mena operation ran from 1981 up through October 1986, when one of Seal's planes which had often flown out of Mena, and which had been recently transferred, was shot down over Nicaragua carrying a load of arms for the Contras. (When the plane went down, Rodriguez placed a call to Bush's office to inform Gregg of the shootdown.)

George Bush was in charge

As to the notion that this was a "CIA" operation, we remind that reader that under the provisions of Executive Order 12333 and National Security Decision Directives Number 2 and Number 3, it was Vice President George Bush who was formally in charge of all such intelligence operations. The handwritten notes of a participant in an Aug. 12, 1986 meeting in Gregg's office include the following, which sheds light on who Rodriguez's actual boss was: "Felix claims working w/ VP blessing for CIA."

When Seal was indicted for drug trafficking in 1984, he flew to Washington to make a deal with Bush's staff, according to a number of published reports. By the spring of 1984, Seal had DEA informant status, which provided the cover for him to carry on his drugs-for-guns operation.

This was recently brought to public light by Richard Ben-Veniste, the minority counsel in the Senate Whitewater hearings, who was once also an attorney for Seal. On March 11, 1996, the *Wall Street Journal* editorial page, in the course of a long attack on Ben-Veniste, wrote the following: "Mr. Ben-Veniste told us one other intriguing thing. To wit, 'I did my part by launching Barry Seal into the arms of Vice President Bush, who embraced him as an undercover operative.'"

The Denton-Morris article

Much additional information about the Mena operation was disclosed in an article by former National Security Council official Roger Morris and investigative reporter Sally Denton; the article was fact-checked and edited for three months at the end of 1994 by the *Washington Post*, before the *Post*'s editors killed it for political reasons in January 1995. After a

search for another publisher, the Denton-Morris article was finally published in the July issue of *Penthouse* magazine, and elaborated in Morris's book *Partners in Power*. It is based on a study of over 2,000 pages of Seal's personal documents.

Denton and Morris comment that, although Mena "has been a topic of ubiquitous anti-Clinton diatribes circulated by right-wing extremists," the irony is that "the Mena operation was the apparent brainchild of the two previous and Republican administrations." They also show that some nine different investigations of Mena, from 1987 on, went nowhere, "from allegedly compromised federal grand juries to Congressional inquiries suppressed by the National Security Council in 1988 under Ronald Reagan to still later Justice Department inaction under George Bush."

The Denton-Morris article documents how one of the largest drug-smuggling operations in U.S. history was centered in Mena in 1981-86, involving at least \$3-5 billion worth of drugs. Some indication of what was actually involved, is shown by the fact that, after Seal's death, the IRS determined that the money earned by Seal in 1984-85 (the last two years of his life) was not illegal, because of his "CIA-DEA employment." Seal had been a member of the U.S. Army Special Forces, and had ties to the CIA dating to the early 1970s, according to Denton and Morris.

The article also referenced a Fayetteville, Arkansas gun manufacturer, William Holmes, who delivered 250 automatic pistols to Seal in Mena. According to Holmes, the purchase order for the guns was provided by the Department of Defense. Seal's Mena operations used airplanes and other equipment formerly owned by the CIA proprietary Air America, and the Mena project was described in FBI memos as something "the CIA had going in Mena" involving Southern Air Transport. The Seal papers also showed that Seal was running guns from Mena to the Contras, and also into Bolivia, Argentina, Peru, and Brazil. And the drugs he smuggled into the United States found their way onto the streets of New York City, Detroit, Chicago, St. Louis, and various cities in Arkansas.

Much of the Mena coverage since 1992 has been used to attempt to smear President Clinton with the allegations that he was on top of a massive drug operation in Arkansas. The comments of former U.S. Rep. Bill Alexander of Arkansas are instructive in this regard, because he was one individual who was pressing in 1988 for an investigation of what was going on in Mena. In March 1996, Alexander made public his collection of documents on Mena. "Mena was a U.S. government staging area to support the Contras in Central America," running weapons out, and drugs back, Alexander told the *New York Post*. "So far, it doesn't touch Clinton. This is pre-Clinton."

Hollinger dumps Bush

Confirmation of the role of George Bush in the Mena operation recently came from an unlikely source, the new

book *Boy President*,* by Emmett Tyrrell, Jr., the editor-in-chief of the *American Spectator*. Tyrrell's magazine (which operates as an asset of London's Hollinger Corp.) has been among the most virulent anti-Clinton media outlets in the United States; it broke the "Troopergate" story in December 1993, and hasn't let up on Clinton since. When Tyrrell puts Bush in the middle of the Mena operation, it should not be dismissed lightly.

Arkansas State Trooper L.D. Brown was one of the *American Spectator*'s original "Troopergate" sources, although in the early published accounts, there was no reference to Mena. But in Tyrrell's book, there is a description of Brown's recruitment to the "CIA" in 1984, by Seal and a man who identified himself as "Dan Magruder." Magruder, Brown later learned, was actually Bush's National Security Adviser Donald Gregg. Brown also described meeting Felix Rodriguez, alias "Max Gomez," in Arkansas.

Brown says in the book that he was sent by Rodriguez to Mexico to assassinate Terry Reed in June 1986; the details coincide with Reed's account of what he was doing in Mexico at the time, although Reed apparently had no idea about the assassination plot.

Tyrrell, to be sure, does not implicate Gregg and Rodriguez in the drug-running side of Mena, only the gun-running side; he tap-dances around the drug issue by suggesting that Barry Seal and perhaps even Clinton had corrupted a nice, clean gun-running racket by using it to run narcotics on the side.

(Ironically, Reed's book contains a lengthy description of a conversation he supposedly had with Seal, in which Seal told him that Bush's sons were involved in drugs, and that, as insurance, the "Bush family" wanted Seal to "dirty up" some Democrats. Seal allegedly told Reed that the Bushes wanted to "neutralize" some Democrats in Arkansas, and thus he was directed to provide cocaine to Clinton's friend Dan Lasater and Clinton's brother Roger.)

In any event, Tyrrell's account of the Bush network involvement in Mena was publicly endorsed by the Hollinger's *Sunday Telegraph*'s Ambrose Evans-Pritchard. In a review of Tyrrell's book published in the September issue of the *American Spectator*, Pritchard praises Tyrrell for his courage in following the trail all the way to Bush. "No one can accuse Tyrrell of ideological prejudice against the CIA," Pritchard wrote. "He was a friend of the late [CIA director] Bill Casey . . . and, as readers of the *American Spectator* know, he has been a tireless defender of Republican foreign policy. Yet he did not back away from the truth when his research into Clinton took him, unexpectedly, into Republican terrain. He deserves great credit for his intellectual honesty, not to mention his courage."

It seems that George Bush may have become expendable.

* *Boy Clinton: The Political Biography*, by Emmett Tyrrell, Jr., (Washington, D.C.: Regnery Publishing, 1996).

Iran-Contra prosecutor never investigated drug-running

by Edward Spannaus

During Oliver North's failed 1994 campaign for the U.S. Senate, he frequently claimed that there was no basis for any charges of his complicity in drug-running, because, as he kept saying, "I'm the most investigated man on this planet." The truth of the matter is, that the Iran-Contra special prosecutor, Lawrence Walsh, never investigated the drug-trafficking allegations, because he did not consider it part of his mandate.

Questioned about this in 1994 by *EIR*, Walsh offered an explanation as to why his investigation had not taken up the narcotics issue. At the time much of this information became available, in 1991, Walsh said, "We were trying to direct our investigation inward and upward in the [Reagan-Bush] administration, and not out into the periphery that could be handled equally well by a regular U.S. Attorney."

In a statement issued during the 1994 election campaign, in response to inquiries regarding Oliver North, Walsh stated that a long-term investigation of drug-trafficking allegations "would have diverted my staff from its investigation of crimes more central to high-ranking government officers. Our principal responsibility was criminal activities by government officials and those working closely with them, rather than personnel in the field who were subject to prosecution by regularly appointed prosecutors. Because of these limitations, it is inappropriate to suggest that our non-action constituted an exoneration of anyone."

The final report issued by Walsh in 1993, as voluminous and extremely detailed as it is, never deals with the drug issue. Yet, declassified files examined by this writer at the National Archives show that his office was in possession of large amounts of evidence on drug smuggling carried out by operatives involved in the Contra supply operation in the early- and mid-1980s, but that the evidence and investigative leads were never pursued. The records contain a surprising amount of information on drug-trafficking by pilots and others involved in the Contra resupply operation.

The Office of Independent Counsel (OIC) files include additional information on two cases which were publicized in the mid-1980s—those of drug pilots Michael Palmer and Michael Tolliver.

The Michael Palmer case

Michael Bernard Palmer was a former Delta Airlines pilot, a CIA and Drug Enforcement Administration (DEA) informant, the head of a billion-dollar drug-smuggling ring—and a recipient of State Department contracts to fly "humanitarian" aid to the Contras.

Some of the Palmer story was described in a 1988 report by a Senate Foreign Relations subcommittee chaired by Sen. John Kerry (D-Mass.). That report comments that an indictment of Palmer was dropped as "not being in the interests of the United States," and describes this as an instance of U.S. government agencies (State Department, DEA, and Customs) working at cross-purposes with each other.

Much more information about the Palmer case is contained in documents provided to Walsh's office by a convicted partner of Palmer, Justin Adams. Adams, a federal prison inmate, contacted the OIC and spoke to FBI Special Agent Mike Foster on a number of occasions. Foster took Adams seriously enough that he would accept collect calls from him, and Walsh's associate prosecutor Craig Gillen wrote a favorable letter on Adams's behalf for Adams's sentence-reduction hearing.

Adams told Foster that he had been set up to "take the fall" for Palmer, and that Palmer had threatened to expose the North operation. Although the local federal prosecutor in Detroit refused to dismiss the indictment against Palmer, it was dismissed by Bush's first Attorney General, Richard Thornburgh.

From the documents (which contain some deletions), it appears that Adams told FBI Special Agent Foster that Felix Rodriguez was coordinating flights in and out of Homestead Air Force Base in Florida, which "took arms to the Contras and drugs back to the United States."

An instance is described in the FBI interview in which pilot Michael Tolliver and three Latinos left from Miami with 28,000 pounds of lethal aid for the Contras, and they returned in the same plane with 29,000 pounds of marijuana.

In his summary of this interview with Adams, FBI Special Agent Foster wrote: "Adams believes this is an example of how the U.S. government was sanctioning drug dealing in



Special Prosecutor Lawrence Walsh, after the arraignment of Richard Secord, Oliver North, John Poindexter, and Albert Hakim. Walsh never pursued the evidence of drug-running conducted under George Bush's "secret government" network.

order to provide aid to the Contras and for other purposes. Adams does not know definitely, but he believes this sanction must have come from up high because [deleted] was a former or current Central Intelligence Agency official who has been publicly identified as being close to Oliver North, Donald Gregg, and George Bush."

It is almost certain that the deleted name is that of Felix Rodriguez, not only because the description fits him to a "T," but because Adams called Foster after hearing that Rodriguez was appearing before a grand jury in Washington.

In another interview in 1991, Adams told FBI Special Agent Foster that he had been in Mena, Arkansas in the summer of 1986, as part of a drug deal involving the importation of cocaine from Colombia.

The OIC files show that a number of references to Palmer and his Vortex Aviation were also found in a computer database search of entries in North's notebooks.

Castillo's leads ignored

The declassified OIC records also confirm the account that former DEA agent Celerino Castillo had provided to *EIR* of his contacts with Walsh's office regarding drug-

smuggling by the Gregg-Rodriguez-North Contra supply operation (see *EIR*, Sept. 23, 1994, p. 50).

The OIC records, of which Castillo himself was not aware, show that FBI Special Agent Foster went to San Francisco and conducted an extensive interview of Castillo, and that Foster interrogated Castillo concerning many figures involved in the Contra operation, including Donald Gregg, George Bush, and Felix Rodriguez. The FBI "302" record of the interview states that Castillo "believes that North and the Contra resupply operation at Ilopango [air base in El Salvador] were running drugs to raise money for the Contras. Many of the resupply pilots were drug-traffickers."

The records also show that, three days later, DEA officials contacted Craig Gillen, the prosecutor in charge of "continuing investigations" for Walsh, in a not-so-subtle attempt to discourage Walsh's office from pursuing its contact with Castillo.

FBI Special Agent Foster wrote a memo to Gillen on Oct. 10, 1991, in which he reported on his interview, and stated: "Castillo provides a lot of new background information and some significant leads that I think should be pursued." Foster also cautions that they should be "a little skeptical as well," partly because of DEA internal investigations of Castillo.

The OIC files confirm that there was almost no follow-up of Castillo's leads.

Implausible explanations

A source who was quite familiar with Walsh's operation told *EIR* that Walsh was very focussed on the diversion of government funds from the arms sales to Iran, into private Swiss bank accounts, and that he regarded this as the major offense that North and company were involved in. He basically regarded the allegations of drug-trafficking by the pilots involved in the Contra supply operations as the kind of offenses that any regular federal prosecutor could investigate.

Plus, this source said, by the time many of the drug-running allegations reached Walsh's office, he was under tremendous political pressure to wind up his investigation, and he would have come under enormous criticism had he branched out into other areas.

There are a couple of difficulties with this explanation. First, it has been documented that the Reagan-Bush White House and Justice Department intervened to block a number of drug investigations being pursued by federal prosecutors in the mid-1980s when those investigations threatened to expose covert operations being run by the White House-National Security Council. Second, once Walsh's investigation was under way, any U.S. Attorney investigating areas which overlapped with Walsh's investigation would have found himself in a thicket of competing jurisdictions and witnesses. As one knowledgeable investigator told *EIR*, a lot of these cases "just fell between the cracks."

Mexico's drug kingpin is a Bushman, too

by Gretchen Small

Mexico-bashing has become a favorite hobbyhorse of leading U.S. Republican congressmen, who charge that Mexico has become a "narco-state" run by the cartels, upon which war must be waged. Yet, the head of the drug cartel apparatus in Mexico is George Bush's principal Mexican ally, Carlos Salinas de Gortari, the President of Mexico in 1989-94, hailed as a hero by those same Republicans for his free trade program.

The government of Salinas's successor, President Ernesto Zedillo, against whom those Republicans would wage war, has moved against the cartels. Each time, it has run smack into the Salinas machine, still the most powerful political machine in Mexico, precisely because Salinas and his family are still protected by the Bush-Wall Street-Kissinger group. As the *Wall Street Journal* never ceases to remind the Mexican government, to attack Carlos Salinas is to attack them; Salinas, a director of Dow Jones & Co. which publishes the *Journal*, works for them.

Drugs: a family affair

Although the drug trade started to grow at a dizzying pace under President Miguel de la Madrid (1982-88), it was under Carlos Salinas's regime, with its Bush administration-sponsored free trade economic model, that the cartels consolidated their power in Mexico. Under the Salinas regime, marijuana cultivation declined, but with that thrown as a sop to anti-drug forces, the country was handed over to the drug trade. Opium cultivation and production of heroin soared, while Mexico became a primary transshipment point for cocaine coming up from Colombia into United States, and entered the ranks of the major drug-money-launders centers.

At the same time, a narco-terrorist force, which first surfaced in Chiapas in the Jan. 1, 1994 Zapatista uprising, was consolidated as a nationwide force—under the personal protection of the President's brother, Raúl Salinas, an official in the President's National Solidarity Program, Pronasol, and the government food distribution system, Conasupo.

On Aug. 16, 1996, the Zedillo government struck against cartel control over the Federal Judicial Police (PJF), purging over 700 officers, because the PJF was about to become a wholly-owned agency of the cartels. Who had appointed 70% of the state police commanders, 22 of whom are today under arrest as drug traffickers? A PJF director under the Salinas administration, Adrian Carrera, and Carlos Salinas's personal secretary, Justo Ceja, working with the President's brother, Raúl Salinas.

Raúl Salinas sits in jail, under investigation by Swiss, U.S., and Mexican officials for links to money laundering, including drug money, and charged with ordering the murder of PRI ruling party Secretary General José Francisco Ruiz Massieu. According to a Nov. 23, 1995 report prepared by the Mexican Attorney General's office with the help of the U.S. Drug Enforcement Administration, the U.S. and Mexican governments have evidence that, right after Carlos Salinas received the nomination as the Presidential candidate of the PRI in 1987, his brother Raúl struck a deal with Gulf Cartel kingpin Juan García Abrego, guaranteeing the cartel protection for as long as his brother was President. The Gulf Cartel, at its height, functioned as "the shipping arm of the Cali Cartel . . . their United Parcel Service," in the words of one U.S. official.

Raúl fulfilled his promise, even hiding García Abrego on his properties upon occasion. But with Salinas out, and Raúl in jail as of February 1995, the drug kingpin's protection was gone. He was arrested by the Zedillo government on Jan. 14, and shipped off to the United States to face drug-trafficking and murder charges.

Protected by NAFTA

Numerous Bush administration officials have since admitted that they knew what was going on in the Salinas government. Richard Thornburgh, Bush's Attorney General, admitted to Mexico's *El Financiero* on March 28, 1995, that the U.S. Justice Department had the Salinas administration's drug ties under investigation from its beginning. In 1990, things "took an unexpected turn," he said. "Salinas said that he wanted to negotiate the Free Trade Agreement and the Bush administration was happy. Salinas at that point became not only the best friend of Bush in Latin America, but the 'golden model' for developing countries. Corruption and the war on drugs went into the background."

"People desperately wanted drugs not to become a complicating factor for NAFTA. . . . There was a degree of illicit activity that was just accepted," John P. Walters, senior official for international drug policy in the Bush White House, told the *New York Times* in July 1995. Another Bush official, former Customs Commissioner Carol B. Hallett, concurred: "They [other Bush administration officials] said we could not make drugs part of the debate. . . . I think it was a terrible mistake not to tie the two together."

But the NAFTA free trade program was premised on the capture of drug monies, to bail out the financial system. In a paper delivered to a 1994 CIA-FBI symposium on drugs, James Moody, retired chief of the FBI's organized crime division, admitted that U.S. agencies knew the privatization program of Salinas had become a vehicle for the cartels to buy up the economy. "The FBI notes that many of these firms are being purchased by Mexican and Colombian drug-trafficking organizations. These semi-state firms are comprised of significant financial institutions, factories, and leading industrial and service-oriented businesses which are worth billions of dollars," he said.

Bush's friends ran drugs in Panama

by Carlos Wesley

On Dec. 20, 1989, President George Bush went on television to say that he had ordered U.S. troops into Panama "to combat drug trafficking" by "the dictator of Panama, Gen. Manuel Noriega." As usual, Bush lied.

As everyone knows, the crack cocaine epidemic has not abated in the nearly seven years since Noriega was seized and made a U.S. prisoner of war. If anything, it has gotten worse. And not just in the United States. In Panama, where there were few cocaine users before the invasion, a recent study showed that 8% of patients admitted to hospital emergency rooms had consumed cocaine, or crack cocaine—nearly double the highest rate of consumption anywhere else in Ibero-America.

The entire Bush operation against Noriega was aimed at easing, not ending, the flow of drugs. Virtually every official of the Bush administration involved in the "Get Noriega" effort, was up to his nose in drugs or drug traffickers. Attorney General Richard Thornburgh, who oversaw the indictment of Noriega and provided the legal pretext for the invasion, the so-called Thornburgh Doctrine, saw two of his own top aides convicted for using and/or trafficking cocaine, including Henry G. Barr, his assistant when the indictment against Noriega was drafted.

Fawn Hall, the secretary of the most infamous of the Iran-Contra figures, Lt. Col. Oliver North, admitted to Drug Enforcement Administration investigators that she had frequently used cocaine while working for North at the National Security Council. At the time, her boyfriend was Arturo Cruz, Jr., son of leading Contra Arturo Cruz, Sr. Ironically, Hall fell victim to the plague her boss's and her boyfriend's partners set loose against black ghetto residents, and by 1994 she was a crackhead, prowling the back alleys of Los Angeles in search of a fix.

Noriega incurred Bush's wrath because he refused to go along with Bush's drug-running Contra operation.

On Dec. 12, 1985, Adm. John Poindexter, North's superior at the National Security Council and an architect of the Contra policy, met in Panama with Noriega. Capt. Moises Cortizo, who served as the interpreter, said that Poindexter walked in saying he came with "precise instructions" for the Panamanian Defense Forces to "play a leading role against the Nicaraguan Sandinista regime," or else. "Noriega categorically rejected Poindexter's disrespectful behavior," said Cortizo. "Since then, we have been suffering the consequences."

Poindexter already had his man in Panama: Hungarian-American Stephen Samos. An admitted drug-money-launderer and drug-trafficker with ties to the Colombo U.S. organized crime family, Samos was used by Poindexter to set up Amalgamated Commercial Enterprise in Panama in 1984, to serve in the Contra resupply operations and the shipment of weapons to Khomeini.

By the time he was recruited by the Bush gang, Samos had already been indicted in the Sunshine Bank of Miami case, as part of the Tony Fernandez drug syndicate. Samos plea-bargained himself out of that fix, and arranged immunity for other key participants, all leaders of the Bush-organized Panamanian anti-Noriega opposition, including: Samos's ex-wife Alma Robles and her two brothers, Winston and Ivan; banker and publisher Roberto "Bobby" Eisenmann, owner of *La Prensa*; and Eisenmann's partners in the drug money-laundering Dadeland Bank of Miami, Carlos Rodríguez, and Guillermo "Billy" Ford. Ford was later made vice president in the government of drug-cartel operatives that Bush installed in Panama following the invasion.

On June 12, 1986, six months after Noriega said no, Poindexter made good on his threat: The *New York Times* published a story written in the basement of the White House, but signed by Seymour Hersh, accusing the drug-fighting Panamanian leader of being a drug kingpin.

High priced witnesses against Noriega

Poindexter, who kept Bush fully briefed on every step of the dirty Contra dealings, wasn't the only one to make common cause with narcos.

According to the May 26, 1996 *Pittsburgh Post-Gazette*, Carlos Lehder, the murdering drug-lord once considered America's public enemy No. 1, had begun cutting a deal with U.S. authorities "that would eventually land him in the Federal Witness Protection Program," even before his capture by Colombian authorities in 1987. As soon as he was extradited to the United States, Lehder began to get special treatment, including a two-cell unit at the federal penitentiary in Marion, Illinois, and a phone.

"There he made contact with aides to Vice President George Bush," who agreed to reduce his sentence for testifying against Noriega. "Lehder admitted he had no direct contact with Noriega," and his "rambling" testimony "was so incoherent the judge considered ordering a psychiatric examination," the paper said. Nonetheless, his family was resettled in the United States at taxpayers' expense, and he kept his drug money.

According to documents recently filed with the U.S. Eleventh Circuit Court of Appeals, Bush officials also arranged with the Cali Cartel to pay government witness Ricardo Bilonick \$1.25 million to testify against Noriega. As part of the deal, the sentence of Luis "Lucho" Santacruz Echeverri, brother of one of the cartel leaders, was reduced. Assistant U.S. Attorney Pat Sullivan admitted under oath earlier this year, that Lucho Santacruz was "our intermediary, our agent."

Bush created Colombia's narco-government

by Valerie Rush

Colombia would not be a pariah state today, under a dictatorship imposed by the cocaine cartels, were it not for the corrupt deals George Bush struck with Colombia's dope traffickers in the 1980s, in setting up his Contra supply operations. As part of the Bush administration deals, the Colombian government made similar pacts with the drug cartels, thus establishing the legal, political, and moral framework for today's takeover of the Colombian Presidency by cartel puppet Ernesto Samper Pizano.

Bush's hypocritical justification for such a criminal alliance was that collaboration with the cartels was a "necessary evil," supposedly in order to fight communist subversion. In the face of unimpeachable evidence that drugs and terrorism are the *same* apparatus, and that allying with one against the other is absurd, the Bush administration developed the official theory that the phenomenon of "narco-terrorism" doesn't exist. With this policy in place, weapons run through the Bush government's secret "Project Democracy" pipeline ended up in the hands of Medellín Cartel butcher José Rodríguez Gacha, and from him to the mafia assassins of Colombia's anti-drug Presidential candidate Luis Carlos Galán.

There are still many in Washington, especially in the State Department, who promote Bush's "no narco-terrorism" lie. For example, U.S. Ambassador to Colombia Myles Frechette told a military seminar at Colombia's Army War College earlier this year, that the United States "has no evidence that the guerrillas are making and exporting cocaine to the U.S.," according to a pro-terrorist journalist for *El Espectador*, who crowed that this buried the doctrine of the "narco-guerrilla."

Frechette's comments, never denied by him or the State Department, were later quoted by an emissary for the Revolutionary Armed Forces of Colombia (FARC), Oliverio Medina, in a July 28 interview with the Brazilian daily *Folha de São Paulo*. Pressed to respond to Colombian military claims that the FARC is involved in drugs, Medina said, "We have information that U.S. Ambassador to Colombia Myles Frechette said, 'We have no evidence that the guerrillas are drug runners.'"

However, State Department spokesman Glyn Davies responded Sept. 5 to an *EIR* query about the FARC-drug connection: "They have clearly inserted themselves into the narcotics trade." In fact, there are volumes of hard evidence proving that the FARC is the leading drug cartel in Colombia today (see article, p. 42).

A 1991 *EIR Special Report*, "Bush's Surrender to Dope, Inc.," documents the Bush strategy of alliance with the cartels. It states, "Today, Colombia's government—under pressure from the Bush administration—is in the process of negotiating a virtual power-sharing arrangement with the cocaine cartels. With the cartels de facto legalized, the de jure legalization of their product is just around the corner."

The Gaviria Presidency

Colombia's government at the time was headed by César Gaviria, who was swept into the Colombian Presidency in 1990, after the cartels assassinated his party's anti-drug candidate Luis Carlos Galán. It was later revealed that some of the weapons to assassinate Galán came from a stash originally paid for by Bush's Assistant Secretary of State for Inter-American Affairs Elliott Abrams, as part of an anti-Noriega operation run out of Bush's apparatus.

As President, Gaviria oversaw a cabinet made up of the country's leading drug legalization advocates, including M-19 narco-terrorist Antonio Navarro Wolf and cartel employee Ernesto Samper Pizano, today Colombia's narco-President. In 1990, Gaviria shut down the Colombian Congress—without a peep from the Bush administration—in order to facilitate the illegal seating of a 70-man Constituent Assembly which voted to constitutionally ban extradition as a weapon against the drug cartels. Gaviria was given videotaped evidence that the Assembly had been massively bribed by the cartels, but refused to release it. The Bush administration knew he had that evidence in hand; the DEA's veteran agent in Bogotá, Joe Toft, was later to resign in disgust at Washington's failure to act.

Gaviria also decreed a lenient "surrender" policy for the cartel bosses, which has since led to such absurdities as five-year sentences for the country's leading drug kingpins. One year later, Bush Secretary of State James Baker travelled to Colombia and publicly endorsed Gaviria's appeasement policy toward the cartels.

Gaviria also subjected Colombia to Bush's free-trade dictates, which devastated the productive economy and left it ripe for the picking by the drug cartels. On Nov. 21, 1990, *EIR* interviewed Colombian Foreign Minister Luis Fernando Jaramillo, who stated that the Gaviria government was "committed to the process of internationalizing the country, and opening up of the economy." Said Jaramillo, "Now, of course the United States stands to benefit somewhat by this, but this is a tangential result."

As part of its embrace of Bush's "open economy" ethics, the Gaviria government in June 1991 shut down the "sinister window" at the central bank, which laundered drug dollars, and in its place opened up the entire banking system to a "free exchange" of dollars for pesos, no questions asked. Drug dollars flooded the country, buying up everything in sight.

Today, Gaviria resides in Washington, D.C., serving as secretary general of the Organization of American States, a post granted him by President George Bush.

Guns and drugs: the Syrian connection

by Joseph Brewda

During the 1980s, Syria, and Syria-occupied Lebanon, emerged as one of the world's leading opium poppy plantations and heroin refineries. By 1990, the U.S. State Department and other U.S. government agencies conservatively estimated that the Syrian regime of Hafez al-Assad was earning at least \$1 billion a year from the trade. The same agencies also reported that the trade was used to finance terrorist organizations based there, including Hezbollah, which held dozens of Americans hostage at the time, and the PFLP-General Command, which was implicated in the downing of Pan-Am Flight 103 over Lockerbie, Scotland on Dec. 21, 1988.

Yet, throughout that decade, Vice President and, later, President George Bush, routinely worked with the Syrian government to sell arms to Iran, the Nicaraguan Contras, and the Afghan mujahideen fighting Soviet troops in Afghanistan. Veterans of the Afghan mujahideen are responsible for most of the important terrorist incidents occurring globally today, including those targeting the United States.

Patron of a criminal

Syrian arms- and drug-runner Monzer al-Kassar, is a good example of criminals that George Bush has patronized. According to a wide range of published sources, Monzer al-Kassar, together with his brother Ghassan, were two of the Syrian regime's primary arms- and drug-traffickers throughout the 1980s. Career drug smugglers with a string of arrests throughout Western Europe, the al-Kassar brothers emerged big-time after Ghassan married the daughter of Gen. Ali Duba, the head of Syrian intelligence, who oversaw narcotics production in occupied Lebanon.

Despite the fact that Monzer al-Kassar was officially under investigation by the FBI, CIA, Drug Enforcement Administration (DEA), Bureau of Alcohol, Tobacco and Firearms, and the U.S. Customs Service, for crimes ranging from arms- and drug-trafficking to airline-hijacking and kidnapping, he was routinely used by the Reagan-Bush administration throughout most of the 1980s to sell Soviet bloc arms to the Contras in Nicaragua.

As of 1984, for example, the DEA had identified Monzer al-Kassar as the Syrian drug-lord responsible for distribution of heroin and hashish in France, Italy, and Spain. The same year, Jorge Luis Ochoa, a founder and kingpin of the Colombian Medellín cocaine cartel, was a guest at al-Kassar's estate in Marbella, Spain. A year later, al-Kassar joined up with

Canadian cocaine dealer Kenneth Sydney Young in Rio de Janeiro, to establish a connection between Brazil and Europe which has been used for heroin and cocaine trafficking.

The DEA, other U.S. agencies, and other governments were also investigating the al-Kassar family-owned Banco de Bilbao of Portugal, in which General Duba, Syrian dictator Hafez al-Assad, and his brother and heroin kingpin Rifaat al-Assad maintained sizable accounts.

However, at the same time as al-Kassar was wanted by the DEA and other law enforcement agencies, he was a business partner with Oliver North in organizing the shipment of East bloc-made AK-47 assault rifles to the Contras, on behalf of the George Bush-directed secret White House support apparatus, run through the National Security Council, via a unit called the Special Situation Group/Crisis Pre-Planning Group, as established under National Security Decision Directives 2 and 3.

Evidence of al-Kassar's involvement in gun-smuggling on behalf of the U.S. government first emerged in 1986, when a Danish freighter, the *Pia Vesta*, was detained by Panamanian authorities en route to Nicaragua. Found on board, were Soviet trucks and hundreds of tons of AK-47 rifles and anti-tank rockets.

Documents seized by Iran-Contra investigators later established that the arms onboard the *Pia Vesta* had been destined for the Contras, and that the shipment had been financed and arranged in a three-way deal among al-Kassar, North, and a Libyan bank based in Madrid. The ship was owned by SA Shipping of Copenhagen, and was managed by CSF of Switzerland. CSF was a firm identified by Iran-Contra investigators as used by North to run arms to Iran and the Contras. Another ship owned by the North network, the *Erria*, shipped tons of Polish arms to the Contras.

Al-Kassar's primary partner in this venture, according to seized files of North's Lake Resources front company, was Gen. Richard Secord (ret.), a longtime sidekick and business partner of former CIA official and Bush Presidential campaign speechwriter Theodore G. Shackley. According to press accounts in several nations, other al-Kassar partners in the supply operation included the Lisbon-based Defex Corp., run from behind the scenes by ex-CIA official Thomas Clines (a Shackley intimate), and a variety of front companies of the Special Air Services (SAS), the British elite "anti-terrorist" commando force. Among these were KMS Ltd., which North had hired in 1983 to mine Managua harbor in Nicaragua, and had also used to train the terrorist and drug-trafficking Afghan mujahideen.

Part of the financing of the Contra arms purchases was made by arrangement with the Medellín Cartel. Al-Kassar's relations with the cartel were further identified in August 1987, when Belgian police seized a Paraguayan airliner carrying 115 kilograms of cocaine. The West German national arrested while attempting to pick up the shipment, Erich Bunte, confessed that he was working for al-Kassar, and that

he had been present earlier, in July, at a meeting at al-Kassar's Marbella estate which included al-Kassar and Medellín Cartel kingpins Pablo Escobar Gaviria and Gonzalo Rodríguez Gacha. On July 27, Spanish police prevented al-Kassar from entering the country. He was traveling aboard his private jet with Salman Izz-Edden, the brother of the Syrian military commander in the Lebanese Bekaa Valley—the main center of Syrian opium cultivation. At that moment, Rifaat Assad was reportedly at al-Kassar's estate waiting to meet them.

During the same period, the same cast of characters were busy selling arms to Iran. For example, a 1987 investigation into the illegal export of weapons to Iran by the Italian firm Borletti, revealed that the orders and shipments were coordinated from Barcelona by the Bovega company. Joint investigations in Italy and Spain revealed that Bovega was run by Monzer al-Kassar, on behalf of Rifaat al-Assad and his son Firaas al-Assad.

Pan-Am Flight 103

But al-Kassar was not only involved in arms and drugs. Investigations by several governments into the explosion of Pan-Am Flight 103, which killed 270 people, reportedly determined that the action had been ordered by the Syrian government, using the Lebanese-based PFLP-General Command, led by former Syrian Army officer Ahmed Jibril.

In order to cover up Syria's role, the Bush and Thatcher administrations ordered a press blackout on the evidence, and instead began to falsely accuse Libya of the crime. In 1992, the U.S. and British governments organized U.N. Security Council sanctions against Libya, under that claim. But, while no evidence has ever been publicly presented showing Libyan involvement, evidence has been presented which tends to indicate Syrian responsibility, including that of Oliver North's crony, al-Kassar.

According to Pan-Am company investigations, made public by U.S. Rep. James Traficant (D-Ohio) in 1989, for example, the Syrian government ordered the incident, and used members of al-Kassar's drugring, who were baggage handlers in the Pan-Am cargo area at Frankfurt airport, to plant the suitcase that contained the bomb onboard the aircraft.

According to the Pan-Am report, a Frankfurt-based CIA team may have wittingly permitted the Syrian massacre, in order to silence a rival CIA team that had unearthed evidence of drug payoffs to the Frankfurt-based operatives. At least three CIA officials, including the deputy station chief in Beirut, perished in the crash. They reportedly directed a team assigned to locate the American hostages, and to determine whether a rescue operation might be possible. The hostages were held by Hezbollah, which was then earning an estimated \$100 million annually in heroin sales, according to a U.S. Congressional investigation. Al-Kassar was the major vendor of Hezbollah heroin. Reportedly, the team discovered that the CIA Frankfurt unit was profiteering from a deal with al-Kassar.

Afghanistan drugs: a withdrawal syndrome

by Susan Maitra and Ramtanu Maitra

The Nicaraguan Contras were not the only "secret army" run through George Bush's "secret parallel government" chain of command, that got their financing through the sale of illegal drugs during the 1980s. As EIR documented, in an Oct. 13, 1995 Special Report entitled "New Terror International Targets South Asia," over 1979-89, the United States, along with the British and the Israelis, ran a surrogate war in Afghanistan, against the Soviet Red Army. Although the U.S. Congress approved a total of \$3 billion in aid for the "afghansi mujahideen" effort, and Saudi Arabia and other allies poured in matching amounts of money, an estimated 90% of the cost of the war was actually covered by the sale of Golden Crescent heroin and opium—produced in vast quantities in Afghanistan by the Afghan rebels, and processed in underground laboratories all along the Afghani-Pakistani frontier.

At one point, at the peak of the Afghanistan War, in the mid-1980s, the Golden Crescent was providing more than half of the world supply of heroin.

Like the Contra operation in Central America, the afghansi insurgency was run, top-down, by the George Bush command in the Reagan White House. Sources in Washington have told EIR that as much as \$20 billion in Colombian cartel drug proceeds are believed to have been funneled to the Afghan rebels, as part of the cartels' deal with Vice President Bush and his secret team.

Our New Delhi correspondents have sent in this dispatch, updating the EIR report from October 1995.

According to the National Narcotics Intelligence Consumers Committee (NNICC) annual report, which is prepared by the Drug Enforcement Administration (DEA), Afghanistan remained the second largest producer of illicit opium in 1994. The U.S. government estimated that 950 metric tons of opium were produced on 29,180 hectares of opium poppy cultivation, a 38% increase over 1993's production estimate. Officially, however, opium poppy cultivation in Afghanistan has been banned since 1957.

Observers claim that the U.S. government estimate is, in fact, very conservative, and considering that most of Afghanistan's opium poppy is grown on irrigated land, the actual

production could be as high as 1,200 metric tons. Myanmar (Burma) remains the world's largest producer of opium with its 1994 production of 2,300 metric tons, but these figures, nevertheless, identify Afghanistan as one of the world's leading suppliers of opium and heroin.

Setting the stage

The possibility of an opium breakout along the Afghanistan-Pakistan border was first noted in 1978, which was also the beginning of the Afghan insurgency against the victors of the "Saur Revolution" of 1978, which brought the pro-Soviet Afghan Communists to power in Kabul. It is evident that there was a link between the Afghan insurgency, backed by the anti-Soviet forces in the region and the West, and reports of increasing opium poppy cultivation in the area.

When the 1978 Saur Revolution took place in this strategic corner of the world, the drug-created slush money was increasingly becoming unmanageably large. In 1973, a British-controlled bank, the Bank of Commerce and Credit International (BCCI), which is domiciled in Luxembourg under the ownership of the late Agha Hasan Abedi, a Pakistani, came into existence. Owned primarily by West Asians and such British charity foundations as the ICIC Foundation, BCCI was projected as an Islamic bank set up ostensibly to help the Third World countries with low-interest financing. In reality, however, the BCCI was a drug bank set up to launder the huge pile of cash generated worldwide through sale of narcotics and to funnel some of the illicitly earned cash into various off-the-books activities, such as arming and training of terrorists to fight the "Soviet menace."

By 1978, the BCCI had opened 45 more British branch offices, its growth attributed to the recycling of petrodollars. Much later, in the mid-1980s, the bank was identified as a drug-laundering instrument and was dismantled, although sticky questions, such as the real source of bank's money, the end-use of the laundered money, and why the bank was allowed to grow so big under the supervision of Bank of England, were left unprobed and, hence, unanswered.

By the time the BCCI was dismantled, the victors of the Saur Revolution were long gone, and even the Soviets, who had come to the rescue of the Saur Revolution, were left humiliated and defeated on the plains of Afghanistan. Pakistan, a key country in the Reagan administration's plan to give the Soviet communists a black eye in Afghanistan, had by then turned into one of the major centers of drug production and drug addiction, and surely a key in the drug trafficking in the region.

Afghan drugs, in conjunction with Pakistani drugs and the combined skills of U.S. and Pakistani intelligence, generated enough cash to sustain military pressure on the Soviets in Afghanistan and elsewhere, and also carry out such sundry operations as financing and arming the Khalistanis against the Indian government in the neighboring state of Punjab and

various secessionist groups demanding independence in Kashmir.

By 1980, the growth of Afghan drug production had become a matter of concern among certain circles. A Canadian magazine, *McLeans*, observed in April 1979 that the "holy war by proxy" in Afghanistan was being fought from the sale of illegal opium. In his State of the Union address in 1980, President Jimmy Carter voiced concern about "drugs from Iran and Asia," but he specifically avoided mentioning either Pakistan or Afghanistan. The omission was deliberate, obviously with the purpose of fighting the "proxy holy war" with the drug-generated cash. At the time, one estimate showed that opium produced along the Pakistan-Afghanistan border was raking in \$100 billion for off-the-books, "sundry uses" annually.

Forming of international linkages

The Soviet misadventure in Afghanistan; the emergence of major drug-trafficking activities in Pakistan, an ally of the Western nations; the arming and training of criminal riff-raff from various Islamic nations posing as *jihadis* (religious crusaders); the linking up of the Pakistani Inter-Services Intelligence (ISI) and making it more powerful than any other institution in Pakistan; and the established exercise of control by the CIA and MI-5 over some of the key Afghan mujahideen leaders shuttling from Peshawar, to London and Washington, led to the drug explosion in Afghanistan following the withdrawal of Soviet troops.

Not by accident, this occurred in the areas under control of *jihadi* field commanders—some of whom are leading mujahideen leaders still in the hunt for power—who had fought against the Soviet troops and had established their own territories. The most prominent of these *jihadi* field commanders is the Pushtun leader Gulbuddin Hekmatyar, a longtime CIA-ISI asset, whose forces have significant control over the opium poppy fields in the Nangarhar, Kandahar, and Helmand provinces along the Afghanistan-Pakistan and Afghanistan-Iran borders.

While Hekmatyar controls the opium grown in the eastern and southern part of Afghanistan, Ahmed Shah Massoud, an Afghan-Tajik with French and British intelligence links, exercises control over the opium poppy grown along the Afghan-Tajikistan border. Massoud's control over opium poppy spills over the Afghanistan border into the southern part of the Pamir slopes in Tajikistan, where an increasing amount of opium poppy is now being grown.

Another major drug-trafficking warlord is Gen. Abdur Rashid Dostum, a fiery Afghan-Uzbek and a former security member in the pro-Soviet Kabul regimes. Dostum, who controls the opium poppy grown in the Baghlan and Kunduz provinces of northwestern Afghanistan bordering Uzbekistan, has developed extensive links with Turkey using old, degenerate CIA-KGB connections.

U.S. attack on Iraq plays right into British hands

by Muriel Mirak-Weissbach

It has become a truth universally acknowledged, since that outrage known as Margaret Bush and George Bush's Desert Storm, 1991, that any U.S. President in search of political support, need only push the appropriate button and launch bombs against Iraq. That nation's President, Saddam Hussein, has been so demonized by six years of psychological warfare in the world's press, that questioning the wisdom of bombing his country is almost tantamount to doubting the divinity of Christ. As the briefer of the U.S. State Department had to admit, in questioning Sept. 5 by journalists who challenged the legitimacy of the U.S. air strikes against Iraq, "you can't compare Saddam to any of his neighbors." The man has proven himself, Glyn Davies continued, to be "unreliable" over years. He has gassed his own people, committed other crimes against humanity. Ergo, he is a legitimate target—whenever and wherever we choose to say so, was the implicit message.

Thus, when President Clinton announced that he was going to launch air raids against Iraq, raids which were carried out on Sept. 3, he was observing what has become a revered tradition in Washington. The Republican opposition had been stoking the coals, ever since Aug. 31, when Iraqi government troops entered the northern Iraq city of Irbil, to support one Kurdish party, under Masoud Barzani, against a rival faction, under Jalal Talabani. Bob Dole, Newt Gingrich, and other paragons of strategic thinking, had launched a macho challenge to Clinton, that he show himself to be a man, and beat back the wicked Saddam. As soon as news of the air-borne assault was out, Dole predictably supported the President's move, declaring that under such circumstances, one thought not as a partisan politician, but as an American. Gingrich said that he hoped it would be the beginning of a serious move

against Saddam Hussein. The American population, in its infinite wisdom, expressed its wholehearted support for the military action against Iraq, according to opinion polls.

But beneath the Hollywood facade of American electoral politics, a far more dramatic sequence of events was unfolding in the real world. Contrary to the illusions that Clinton may have nurtured, that such an aggressive military move might solve all his domestic problems, bring stability to the region, and gain him the support of the "international community," the political effect of his decision, worldwide, was to prove to be an unmitigated disaster. Clinton had in one fell swoop, alienated the entire Arab and Islamic world, irritated his most vital allies internationally, and set into motion in the region, military, political, and economic processes leading toward general destabilization and war.

Lyndon LaRouche explained Clinton's behavior in the following terms: "President Clinton was obviously incompetently briefed, and things he should have known were obviously *not* told to him, that he should have been told. . . . The President is wrapped up a bit too much with the election campaign, in the wrong way. He still has not completely come out from under the habits which seemed to be ingrained while Dick Morris was really 'handling' him, in a sense. So he's coming out of the ether, but he hasn't come out yet and this thing [the Iraqi troop movements in Irbil] hit, and he responded as a candidate, fearing what the press and the Republicans and others will say tomorrow morning, not what history was going to say down the road, or what he was going to say himself, in a couple or weeks, a couple of months more down the road. It's a big mistake."

LaRouche pointed to a British hand in the operation. It was the British who egged Clinton on to initiate military ac-

tion, and it was the British who prevailed on Germany to go along with it. Most obviously, it was British Defense Minister Michael Portillo and Prime Minister John Major, who declared their unconditional support for the U.S. air raids. Indeed, it was Portillo, who first announced that the no-fly zone in southern Iraq should be extended, from the 32nd to the 33rd parallel. Only after Portillo's announcement, did the U.S. administration say it would enlarge the no-fly zone.

Even the *modus operandi* of the military deployment demonstrates that the entire operation had been worked out with London, almost to the exclusion of any other allies. As reported widely in the press, the U.S. planes which were deployed to launch the cruise missiles, came from faraway Guam, and flew only over water, so as to avoid any political friction with countries over whose airspace they might travel. Logistical support for the flights, including refuelling, was provided by the loyal British allies. The United States had evidently been told to avoid asking partners in the region, like Saudi Arabia, Turkey, or Jordan, for logistical backup. The British must have known very well that any such approach would have ignited political fireworks. Thus, the operation was done, so to speak, under the cover of darkness.

Saudi Arabia was not asked for logistical support, though American military forces there would have been the obvious choice. Turkey, whose Incirlik base is regularly used for Operation Comfort missions into the UN-protected zone in northern Iraq, was not informed. Jordan, with which the United States had run extensive air maneuvers over southern Iraqi air space in the spring, may have been informed, but was not consulted. In sum, the entire operation was carried out by the British and the Americans, in utter disregard of the views of those regional partners which had proven so crucial to Desert Storm—Turkey, Saudi Arabia, and Egypt. The British knew that none of these would agree to having any deployments against Iraq originate from their soil, for fear of domestic reactions.

Widespread opposition

Once the air strikes had started, and the erstwhile allies of the war against Iraq had been informed of what was happening in their back yard, all hell broke loose. The list of nations which supported the U.S. was pitifully short: Great Britain, its minion Canada, Japan, Germany, Israel, and that London-based piggy bank known as Kuwait. The much-touted 30-nation "coalition" which had lent credibility to the massacre of Iraq in 1991 was nowhere to be seen.

On the contrary, the entire Arab world rose up in revolt against the United States, and with it, the Islamic nations. In Egypt, traditionally the cornerstone of U.S. presence in the region, demonstrators took to the streets, burning the American flag. The government newspaper *Al Ahrām* editorialized that the U.S. had adopted the "behavior of the cowboy and the quarrelsome bully." The paper said, "Iraq has not broken any international law, it hasn't invaded any country, as it did

with Kuwait. It was practicing its legitimate sovereignty over its territory. Americans are obsessed with violence, with Superman and Rambo." In Pakistan, demonstrators hurled rocks at the U.S. consulate in Lahore, prompting authorities to tighten security around diplomatic missions. In Bangladesh, demonstrators burned Clinton in effigy. In Jordan, a country which has become the public relations officer for Washington's Mideast policy, all 80 members of parliament issued a statement, in which they "deeply reject the American aggression on brotherly Iraq and breaching its sovereignty and unity of its people and territories."

Russia, China alienated

Clinton also alienated several leading members of the UN Security Council. If Britain stood out for its gushing praise of Clinton, the two nations whose good relations with Washington are of crucial strategic import, Russia and China, were less enthusiastic. The Russians, according to statements issued by Yeltsin's spokesman, Dmitri Ryurikov, had been kept in the dark. "To talk about coordination is simply not serious," he is quoted as saying. "The Russian leadership was not informed."

National Security head Gen. Aleksandr Lebed was less polite. "There is one big strong master in the world," he was quoted by Itar-Tass as saying, "who spits on everybody. That master is behaving like a bull in a china shop. This is the essence of true democracy: Carry out air raids and then gather the journalists to applaud."

As for China, the reactions were no more diplomatic. Xinhua news agency issued a commentary attributing the action to "Clinton's need to strengthen his image and influence as a world political leader at home so as to win the upcoming presidential elections in November." Government spokesmen were quoted saying they viewed the attacks against Iraq as dangerous.

Both Russia and China were reacting to the fact that the United States had utterly ignored even those UN procedures and forums which it had always held up to be sovereign. Russian Foreign Minister Yevgeni Primakov, before meeting German Chancellor Helmut Kohl, expressed his concern that such unilateral action could to catastrophic consequences" and "anarchy" in international relations. Russia made known, through its deputy foreign minister, that it would not vote for a resolution, prepared by Great Britain, condemning Iraq for its actions in Irbil, and thus justifying the air strikes.

The other crucial partner that was scorched by the air strikes, is Turkey, a NATO member, former ally in the anti-Iraq coalition, and launching pad for Operation Comfort missions into northern Iraq. Washington reportedly did not consult Turkey's new prime minister, Ecmettin Erbakan. "Turkey was informed, but not necessarily consulted," a Western diplomat said. The arrogance of power typical of British diplomacy, ignored Ankara.

Tansu Ciller, Turkey's foreign minister, reshuffled the cards by announcing that Turkey intended to establish a "se-

curity cordon” or “buffer zone” inside northern Iraq, where the anti-Turkish Kurdish Workers Party (PKK) has bases. On Sept. 5, actions followed, when Turkish troops massed along the border to Iraq, and F-16s took off, for flights over Iraq. Ankara was planning a surprise attack against PKK positions. According to a press report on Sept. 5, Turkey “said its fighter jets Thursday attacked Kurdish rebels in another area [of Iraq] farther north.” The Turkish government had reportedly informed Washington of its intentions, but there had been no official response.

As of Sept. 5, therefore, anything was possible: Turkey could bomb PKK positions inside Iraq. It could send in ground troops. When queried about the implications of this eventuality, the State Department Glyn Davies, waxed ineloquent. In response to *EIR*’s question, whether the U.S. action were not an expression of a new doctrine of limited sovereignty, since the U.S. had militarily attacked a nation which had moved its own troops in its own territory, he tried to extricate himself, by saying that Saddam Hussein had violated UN resolutions. Pressed as to whether the sovereign nation of Iraq did or did not have the right to move in its own territory, against forces being manipulated against it, from outside, the briefer answered, that he “did not want to get into theoretical questions.” Reminded by another journalist of the recent Iranian interventions into Iraqi territory, which proved this was not a theoretical, but a practical question, Davies had no other recourse than to take refuge in the universally accepted notion that Saddam is the problem.

The broader game

The situation, as it shaped up on Sept. 6, presented several foreign policy paradoxes, to say the least. Turkish troops and aircraft were mobilized to move into northern Iraq, to “protect” Turkish citizens from the PKK. If the U.S. action against Iraq had been prompted by concern that Saddam Hussein were violating the human rights of Kurds inside Iraq, who must be “protected,” what, then, should be the response of the United States to military action against Kurds there by NATO member Turkey? Is the U.S. to sanction it for its actions?

This is only one of the many wild cards in the situation. Saudi Arabia is another. The Saudi royal family was apparently also not fully informed of U.S. military plans. Washington did not ask Saudi Arabia for rights to use its territory for launching the attacks, presumably due to awareness of the opposition this would provoke inside the country. Yet, now the U.S. strikes have taken place, further fuelling anti-American sentiment. At the same time—and it is no coincidence—the British government is allowing an international conference of terrorists to take place in London, including leading members of the Saudi opposition (see article, p. 38). Among the luminaries expected to appear at the gala conference Sept. 8, is Osama Bin Laden, renegade son of one of the wealthiest Saudi families, who, after having made his fame and fortune

in the Afghanistan theater, has continued to fund and direct “Islamist” terrorist operations. Bin Laden authored an article in the London-based Arabic daily *Al Arab*, on Sept. 3, in which he called on the Saudi opposition groups to organize irregular warfare against American installations. He went so far as to propose that a faction within the royal family be brought in as an ally, in the effort to expel the United States from the country, through terrorism.

The coincidence of the international terrorist conference in London, for which Bin Laden’s call is a manifesto, and the dramatic events in the Gulf, should cause sensitive noses to sniff.

What, after all, do British geopolitical interests dictate at the current conjuncture? It is not the Gulf region per se, but the broader geopolitical setting which defines London’s target. As *EIR* has documented, the historical nightmare of British geopolitics has been, that the nations of Europe and Asia would reach agreement on economic cooperation, leading to the development of the Eurasian continent. This would relegate the island empire to a position of relative insignificance. Thus, London has historically sabotaged any and all such attempts by continental forces.

Now, the government of China has made implementation of Eurasian infrastructure projects, the continental land-bridge, its priority. China thus is to be destabilized. To the extent that the Turkish government of Erbakan and the current Iranian government have become key factors in this project, in the Gulf region which represents the bridge from Asia into Europe, they, too, have placed themselves on the enemy list of London.

The Eurasian land-bridge strategic perspective requires agreement among the United States, Russia, and China, as a combination uniquely capable of defeating British geopolitical designs politically. Now, Clinton’s military madness against Iraq has proven to be the perfect tool to sabotage U.S.-Russian-Chinese relations—as the British know only too well.

What precise scenario is being pursued by Britain is unclear, but there exists the very real possibility that the entire region will go up in flames. The Saudi opposition, fuelled by Bin Laden’s calls, could destabilize the kingdom. The long-time U.S. ally could shift its allegiances to London, or France, which has been given the role by Britain in this crisis, of the “friend of the Arabs.” Jordan could blow up as well, if the internal opposition takes to the streets. And Iraq itself could explode. The U.S.-British decision to extend the southern no-fly zone to the 33rd parallel just south of Baghdad, could mean that British blueprints for a strike against Saddam Hussein in Baghdad, are operational. Or, that the historic British project to establish a “Kurdistan” carved out of Iran, Iraq, Syria, and Turkey, is being dusted off.

This dimension of the matter, surely, is not something that Mr. Clinton was briefed on, before making his ill-fated decisions.

Kurds' interests hurt by geopolitical games

by Omar Abdul-Aziz

The main feature of the Kurdish problem is that the leaders of the Kurdish political, militant groups have never been loyal to the Kurdish people. They have turned the Kurdish people into a commodity, to be traded by regional powers and super-powers, in order to sustain a geopolitical dirty game, termed by Anglo-American intelligence circles the "Bernard Lewis plan" or the "Arc of Crisis," aimed at using the Kurds to split Iraq and destabilize Turkey and the Azeri regions in northern Iran.

The latest episode of this tragic history of the Kurdish population started at the end of "Operation Desert Storm," the 1991 Anglo-American war against Iraq which eliminated government control of Iraq's northern Kurdish regions. Britain and France, with the support of the Bush administration, established a UN-administered Kurdish enclave in northern Iraq, under the provisions of "Operation Provide Comfort."

A 'one-world government' precedent

Operation Provide Comfort is the first time the UN has ever intervened into the internal affairs of a state without at least the nominal formal request of the government concerned. It therefore has broad importance in the creation of a one-world government. The French ambassador to the UN justified this arrangement under the doctrine that "human rights supersede national sovereignty." This doctrine was first announced at a 1987 Paris conference attended by the late President of France François Mitterrand, his wife Danielle Mitterrand, and then-Mayor of Paris Jacques Chirac.

Danielle Mitterrand is the head of the France Freedom Foundation, which has long aided the terrorist Kurdish Workers Party (PKK). In winter 1995, she testified before the U.S. Congressional Human Rights Caucus on a report on a foundation fact-finding trip to "Kurdistan" in August 1994. The report complains that after the collapse of the Ottoman Empire, the Treaty of Sèvres in 1920 recognized the Kurds and promised them their own state. However, this was not implemented—the rise of Turkish nationalist leader Kemal Ataturk made the treaty a dead letter. However, "since this time, the Kurds have battled to achieve some form of self-determination," the report said. It demanded that Turkish, Iraqi, and Iranian "Kurdistan" be protected from "genocide" carried out by their respective governments, and called for the creation of an International Criminal Court to try government officials.

Although Kurdish nationalism is a British creation, two can play the game. In 1946, the Soviets founded the Kurdish Republic of Mahabad, in northwest Iran, near the Russian border, as part of their effort to take over Iran. The leaders of the republic were Qazi Mohammed, who was executed after its collapse, and Mustafa Barzani, who temporarily fled to Russia. After receiving military education in Soviet Russia, Barzani returned to the region in 1961 to lead a bloody struggle against the central government in Baghdad. The struggle ended in 1970 with a national accord granting limited autonomy to the Kurds in northern Iraq. In 1974, however, Barzani rebelled again, demanding more power over the oil-rich city of Kirkuk. Barzani ended up being sold out by Iran and the Soviets, his main allies. The 1975 Iraq-Iran "Algiers" agreement deprived Barzani of his influence in northern Iraq, resulting in his fleeing, together with his tribe, to Iran.

Yet, showing the "derivative" nature of Kurdish operations, Barzani later became an operative of the Israeli Mossad, under the control of Gens. Moshe Dayan and Rehavam Zeevi. Barzani later died in the United States.

The rivalry between today's fighting factions, the Democratic Party of Kurdistan (PDK), led by Barzani's son Masoud, and the Patriotic Union of Kurdistan (PUK), led by Jalal Talabani, dates to 1968, when Talabani, then assistant to Mustafa Barzani, split from the PDK to negotiate a separate deal with Baghdad. This left deep scars in the relationship between these two factions. The tradition of changing allies among the PDK and PUK continues to this day.

The Kurdish regions of northern Iraq have always been a problem for Baghdad, and were constantly subject to Iranian-organized insurrection. During the 1980-88 Iran-Iraq war, Iran and Syria armed Barzani's PDK, which occupied many areas along the 550-mile Iraqi-Turkish border. Iran, Syria, and Soviet Russia also armed Talabani's PUK, which operated around Kirkuk. Attacks on oil pipelines and refineries were used to pin down Iraqi troops in the north. Simultaneously, Syrian President Hafez al-Assad, an Iranian ally, established PKK camps in northern Iraq on the border with Turkey, in the same general area as the Barzani clan, with which the PKK was then, temporarily, allied. As a result, virtually all the border region between Iraq and Turkey was under the control of Kurds controlled by Syria and Iran.

Mafia-like fighting

Operation Provide Comfort and the no-fly zone provided a safe haven for all Kurdish groups targeting Iraq, Turkey, and Iran. To convince the Turkish government to continue hosting the Western aircraft observing the no-fly zone, the UN turned a blind eye to illegal oil transport worth \$1 billion per annum from Iraq to Turkey through the Kurdish area. This provided huge sums of cash for the two Kurdish parties, which were taxing the oil tankers passing through Zakho on the border between Iraq and Turkey. The money was used to arm and recruit poverty-stricken Kurds, putting the whole region

under mafia-like control. Eventually, fighting broke out between the PUK and PDK after accusations of fraud by both sides.

The fighting was stopped twice through U.S.-mediated cease-fires. But the hatred continued, all for the benefit of Hafez al-Assad's control of all Kurdish factions. A strategic "exchange" took place in April 1996, when Barzani's PDK jumped into the lap of al-Assad, breaking a long period of Iranian sponsorship and control. Simultaneously, Talabani became the ally of Iran, breaking with Syria. The advantage to Syria of coopting Barzani, is that the "Barzan" region in northeast Iraq, in the corner near Iran and Turkey, and the area along the Iraqi-Turkish border, is under the control of the Barzani tribe. This region is the PKK's most strategic base for launching attacks against Turkey.

In April 1996, former Turkish Prime Minister Bulent Ecevit called for replacing Provide Comfort with a U.S.-Turkish treaty, eliminating British and French troops from the area. Turkish press commented that this is needed, because the British and French are intent on creating a Kurdish state in northern Iraq, which also threatens Turkey. In fact, since the French-proposed enclave was created, the Syrian-patronized PKK increased its presence in northern Iraq, and has dramatically increased its war in Turkish southeast Anatolia. Most of the 19,000 Turks and Kurds who have died in that war since its outbreak in 1984, have been killed since 1991.

During his visit to Iran in August 1996, Turkish Prime Minister Necmettin Erbakan proposed to hold a regional conference to find a solution for the "power vacuum" in northern Iraq, and Turkey and Iran agreed to close the PKK camps in Iran. But this "exchange" is becoming the biggest threat to stability in that region. A regional solution would end both the UN mandate over Iraq, and Syria's regional destabilization schemes.

The Iraqi incursion into Arbil on Sept. 3, based on a call for help from the Barzani group, plays into the hands of Syria. The Syrian regime has been trying to get closer to Baghdad in recent months. Official and unofficial delegations have been shuttling back and forth between Baghdad and Damascus through the Kurdish area under Barzani's control. The Turkish reaction to this new situation came through showing support for the U.S. strikes against Iraq, and announcing that Turkey will build a security "fence" along the Iraqi-Turkish border, inside Iraqi territory, to prevent new attacks by the PKK from bases inside Iraq.

So far, Erbakan's initiative for a regional settlement of the Kurdish problem has been stalled. Improvement in Iranian-Iraqi-Turkish relations, based on economic cooperation and building major infrastructure projects, has been undermined. The Kurdish people, who inhabit one of the richest and most strategic regions in the world, will suffer the consequences of the treason committed by the Kurdish political groups, and the geopolitical destabilization schemes of Syria's al-Assad on behalf of the Anglo-French "Entente Bestiale."

Russia's crisis enters lull before the storm

by Konstantin George

The apparent calming down of some key features of the Russian crisis during late August and early September should not be cause for complacency in the West. The announcement by the miners union on Aug. 26, cancelling a threatened general strike, temporarily averted the eruption of a social explosion. And the achievement of a sort of "peace" in Chechnya, has also contributed to the seeming lull. On most fronts, this lull, beginning with the most crucial front, the economy and state finances, will soon vanish, because none of the underlying causes propelling the Russian crisis have been ameliorated, let alone removed.

First, let us look at the Chechen crisis, which throughout the summer has been a key lever in the power struggle among the "three Caesars" under the ailing President, or senior "Augustus," Boris Yeltsin—Gen. Aleksandr Lebed, Prime Minister Viktor Chernomyrdin, and chief of Presidential Administration Anatoli Chubais.

The Chechen peace agreement negotiated by General Lebed is a potential breakthrough, assuming it can be implemented. However, it is only a first step toward eliminating not only Chechnya, but the Russian North Caucasus as a whole, as a conflict region. Lebed succeeded in stopping the fighting and implementing a complete withdrawal of Russian forces from Grozny and all parts of Chechnya where rebel forces operate. By physically separating Russians and Chechen rebel forces, the war, as a military battle between Russian forces and Chechens, has apparently been ended.

But the myriad of unsolved problems in the Caucasus region remain, and the Lebed peace agreement has not removed from power those forces in Moscow which have historically included the Russian oligarchy and nomenklatura tied to the financial and energy interests behind the Chernomyrdin and Chubais groups. These interests have promoted wars and conflicts in the Caucasus for their own venal interests. What Lebed has been able to accomplish so far has occurred despite overt sabotage of his efforts by Chubais, and a much more subtle "double game" of sabotage by Chernomyrdin.

Chubais conducts his sabotage by controlling access to President Yeltsin, with the covert blessing of Chernomyrdin. For example, on Sept. 2, Lebed, as he admitted at a press conference the next day, tried in vain to meet with Yeltsin.

Several attempts to contact Yeltsin by phone were equally unsuccessful. Thus, the pattern established during August, of Chubais allowing him no personal contact with the President, persisted. Also, as of Sept. 5, despite repeated pleas by Lebed, Yeltsin has yet to endorse the Lebed-negotiated peace agreement. Lebed himself acidly commented on this state of affairs at his Sept. 3 press conference, when, referring to Yeltsin, he said: "Silence means agreement." However, he added that public support by Yeltsin "wouldn't hurt."

On Sept. 3, Yeltsin had no trouble holding a long meeting with Prime Minister Chernomyrdin, a discussion which centered on the Caucasus. Immediately after the consultations with Yeltsin (and notably not with Lebed), Chernomyrdin flew down to Nalchik, capital of the North Caucasus Kabardino-Balkar autonomous republic, to begin his own personal "on site" involvement in the Caucasus crisis. After the July Presidential election, Yeltsin had stated that every Monday would be reserved for consultations with Lebed, and every Tuesday, he would hold a working meeting with Chernomyrdin. Post-election events have shown which of the two promises he has kept.

The 'double game'

A glimpse at the Chernomyrdin "double game" was given after his arrival in Nalchik. He proclaimed his "complete approval" of the Chechen peace agreement worked out by Lebed, but then promptly listed "five steps" to settle the conflict: 1) The situation in Chechnya and the entire North Caucasus has to stabilize before any political decisions are made concerning Chechnya; 2) any resumption of fighting must be prevented by all means; 3) immediate exchange of prisoners must begin; 4) no accusations may be raised against those on both sides who negotiated the peace agreement; and 5) elections should be prepared in Chechnya and a "legal basis" created, and only then should any moves to determine the future status of Chechnya be undertaken.

The first proposal was key. It established a linkage between a settlement in Chechnya and the situation elsewhere in the North Caucasus. In other words, any conflict in the Caucasus, organized or exploited by forces in Moscow, could be used to wreck what was achieved in Chechnya.

A capability for destabilization and conflict within Chechnya also exists, even should every Russian soldier leave. Lebed alluded to this in his Sept. 3 press conference, when he said that the rebels control 60% of Chechnya's territory, another 30% could become contested (meaning among rival Chechen clans), and the final 10% is firmly outside of rebel control. "Peace," in the sense of no war, has arrived in Chechnya, but with it, a de facto partition of the republic, which, as of early September, is roughly 60-40 in favor of the rebels under "president" Zelimkhan Yandarbiyev and chief of staff Aslan Maskhadov. The partition runs roughly east-west across the republic, with the northern part now under the control of the clans associ-

ated with the Moscow-installed "government" of Doku Zavgayev. The Chechnya situation has thus reverted back to the pre-Russian invasion, autumn 1994 civil war among the Chechens.

There is more than an eerie resemblance to Bosnia. The Yandarbiyev-Maskhadov forces control the majority of the territory, and also the capital, Grozny. As with the Dayton Agreement for Bosnia, the peace in Chechnya has ended a war, but has left a partition. The Zavgayev group has had the full support of Chernomyrdin, and through support from Moscow, has several thousand well-equipped fighters. These fighters are no match for the rebel forces in most situations, but perhaps could fight well in defending their home territory in the north of Chechnya. In any case, the de facto partition suits the Chernomyrdin group, because the bulk of the strategic pipeline that traverses Chechnya runs through the northern part. For Chernomyrdin, "Mr. Gazprom," and the Russian gas and oil interests, oil and gas are about all they care about regarding Chechnya.

State finances

Meanwhile, the government, courtesy of the International Monetary Fund (IMF), narrowly averted a social explosion and a collapse of state finances in late August. The IMF delivered the withheld July tranche, and the August tranche, of \$330 million each. This was enough to pay off the miners and airline workers, who had threatened a general strike. The payoffs, however, left the budget with no reserves to pay broad sectors of the industrial workforce that haven't been paid in months. Barring an unforeseen case of financial largesse by, for example, Germany, as was given during the Russian election campaign, more such infusions are not expected.

The status of state finances is even bleaker. The IMF September tranche will barely be enough to paper over the accelerating shortfall in state revenue. The decline in tax revenues is accelerating each month, through the destruction of the tax revenue base, as production and living standards continue to fall.

The very efforts undertaken by the government to prevent a collapse of state finances, only serve to exacerbate the destruction of the tax revenue base. The prime method has been to "recruit" enough money from big Russian banks to purchase three- and six-month government bills. The money is drummed up through paying out exorbitant interest rates. The result has been that normal industries cannot afford credit, without which production cannot be maintained. The speculative bubble around government bonds and bills eats away the physical economy at an accelerating rate.

By October, the wage arrears crisis will grow worse, and the Chernomyrdin government will simply not have enough funds to pay off workers. Minimally, with each succeeding month, Russia's chances of muddling through, under continuation of monetarist policies, will diminish drastically.

Egypt charges: London's support of terrorism is new face of colonialism

by Omar Abdul-Aziz

More and more, the world is recognizing the role played by Britain in harboring terrorist groups, not only to provide for them a safe haven to plan and raise money for their murderous plans, but also to use these terrorist groups to force its imperial policies on the nations of the world. In an unprecedented manner, matched only by the publications of this news agency, the Egyptian official media have been exposing this dirty role played by London.

Ibrahim Nafi, editor-in-chief of the official Egyptian daily *Al-Ahram*, signed an editorial on Aug. 31, exposing the real purpose of the British establishment's insistence on holding a conference of terrorists, known as the Revival Conference, in London on Sept. 8 (see last week's *Entente Bestiale*). "I don't think that there is any political hypocrisy, or scandalous paradox, in what is being said, and what is being done, concerning what happens in Britain these days, on whose land a terrorist conference will be held. The conference will gather the *crème de la crème* of the most murderous criminals, whose hands are stained with the blood of innocent people of the Arab and Islamic world," he wrote. "Britain sees no trouble in holding a conference for terrorists on its own land, terrorists who committed crimes much bloodier than the Lockerbie bombing, since the blood of the victims of those terrorists is not as sacred as the British blue blood."

Nafi then asked: "How is it possible, then, to explain this strange British stance?" He answered that the excuses about "democracy and freedom of expression can not fool anyone." He said that even the argument that Britain "wants to get guarantees from these terrorists, assurances that only the interests of their respective nations will be destroyed while sparing Britain and the West the trouble of bombs," is not correct, because those terrorists take aim at British and Western interests as well.

"Could this not be a new form of colonialism, according to which the nations of the Arab and Islamic world are weakened, through indirect support for terrorism, to the effect that these nations will submit, in a flexible manner, to the dictates of the West led by Britain? Thus, the sun of the Empire, which set in the Suez Canal four decades ago, would rise again," wrote Nafi. Is it not the case, as well, "that this is a new crusade against Islam, achieved through polishing the image of those terrorists as the real representatives of Islam, the religion of hatred and anti-development and progress in the eyes of the West, to justify the process of squeezing and crushing the Muslim nations?"



"This is the real reason behind holding the terrorist conference in London," wrote Nafi. But perhaps there is more, he continued. "This conference will become a means of breeding agents and spies who, in case they come to power in their countries, would be useful tools in the hands of their masters who bestowed them with conferences and rallies."

Nafi concluded by saying that Egypt has become used to this Western, and specifically British policy, "but what has happened in London surpasses all, in its violation of all norms and limits. As from our side, we have won the battle against terrorism, and we are able to deal with the remaining groups of agents who are funded

from London and other European countries."

Egyptian President Hosni Mubarak, who was addressing academicians at the University of Alexandria, Egypt, a few days earlier, said that he was "shocked over the fact that such a conference, which includes many 'elements' who promote terrorism, will be held." He added that "this does not serve the cause of combatting international terrorism." He emphasized

that “there are many questions around this conference, for which we hope answers will be given soon.” The statement by Mubarak came one day after British Foreign Minister Malcolm Rifkind had said that Britain will not stop the Revival Conference, as long as it does not violate the laws of the United Kingdom. (Rifkind, who was visiting Pakistan late last month, told reporters there that his government will not extradite the leader of the Sindhi separatist, terrorist group Mohajir Qaum Movement, Altaf Husain.)

Meanwhile, Egyptian Deputy Foreign Minister Nihad Abdul Latif summoned the British Chargé d’ Affaires Richard Macbeth, to express to him Egypt’s deep concern, and demanded information and precise details about the nature of the planned conference. Abdul Latif handed Macbeth a letter from Foreign Minister Amre Mousa, addressed to Rifkind. An Arabic daily, *Al-Hayat*, quoted Egyptian officials, who excoriated Britain’s allowing the Revival Conference to be organized as a “double standard policy” and “support for international terrorism.” One official stressed, “There should be a clear distinction between terrorists and real political refugees,” adding, “the asylum law in Britain has provided a safe haven for terrorists.”

International outcry

While the attacks by Egyptian political figures against Britain’s role have become more and more precise, they were joined on Aug. 31 by the Italian daily *Avvenire*, which is connected to Italy’s Catholic Bishops Conference. *Avvenire* is the first Western news medium, outside of *EIR*, to expose the London terrorist gathering in these terms. The article, headlined “London Protects Terrorists,” reported statements from the Egyptian and Algerian governments, whose countries “have since long engaged a hard confrontation with integralists. So much so, because less than two years ago, from the same meeting in London, fundamentalist leaders called for overthrowing moderate Islamic regimes, accused of being corrupt and enslaved to the West—a call which was not left unanswered. ‘The leaders of the terrorist movement will participate in the meeting,’ was the angry statement from a spokesman of the Algerian Foreign Ministry.”

British authorities, *Avvenire* reported, “do not seem intent upon forbidding the demonstration. This behavior reinforces the feeling shared by many observers, according to whom the British capital is becoming—thanks to its traditional hospitality and liberality—a refuge for dangerous Islamic terrorists.”

Other international protests came from Algeria’s main opposition party, the Islamic Salvation Front (FIS); the Muslim Brotherhood of Egypt; the moderate faction of the Palestinian group Hamas; and Tunisia’s Nahdha Islamic Party, all of which have distanced themselves from the Revival Conference. Spokesmen for these moderate Islamic movements said that they have nothing at all to do with the conference being organized by Al-Muhajirun, a fanatical group led by the Syrian Omar Bakri.

Abdullah Anas, FIS spokesman in Europe, made clear that “there will be no message from the FIS leader Ali Belhaj, who is in prison in Algeria, to be delivered to the participants in the conference.” Al-Muhajirun had listed Belhaj as one of the conference speakers in their pamphlets, in order to tar FIS with the pro-terrorist brush. Kamal Halabawi, the London spokesman for the Muslim Brotherhood of Egypt, remarked that “no moderate Islamic organization was invited to this conference.” He added: “Moderate Islamic groups have methods which are totally different from these of the conference organizers who call for violence. Violence and force have no place in our methods of social and political change.”

Sudan hijacking points to U.K. as terror haven

A debate is breaking out in Britain, in the aftermath of the Aug. 26 hijacking of a Sudan Airlines jet, in which the terror-hijackers demanded that the plane be flown to London, where the hijackers would seek asylum. “It’s our belief that Britain is soft on terrorism,” said Mike Whine of the Board of Deputies of British Jews. “Most of the main Muslim opposition groups are represented in London. We object to the fact that some are plotting activity, some of it aimed against Western and Jewish interests,” he told one British outlet.

Any crackdown on terrorists in Britain was set back when Home Secretary Michael Howard last March failed in a bid to deport Saudi dissident Mohammed al-Masari. On Aug. 29, Howard wrote in the *Daily Telegraph* that terrorists “must not abuse the hospitality of free nations by claiming asylum while they concoct terrorist outrages. . . . We [have] proposed a new international instrument to put beyond doubt the proposition that terrorists and those who plan, fund, or incite terrorism have no right to be considered for asylum.”

The leading spokesman for terrorist protection is Lord Avebury, who has worked with Baroness Caroline Cox and the Christian Solidarity International against Sudan. Chairman of the Parliamentary Committee on Human Rights, Avebury told the press: “I don’t think Britain is being too soft at all. There are lots and lots of people who are refused entrance because of their links to armed opposition movements, for example, the Kurds. People who look at these problems should be careful to distinguish between those who are involved with political problems and those who are occupied with terrorism.” Avebury was a main defender of Masari.

London's 'Jihad' against America

Only four days before the conference, on Sept. 4, the London-based Arabic daily *Al-Arab* published the full, page-and-a-half text of an open message signed by Saudi terrorist financier Osama Ben Laden, calling for "irregular warfare" against the "American occupation" forces in Saudi Arabia and the Arabian Peninsula. Ben Laden referred to the miserable economic situation in Saudi Arabia, blaming it on the policies of the royal regime, but emphasizing that the "regime is the lesser evil and America is the greater evil" and the source of suffering for all Muslims. "Fighting the American occupation comes before fighting the regime. Fighting against this greater evil is the biggest duty of a Muslim after belief in God," wrote Ben Laden.

Then he hinted that elements in the Saudi regime are allowed to join the mujahideen in the *Jihad*, or holy war, against America, according to Islamic law. "Allah supports *Jihad* through the moral and also the immoral. If there is no supporter for the mujahideen but an immoral 'Emir' (ruler) and an army of sinners, then the Muslims should choose the lesser harm by allying with this Emir against the greater evil." It is significant to note that Ben Laden attacked only Prince Sultan and his brothers, who are considered as American assets, while ignoring the anti-American Prince Abdullah, chief commander of the Royal Guard.

Ben Laden called on the Armed Forces and the Royal Guard to assist the mujahideen when the "operations start." "Our brothers in the Armed Forces and the Royal Guard, since your brothers and sons started the *Jihad* to drive the occupying enemy from the Land of the two Shrines, I have had no doubt that you are eager to participate in this duty too," said Ben Laden. He then outlined what operations are required. "It is known that this period of time requires new fighting methods, because the enemy's power is far greater than ours. What is required is small and swift groups working quite secretly, in other words, irregular warfare. What your mujahideen brothers need to get from you is information and logistical help."

He added: "Although we know that the Saudi regime is responsible for what happened to our people, we should concentrate on ambushing, killing, and destroying the American enemy."

Ben Laden called on the young Saudis "who fought in Afghanistan, Bosnia, and Chechnya to line up to offer their lives for the fight against America." He promised them a prominent place in heaven and 72 *Houris* (mermaids) each to marry. "Let William Perry know that our youth love death as much as he loves life. Our problem is not to convince new recruits, but to convince our youth to be patient to wait for their turn," he wrote.

LISTEN TO LAROUCHE ON RADIO

*Frequent Interviews with
Lyndon LaRouche on the
Weekly Broadcast "EIR Talks"*

ON SATELLITE

4 p.m. ET
Galaxy 7 (G-7)
Transponder 14.
7.71 Audio.
91 Degrees West.

SHORTWAVE RADIO

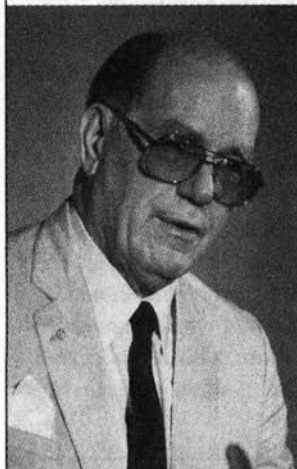
Sundays 2100 UTC
(5 p.m. ET)
WWCR 12.160 MHz

**Cassettes Available to
Radio Stations**

**Transcripts Available to
Print Media**

Local Times for "EIR Talks" Sunday Shortwave Broadcast on WWCR 12.160 MHz

Adis Ababa	0100*	Little Rock	1600
Amsterdam	2300	London	2200
Anchorage	1300	Los Angeles	1400
Athens	2400	Madrid	2300
Atlanta	1700	Manila	0600*
Auckland	1000*	Mecca	0100*
Baghdad	0100*	Melbourne	0800*
Baltimore	1700	Mexico City	1600
Bangkok	0500*	Milan	2300
Beijing	0600*	Minneapolis	1600
Belfast	2200	Montreal	1700
Berlin	2300	Moscow	0100*
Bohemian Grove	1400	New Delhi	0330*
Bogota	1700	New York	1700
Bonn	2300	Nogales	1500
Bombay	0330*	Norfolk	1700
Boston	1700	Oslo	2300
Bretton Woods	1700	Paris	2300
Bucharest	2400	Philadelphia	1700
Buenos Aires	1900	Pittsburgh	1700
Buffalo	1700	Prague	2300
Cairo	2400	Rangoon	0430*
Calcutta	0330*	Richmond	1700
Caracas	1800	Rio de Janeiro	1900
Casablanca	2200	Rome	2300
Chattanooga	1700	St. Louis	1600
Chicago	1600	St. Petersburg	0100*
Copenhagen	2300	San Francisco	1400
Denver	1500	Santiago	1800
Detroit	1700	Sarajevo	2300
Dublin	2200	Seattle	1400
Gdansk	2300	Seoul	0700*
Guadalajara	1600	Shanghai	0600*
Havana	1700	Singapore	0530*
Helsinki	2400	Stockholm	2300
Ho Chi Minh City	0600*	Sydney	0800*
Honolulu	1200	Teheran	0130*
Hong Kong	0600*	Tel Aviv	2400
Houston	1600	Tokyo	0700*
Istanbul	2400	Toronto	1700
Jakarta	0500*	Vancouver	1400
Jerusalem	2400	Vladivostok	0800*
Johannesburg	2400	Venice	2300
Karachi	0300*	Warsaw	2300
Kennebunkport	1700	Washington	1700
Kiev	2400	Wellington	1000*
Khartoum	2400	Wiesbaden	2300
Lagos	2300	Winnipeg	1700
Lima	1700	Yokohama	0700*
Lincoln	1600	Yorktown	1700
Lisbon	2300		* Mondays



Terror International launches new insurgency in Ibero-America

by Valerie Rush

Exactly one year ago, the Pentagon issued a report entitled "U.S. Security Strategy for the Americas," which argued, among other things, that the impact of insurgent and guerrilla forces in the Americas was happily on the wane, an argument which *EIR* founding editor Lyndon H. LaRouche blasted as a devastating blunder in U.S. policy assessment. Today, narco-terrorist insurgencies are under way in several Ibero-American nations—including just south of the U.S. border—and are threatening to spread across the continent.

In Mexico, nearly 200 well-trained and heavily armed terrorists burst onto the scene during the night of Aug. 28, and throughout the next day, carrying out bloody assaults at half-hour intervals against targets in six Mexican states, and leaving at least 35 dead and wounded—including civilians—in their wake. The People's Revolutionary Army (EPR) has announced in its messages to the media, that it is committed to the overthrow of the Mexican government.

The well-equipped EPR is said to be financed through kidnappings and the drug trade. Military intelligence reports that its cadre have received training from South American and European terrorist organizations, appear to be confirmed by hostages and others who have had contact with them.

The influence of Peru's Shining Path narco-terrorists appears particularly striking: Peruvian accents have been noted among some of the EPR's leaders, and the especially brutal methods employed in the Aug. 28-29 assaults—hacking security guards to death with machetes, torturing and hanging prisoners, shooting the legs off policemen—is all too similar to Shining Path's *modus operandi*. Shining Path is known to have cadre in various clandestine organizations in Mexico, which are believed to have coalesced into the EPR.

Seventy thousand Mexican troops are now searching the core states of Guerrero and Oaxaca, where the terrorists are said to be concentrated and which are also important centers of opium poppy and marijuana cultivation. International human rights groups have also deployed to the area, calling the Mexican military and police "the worst human rights offenders" in the country, and demanding that detained EPR suspects be treated as "prisoners of conscience"!

Drug cartel warfare in Colombia

Even those long accustomed to the horror stories of violence and terrorism from Colombia were stunned by the si-

multaneous deployment of the Revolutionary Armed Forces of Colombia (FARC), otherwise known as Colombia's "Third Cartel," in 14 of the country's 33 provinces on Sept. 3. Thousands of the FARC's narco-terrorist troops slammed into town after town, hitting especially military, police, and government targets, and causing 100 deaths in a 24-hour period. In the case of Las Delicias Army base in southern Putumayo province, bordering Peru, an Army base specializing in coca eradication was overrun and razed to the ground by 500 terrorists wielding rockets and mortars. The surrounding area had been mined by the FARC, preventing the soldiers from fleeing. Dozens of troops were killed, and an estimated 67 were seized as "prisoners of war."

The attacks have continued, both in the south, where the FARC has been deploying tens of thousands of coca-farmers for months on a violent rampage against the army's coca-eradication program, as well as in the north and northeast of the country. An Army patrol was ambushed and slaughtered in Northern Santander province, on the border with Venezuela, and a reported 12,000 terrorist-controlled peasants are on the march in that region of the country. Whole regions of the coun-



France's former First Lady Danielle Mitterrand, supporter of the terrorist insurgency.

try have been paralyzed, due to FARC threats that any transport vehicle—be it cargo or passenger—will be shot off the roads.

The FARC itself has issued a communiqué calling on “all of Latin America to rise up in solidarity with Colombia’s combatants” and against “Yankee imperialism.” Conditions for just such a narco-terrorist “Tet Offensive” are quickly ripening in places like Bolivia and Peru, where the coca-growers are already mobilized into militias by the drug cartels and Shining Path narco-terrorists; or in Brazil, where the so-called Landless Movement (MST) is escalating its bloody provocations; or in Venezuela, where efforts to destabilize the Caldera government are being coordinated between the country’s drug bankers and the MBR-200 underground movement coordinated by retired Army colonel Hugo Chávez.

That’s no lady!

The common mother of all these forces is the Fidel Castrol São Paulo Forum, a terrorist umbrella group for Central and South America, tied especially into British and French circles promoting “indigenist” and “environmental” rights. More than 100 member organizations of the São Paulo Forum met in El Salvador in late July, including representatives from most of the terrorist and pro-terrorist organizations named above. Facilitating that conclave was the former French first

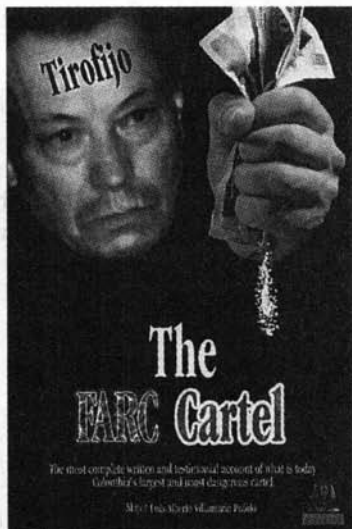
lady Danielle Mitterrand, a notorious terrorist sympathizer who shuttled between countries organizing financing and transport for the delegates.

The Forum meeting was followed the next week by an international gathering in Chiapas, Mexico, hosted by the Zapatista National Liberation Front, again with the support of Mitterrand, and including many of the same figures. The sudden emergence of the EPR terrorists in Mexico, and the dramatic escalation of FARC narco-terrorism in Colombia, in the aftermath of these meetings, represent a serious and continent-wide insurgency, timed to exploit the deepening misery of the Ibero-American population under the free-market dictates of the International Monetary Fund.

Mexico is one of the most vulnerable targets of such a scenario, because of the free-trade looting of that country under the former Carlos Salinas de Gortari government, and the consequent bankruptcy of the economy following the December 1994 peso meltdown. And yet, Mexican President Ernesto Zedillo told a Presidential summit meeting in Cochabamba, Bolivia on Sept. 3, that the problem of poverty in Ibero-America is due to “resistance to democracy and the free-market”! The refusal of governments like Mexico’s—and that of the United States—to recognize, and remedy, such vulnerability, can only play into the hands of the narco-terrorist enemy.

The FARC Cartel

On Aug. 21, Colombian Army commander Gen. Harold Bedoya Pizarro gave a press conference in Bogotá to present a new book, shown here. Written by a member of his staff, Maj. Luis Alberto Villamarín, *The FARC Cartel* documents the FARC’s current role as Colombia’s most dangerous narcotics cartel, which General Bedoya characterized as “the worst threat to our democracy and our institutions. We want our friends to recognize and understand this, and collaborate in this vast fight in which we are engaged.” General Bedoya described the book as a first



step in presenting the truth, “to organize, materialize, and document the specter of the nightmarish criminal organization which is murdering our future.”

Bedoya challenged Colombians—and the corrupt Samper administration—on the issue of whether the nation-state can survive such an onslaught. “Can these groups be defeated? Can narco-terrorism be isolated and destroyed? Yes, absolutely yes, as long as the strategic balance leans toward the state’s *moral* component.” Make no mistake, Bedoya warned: “In Colombia a group of mafiosos disguised as a political insurgency intends to carry out the robbery of the century, the illegal appropriation of an entire State, through violent blackmail and illicit enrichment.”

The foreword to the new book concludes: “This thesis is an analytic proposal, informing public opinion of the threat to republican stability represented by a subversive group moving boldly within the drug market. The FARC Cartel is a criminal group with terrorist capacity, and thanks to drug traffic, it has achieved a strong economic position, and this is important in modern war. What were previously suppositions and subjective appraisals, have turned out to be an objective reality that can be verified and measured. This reality hovers as a new threat of total war, where all shades of criminals will profit.”

Schiller Institute visits Sarajevo on eve of Bosnian elections

by Elke Fimmen

From Aug. 25 to Aug. 28, a German-French delegation visited the Bosnian capital of Sarajevo, for a fact-finding tour organized by the Schiller Institute. Its purpose was to assess the economic and political situation on the eve of the scheduled elections on Sept. 14.

The members of the delegation included German Gen. Hanno Count von Kielmannsegg (ret.); former French Presidential candidate Jacques Cheminade; Michael Liebig, executive director of *EIR*'s European headquarters; and Elke Fimmen of the Schiller Institute. General von Kielmannsegg was, until 1993, Chief of NATO Northern Command of Europe, and had called already in 1992 for NATO air strikes against Greater Serbian targets. After his retirement in early 1993, he spent a week in Sarajevo during heavy fighting, mobilizing public opinion in Germany thereafter to support NATO military action against the Serbian aggression. Cheminade had been an outspoken critic of the treacherous policies of the late President of France François Mitterrand, and of President Jacques Chirac and the new Franco-British Entente Cordiale, on the Balkans.

The delegation met with the religious leadership of Bosnia-Herzegovina, Cardinal Vinko Puljic and Reis Uleima Dr. Mustafa Effendi Cerić; Bosnian General Commander Gen. Rasim Delić; and Hasan Čengić, vice-defense minister. The delegation received extensive briefings on the status of the reconstruction effort by the leadership of the Bosnian railway system, the electric utilities company Elektroprivreda, and the water management system company Vodoprivreda. Edhem Bicakčić, vice chairman of the ruling SDA party and president of the foreign relations committee of the Bosnian parliament, received the delegation. Prof. Abdullah Konjicija, president of the lower house of the parliament of the Republic of Bosnia-Herzegovina, provided the opportunity to meet with several parliamentarians from both the ruling SDA party and the Party for Bosnia-Herzegovina.

The most pressing issue at this point, which was stressed during the talks in Sarajevo by everybody, was that of extreme concern about the upcoming elections, and the consequences, if elections are held under present circumstances. The government of Bosnia-Herzegovina and the parliament in Sarajevo have demanded that federal elections can only take place, once the Serb vote-fraud mechanism has been eliminated. In fact, none of the conditions put forward in Dayton have been

met, such as freedom of movement, safe return to homes by refugees, or freedom of the press, not to mention the arrest of war criminals such as Ratko Mladic and Radovan Karadzic.

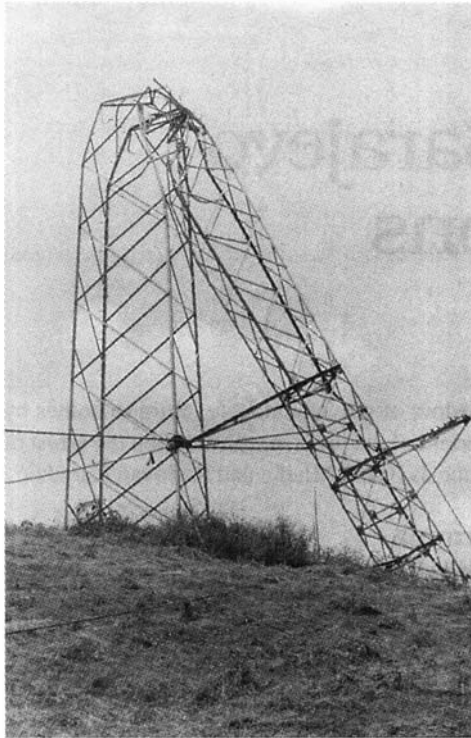
The 'P-2' formula

On top of this came the allowance by the election preparation council of the Organization for Cooperation and Security in Europe (OSCE, known as the "Helsinki Group") for the widespread use of the so-called P-2 formula. This formula, which was supposed to be the exception, became the rule, under which more than 220,000 Serbs, as well as a large number of Croats, registered to vote. These are voters who did not live in these areas before the outbreak of war in 1991, and who have now just moved in to cement the ethnic composition resulting from deaths and "ethnic cleansing." Most disturbing are the cases of Srebrenica and the Brčko area.

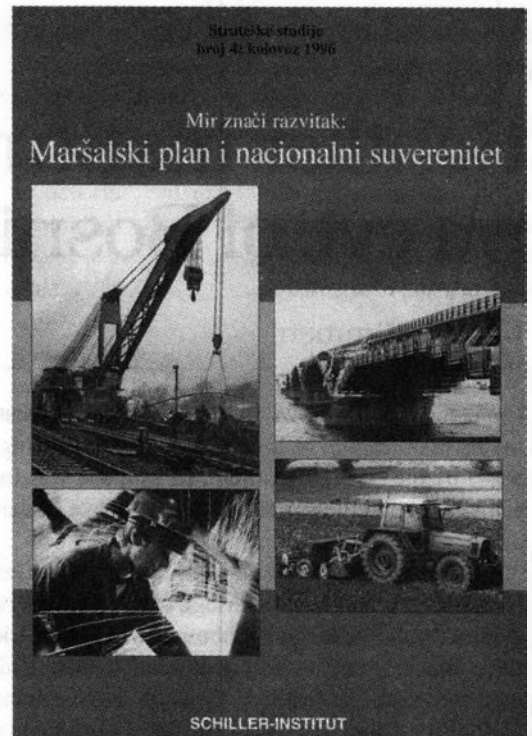
In Srebrenica, 24,394 Serbians are now "living" there, whereas, before 1991, there were fewer than 4,000. Some 20,000 Serbian refugees living in Serbia have been forced to register in Srebrenica by proxy. Just 14 months ago, in July 1995, the Bosnian-Serb army conquered the "UN safe zone" of Srebrenica, killing some 8,000 inhabitants and expelling some 10,000. In the area of Brčko, which had a Croat-Muslim majority before 1991, 42,763 Serbian "residents" have registered.

This crude election manipulation will assure a Serb majority of over 90% in areas which, before 1992, had sizable Muslim-Croat minorities or outright Muslim-Croat majorities. Above all, in the elections for the parliament of "Republika Srpska," which are part of the general elections to be held on Sept. 14, this means that almost 90% of the parliament will be Serbian party delegates, whereas the ethnic composition in 1991 was 60% Serb. It has been announced already by Serbian representatives of the Karadzic-Mladic party SDS, that after the elections, a referendum to split the area from Bosnia-Herzegovina should immediately be held, which would easily be won by such an overwhelming majority.

There is a clear intent to obstruct the functioning of the central government authorities in Sarajevo. According to information provided to the delegation, those international forces which have worked for the break-up of the country, such as France and Great Britain, are preparing a conference in Paris in support of such efforts.



Left: A damaged electrical transmission line in Zavidovici, Bosnia. The Serbs made a point of destroying Bosnia's electrical grid. Right: The Schiller Institute's pamphlet calls for an international effort for the reconstruction of Bosnia. The headline reads, "Peace Means Development: Marshall Plan and National Sovereignty."



The OSCE, which was responsible for the preparation of the elections, did not fulfill its task at all. Apart from allowing P-2 to be used as the rule and not as the exception, because of poor preparations, only about 62% of all voters abroad have been registered, which many see as intentional. Also, voting started long before Sept. 14 in Turkey and Hungary, contrary to initial plans, which were to hold elections simultaneously everywhere, in order to minimize vote fraud.

Municipal elections have been postponed, because of gross irregularities. However, the general elections are scheduled to take place anyway, despite the official acknowledgment by virtually everybody responsible, that these elections are going to be anything but "fair, free, and democratic." As one discussion partner put it, "If elections are held under these circumstances, they will not be the crowning of the Dayton process, but the end of Dayton."

U.S. special envoy John Cornblum, during his visit to Sarajevo at the end of August, assured the Bosnian government that no split-off would occur by "Republika Srpska" after the elections, and that no obstruction of central government functions in Sarajevo would be allowed by the Serbian leadership in the country. Thus, the ruling SDA party ended its boycott of the elections. However, the situation remains extremely fragile. It is now up to the U.S. government to follow through on its promises.

Marshall Plan-style reconstruction needed

Whether or not elections are held, there will be no durable peace if realeconomic reconstruction is not started right away, and on a large scale. Winter is coming, and nothing really has

gotten under way. Social and political unrest are pre-programmed in the Croat-Bosniak federation, under these circumstances, if people who have endured for so long under horrible circumstances, see their hopes now again disappointed. But, it is also mandatory to undertake a Marshall Plan-type approach, to be able to provide a perspective for those impoverished people living in "Republika Srpska." In driving through the so-called Brcko corridor, the delegation members witnessed the scenes of women standing along the main street, trying to sell cigarettes in order to earn a little bit of money.

Many conferences have been held, and many promises given, but very little money has actually come in. The crucial role in slowing down even small programs, is being played by the World Bank. While the re-opening of the rail line from Sarajevo to the Croatian coast, which was celebrated in August, was very important, out of \$75 million needed to fully reconstruct this line, only about \$10 million came in, allowing for speeds of only 40-50 kilometers per hour, with no signals or other necessary equipment having been set up. No other funds have been provided, while about \$1 billion is needed to reconstruct the rail lines.

Of the vital water management systems, a similar situation prevails. Out of \$950 million needed, there is a three-year plan to allocate \$380 million, of which half has not even been raised. Above all, the World Bank has demanded as preconditions from those municipalities which want to apply for loans for their water management reconstruction, a plan to enforce payment of utility fees by local citizens in the next two years, and an amortization plan for any investments taken in the course of the next seven years. This, in a situation where

almost nobody has a job, and where 80-90% of industrial production has been shut down!

Under these circumstances, the newly produced Bosnian-language bulletin of the Schiller Institute, which contains a reconstruction program for the country, as well as for the whole region, in the context of the Eurasian development corridors, was greeted enthusiastically in Sarajevo. It is very clear that railways, communication lines, highways, water systems, and energy production will be the real backbone for

any integration of the country.

Bosnia-Herzegovina is now clearly at a point in which everything will depend on the commitment of the United States government to break free of French-British manipulations and establish a real peace for the country, based on economic development—and not a “fast food” solution, as Reis Uleima Cerić put it. Only such an approach can prevent the renewed outbreak of hostilities and a threat to world peace in the immediate future.

Declaration on Bosnia-Herzegovina

The following statement was issued from Washington, D.C. on Sept. 1.

Having been in Sarajevo during April of this year as participants in an international delegation of the Schiller Institute and the Committee to Save the Children in Bosnia-Herzegovina, we are very concerned with present developments in Bosnia-Herzegovina. We are especially concerned about the non-fulfillment of the Dayton preconditions for holding of fair, free, and democratic elections on Sept. 14. Freedom of movement and return of refugees has not been ensured, as envisioned by the Dayton Agreement.

According to our information, the Organization for Security and Cooperation in Europe, which is responsible for the preparation and execution of election proceedings, did not fulfill its task. Not only did it fail in registering voters abroad, but it allowed the P-2 formula, which was supposed to be the exception for people who moved since 1991 (i.e., before the war) for personal reasons to other areas of the country, to become the rule. More than 220,000 Serbians have registered to vote on this basis in “ethnically cleansed areas.” This completely cements the war results, as most shockingly seen in areas such as Srebrenica and the Brčko corridor.

By accepting the registration of these voters as legitimate, the outcome of elections is clear already, particularly in the so-called “Republika Srpska.” Thus, the division of Bosnia-Herzegovina is de facto legalized. It has been stated by Serbian leaders that they intend to use the overwhelming majority in the parliament of “Republika Srpska” to organize a referendum to split from Bosnia-Herzegovina. International forces sympathetic to a division, such as Great Britain and France, are already preparing a conference in France in the event of such a *fait accompli*.

This is a continuation of war by means of politics,

rewarding genocide and ethnic cleansing. With that, the stated aim of Dayton, to preserve Bosnia-Herzegovina as one country, is in effect destroyed.

We also reaffirm our call for an immediate Marshall Plan type of approach for big infrastructure development, which must be started right away. According to our information, promised money is coming in very slowly or not at all, and lags far behind actual needs. In particular, the World Bank plays the leading role in sabotaging such infrastructure plans. Real help must come quickly, now.

At this point, Bosnians are being told that “after the elections, help will come.” In using this argument, undue pressure is being created to accept elections under any circumstances, while at the same time, the stated policies of the World Bank do not aim for a coherent development plan.

We therefore urgently call on the U.S. government to:

1. Ensure early elections as soon as possible under the conditions set by Dayton, above all by preventing P-2 to be used as an instrument of manipulation of the elections;
2. Go for a crash plan of infrastructural development, without the monetaristic grip of the World Bank conditionalities, which in effect mean the killing of more people.

Only with such a change in approach can there be a perspective for *durable* peace, which will also attract the Serbian population, to really integrate into the state of Bosnia-Herzegovina, and thus achieve the stated aim of Dayton.

Signed:

Benjamin Swan, state representative, Massachusetts
James Mann, former U.S. congressman, South Carolina
Theo W. Mitchell, former state senator, South Carolina
Dr. Jozef Miklosko, president of the Committee to Save the Children in Bosnia-Herzegovina, former vice prime minister of post-communist Czechoslovakia
Nihad E. Dzinovic, chairman of the Bosnia Relief Organization in California; member, National Advisory Board for Humanitarian Aid
Umberto Pascali, secretary of the International Parliamentarians Against Genocide in Bosnia; member, Schiller Institute

International Intelligence

HM eco-terrorists target construction in U.K.

Three British companies tied into construction and road-building have begun revealing the violent actions against them by groups they have dubbed "eco-terrorists": Earth First!, The Land Is Ours, Alarm U.K., and Road Alert. David Harding, a spokesman for one of the companies, ARC, told the press, "You only have to see them in action at protests. They walk around with mobile phones and camera equipment, they communicate and gather support for demos via the Internet—we're talking about a highly sophisticated organization."

The terrorism goes beyond violent protests against road-building crews at the Newbury Bypass and the M3 highway. Company officials report bomb threats and intimidation of employees at their homes. Groups, such as the Berkshire Wood Elves, are distributing leaflets on how to build homemade explosives. Harding described how ARC, which supplied construction materials for the Newbury Bypass, was targeted: "It was called the 'First Battle of the Newbury Bypass,' we had 300 Earth First! protesters invade and occupy our site. Hundreds of thousands of pounds of damage was done in one day. Plus, there was the knock-on cost of lost production and extra security in future."

Neo-liberalism blamed for child sex exploitation

Belgium's Foreign Minister Erick Deruecke shocked participants at a Stockholm conference on child sex exploitation by holding "ultra-liberal free-market economics" responsible for commercial child sex abuse, including the pedophile murders by starvation of two eight-year-old girls in Charleroi, Belgium. "It's the extreme consequence of an ultra-liberal economic world order, where even children can be bought and sold on the free market," he told the World Conference Against the Commercial Sexual Exploitation of Children.

On cue, both the London *Times* and Swe-

den's *Svenska Dagbladet* denounced Deruecke's remarks as extreme. The two dailies may be reflecting nervousness in the circles around the free-market fanatics in the Mont Pelerin Society, who met in Vienna Sept. 8-13.

The London *Times*, rather than praising Deruecke's statements, editorialized that the continued "unity of Belgium" is now called into question by the pedophile murders, and that the only thing holding the country together is "the center's moral authority." This is now gravely weakened. The "separatist demands of Flemish nationalist politicians in the North" must necessarily become more strident, they threatened.

N. Ireland: Loyalists threaten to break truce

On Sept. 9, the roundtable talks headed by President Clinton's Northern Ireland adviser, ex-Sen. George Mitchell, were set to resume. But over Aug. 28-29, British media gave play to claims by Progressive Unionist Party leader David Ervine that the Loyalist truce was close to the breaking point because of the IRA's failure to renew its own cease-fire, he wrote, "The basis of the Ulster Volunteer Force (UVF)/Red Hand Commando thinking at the time is for the survival of the Unionist population and their way of life," i.e., a return to war.

Ervine's threat appears to be a response to the Irish government's efforts to get Sinn Fein seated at resumed peace talks. "Elements of the Irish government and opposition have felt it necessary to stand shoulder to shoulder with the Provos [IRA] in relation to talks without a cease-fire. . . . Loyalists see the Irish government as being wholly dubious," said Ervine. From Dublin, Prime Minister John Bruton responded that he was ready to talk to Ervine or any other Loyalist figure to persuade them of the Irish government's determination to be even-handed.

Meanwhile, the Combined Loyalist Military Command (CLMC), a countergang umbrella group for outlawed Loyalist guerrillas, gave a 72-hour warning to factional leader Billy Wright, to leave or suffer "summary justice." Wright had accused the PUP

of betrayal, saying "I believe that the political direction in which they are moving is wrong. I believe time would be better spent sticking up for Northern Ireland."

Republican IRI praised in Mongolian elections

The International Republican Institute, the George Bush-linked "quango," is not only up to its elbows in pushing free-market looting under the guise of democracy in Russia: A review of IRI funding projects in Asia revealed that in 1994, IRI spent \$134,073 of a grant from the National Endowment for Democracy (NED), for technical training of the Mongolian National Democratic Party and the Social Democratic Party. The effort was so successful that the NED annual report that year quoted the chairman of the two parties saying, "training proved critical in the [1993] Presidential election when our coalition candidate was elected President. . . continued support from IRI will allow us to gain control of the parliament in the 1996 elections," which, indeed, happened.

However, in light of the Republican effort, Mongolia's women have moved to assert their independence and safeguard the country's future, creating the Mongolian Liberal Women's Brain Pool, an in-country workshop on Women in Politics, promoting non-governmental organization oversight and advocacy, and participation in an international seminar on Economics in Transition, paid for by the Asia Foundation.

Can you blame them? If Mongolian men are being trained by the Republicans, Mongolia's women need all the brains they can pool.

German, Chinese foreign ministers to meet at UN

German Foreign Minister Klaus Kinkel and Chinese Foreign Minister Qian Qichen will meet at the UN General Assembly in New York on Sept. 24, to settle the "irritation" in relations, Kinkel told the economic daily *Handelsblatt*. He continued, that the meeting will "lay the foundations for my visit,

and the exchange of visits can be arranged in a way that corresponds to the interests of both countries." Kinkel had been set to visit Beijing in July, but it was cancelled when Tibet's Dalai Lama, a British asset for destabilization of China, went to Germany.

On Tibet, Kinkel said that human rights remains an important theme for German-Chinese discussions, including religious freedom. However, he noted, "If the German government calls for respecting the cultural and religious autonomy of the Tibetans, this in no way means that it supports the efforts of Tibet to obtain independence from the Chinese nation." Germany has always had, and still has, a clear "one-China policy," he said. "The government does not recognize the self-proclaimed Tibetan government in exile."

Kinkel also noted the importance of economic relations. Germany is building subways in Shanghai and Guangdong, and at the same time is playing an essential role in technology transfers to China, to build a modern transport structure. German exports to China, while only 1.6% of exports overall, some important sectors of industry export 20%-30% of their products there.

'Limes' editor backs Chile option for Russia

Lucio Caracciolo, publisher of the geopolitical magazine *Limes* in Italy, told *EIR* on Aug. 26, that his circles back a Pinochet-style dictatorship to "stabilize" Russia. "The highest priority, for all of Europe, is to stabilize Russia," from which he had just recently returned. "The situation in Russia is under no one's control. The mafia has a free hand. The danger is not a new geopolitical expansion, but the export of Russian instability into Ukraine. Ukraine is the hot spot for all of Europe, during the next few years."

Caracciolo had just attended a strategy conference arranged by the Moscow School of Political Studies. While in Moscow he had also met with Vitaly Naishul, an adviser to Security Council chief Gen. Aleksandr Lebed, and deadly opponent of Lebed's economics adviser Sergei Glazhev, who

backs a dirigist approach to rebuilding the country. (See *EIR's Strategic Studies* section last week, in which correspondent Roman Bessonov demolished the lie that the only true democrats in Russia are the proponents of free market reforms.) Caracciolo and his group see Lebed as an authoritarian, Pinochet-style option for Russia. "Naishul has spent a lot of time in Chile, and is supportive of the Chilean experience," he confirmed.

The 'old guard' may take over in Thailand

Thailand's current ruling coalition may be heading for trouble. Prime Minister Banharn Silpa-archa, a business leader, rules in alliance with various military- and business-linked forces, including technocrats who operate at the behest of the International Monetary Fund. With a severe financial crisis now threatening to explode, the "old guard" military and police types are expected to take over.

Defense Minister Chavalit Yongchaiyudh, the retired general who served in the military governments of the 1980s, and Justice Minister Chalerm Yubamrung, who was a police captain known for having files on everyone, and for using them regularly, have apparently teamed up to bring down Banharn and take direct control.

Chavalit has opposed Banharn's efforts to implement a political reform that threatens to remove the appointed (generally, military-held) seats in the Senate.

Both Chavalit and Chalerm were publicly enraged when Banharn recently named three new recipients of bank licenses. Chavalit was supporting the War Veterans Organization for the bank license, and Chalerm another group, but both of these were passed over. Chalerm suddenly "discovered" and made public the fact that the three winning applicants had all paid \$30 million in bribes to members of the cabinet. Chavalit and Chalerm played key roles in bringing down the previous regime of Chuan Leekpai, by similar methods. Another redistribution of looting rights, however, is unlikely to solve the crisis.

PRESIDENT CHIRAC of France called for the expansion of the North Atlantic Treaty Organization to include Russia, in his address to the French ambassadors on Aug. 29. He called on all states interested in joining NATO to attend the Atlantic Alliance summit early in 1997, where all the recent changes in NATO's organization will be integrated.

ZIMBABWE has recorded an unprecedented 1 million malaria cases, with 2,000 deaths this year, a Health Ministry official said on Aug. 23. Samuel Tsoka, the principal health education officer, told the local official news agency ZIANA, it was "the worst (national) epidemic of malaria in living memory." Half the country's expenditures go for debt service.

A MOSCOW SYNAGOGUE was the site of a small bomb explosion on Aug. 22, a Federal Security Service spokesman told Itar-Tass. The device went off when the building was empty. No one was injured, but the blast broke windows and knocked over Torah scrolls, causing \$15,000 worth of damage. The synagogue, which had burned down in 1993, was reopened in June.

POPE JOHN PAUL II is not about to abdicate for health reasons, despite a campaign by the French magazine *L'Express* asking "Should John Paul II Abdicate?" While Vatican spokesmen compared persistent press rumors of the Holy Father's failing health to sightings of the Loch Ness monster, the London *Times* coyly headlined its coverage, "Vatican Denies Ailing Pope May Abdicate."

NEGLECT OF THE ELDERLY is now a criminal offense in China, according to the Aug. 30 issue of *People's Daily*. "It is the common responsibility of the society to guarantee the lawful rights of elderly people," the law reads. The over-60 population of China is nearly 117 million.

Gulf War Syndrome: deadly legacy of George Bush's war

by Carol Hugunin

Gulf War Syndrome (GWS) is a national disgrace, a by-product of George Bush's dirty war of January-February 1991, involving roughly 700,000 American soldiers. But what it really should be called is "poverty medicine syndrome"—the failure to treat serious medical problems that developed as a result of fighting that war. Many of the soldiers in our volunteer army are from the same poor stratum that is targeted for genocide by Newt Gingrich's "Contract on Americans," and the failure to give them adequate medical treatment reflects this.

This is the legacy of the Bush Presidency, which not only conducted a genocidal war against the Iraqi population, in order to destroy the nation-state and establish a UN-run "new world order," but also perpetrated Nazi-style crimes against American soldiers. As we shall show, U.S. troops were unwittingly made into guinea pigs for the testing of dangerous "investigational drugs"—drugs which may have contributed to causing the illness known as GWS.

The treatment accorded these veterans threatens the health of the civilian population as well. In some cases, GWS seems infectious, as wives and children have come down with the same symptoms, after the return home of the Gulf war veteran. Some civilian physicians have labeled GWS a biological "time bomb" slowly spreading, untreated, through the U.S. population. Most of the considerable controversy surrounding GWS has ultimately been generated by the failure to support a serious, well-funded research effort to discover the multiple causes of GWS, and to develop adequate treatments, which could easily be done by re-opening a few of the closed military bases in areas that have good medical research facilities.

Vic Sylvester, president of Desert Storm Association, estimates that up to 150,000 soldiers returned home from the

war with some symptoms; and an estimated 60,000 of those developed such a debilitating syndrome, that they are either totally disabled, or only able to work a light job, sleeping the remainder of the day. Sylvester has documented, in a Yellow Commission report called "The Eye of the Eagle," a fairly consistent set of clinical symptoms—achy joints, chronic fatigue, memory loss, sleep problems, headaches, rashes—which may not have a single, simple cause. Veterans' groups like Sylvester's complain that these soldiers have received neither serious medical testing for GWS, nor serious medical treatment from the Veterans Administration (VA).

Yet, military recruiting manuals emphasize long-term medical care for illnesses or injuries related to service in the military, and President Clinton signed into law the Veterans Benefits Improvement Act of 1994 (PL103-446), specifically to address the problems veterans with GWS were having with the VA. Being left untreated with GWS has led to death for several thousand of these veterans, according to Sylvester; and for many, it has meant the disintegration of families, with family members forced onto welfare and food stamps, and children forced into foster homes.

The Department of Defense (DOD) and the VA have claimed, over the past five years, that GWS does not exist; or that if it does exist, it has no single cause; that whatever medical problems these veterans are experiencing are related to civilian life since the war, hence not subject to compensation, or are possibly psychological, due to combat stress. And, rather than spending money on thorough medical workups of veterans with GWS, or research to promote a successful treatment, the DOD and VA have spent considerable sums doing studies which support their own contentions about GWS.



Troops protected against atomic, biological, and chemical warfare train in Saudi Arabia during Operation Desert Shield, 1990. When the war against Iraq began, safeguards were too often disregarded, exposing troops to chemicals whose effects are only now becoming apparent. Yet the Pentagon is continuing to maintain a coverup.

Takedown of medical infrastructure

GWS, whatever its causes, poses a potentially serious medical threat to the whole population—a new medical syndrome joining a swarm of emerging or re-emerging infectious diseases, in a situation in which basic U.S. medical infrastructure is rapidly collapsing, due to attrition and new budget cuts.

The number of hospital beds per 100,000 Americans has collapsed, relative to the standards set by the Hill Burton Act (PL725) in 1946. Many hospitals, particularly in poor areas, have closed some or all of their facilities. Increasingly, emergency rooms turn away patients who lack medical insurance, even in life-threatening emergencies.

A potential turning point in this crisis occurred in the 1985-88 period, with the development of Acquired Immune Deficiency Syndrome (AIDS). Lyndon LaRouche, then running in the 1988 Presidential elections, proposed a massive expansion of hospital capacity, and a \$3 billion-a-year crash program, comparable to the Apollo space program, to develop a cure for AIDS. Such a program was to focus on basic research, both in conventional molecular biology and in less conventional optical biology (non-linear spectroscopy); it would also include medical clinical research, focussed on the task of finding successful treatments for AIDS. Implementation of this crash, Apollo-style “war” on AIDS, and similar microbial threats, would have required sweeping changes in national economy policy.

Those changes in economic policy did not occur. The result: We still know very little, fundamentally, about what AIDS is, or how to stop its deadly advance. The research that

has occurred has been conventionally oriented; and although pharmaceutical progress has offered hope for those that can afford \$15,000 a year for treatment, a vaccine and an inexpensive cure, applicable to most of the world’s AIDS victims, are nowhere in sight.

Meanwhile, medical infrastructure continues to collapse, with America’s poorest getting less and less medical care, and much of the nation’s working population herded into Health Maintenance Organizations, in which adequate treatment is made secondary to making profits from treating the sick. Dr. Robert Pinner of the Centers for Disease Control (CDC) published a report in the Jan. 17, 1996 issue of the *Journal of the American Medical Association*, showing that there was a 58% rise in deaths in the United States from infectious diseases between 1980 and 1992. Corrected for age, since an increasing portion of the population is elderly, this translated into a 39% increase in mortality from infectious diseases.

Last fall, a series of medical conferences by the world’s top epidemiologists began to sound the alarm that the infrastructure for monitoring and controlling serious infectious microbes had collapsed down to alarming levels, precisely at a time when new diseases are on the rise.¹

Enter, Gulf War Syndrome.

Most new medical syndromes, unless they create a situation in which people are dying in large numbers, are initially

1. Carol Hugunin, “Budget Cuts and Environmentalism Speed Spread of Disease,” *21st Century Science & Technology*, Spring 1996.

dismissed as psychosomatic illnesses. Multiple sclerosis was treated that way at the turn of the century. Hookworm was considered to be a case of "southern laziness." Hypothyroidism, and in some cases even diabetes, were treated as psychosomatic problems by some, long after insulin and thyroxine became available. AIDS patients were treated in that way until large numbers dropped dead. Any new medical syndrome, even one with a single, simple cause, is a major challenge to the medical system, requiring extensive testing, and research to determine what might be causing the problem, and how it might best be treated.

This requires a substantial financial investment, fueling the research that turns it into a readily manageable medical problem. If GWS is not a syndrome with a single cause, then there is even a greater need for extensive medical research.

The challenge posed by GWS

Many of the more thoughtful people involved in medical research have come to the conclusion that we are at the end of the era of discovering human diseases or syndromes that have a single, simple cause (for example, one infectious agent, or one missing hormone). Those diseases have already been discovered, they say, and the ones that are left as significant unmanageable medical problems, involve more than one infectious agent and/or chemical-hormonal problem, interacting synergistically. From that standpoint, GWS presents a tremendous challenge to medical research, since it involves a large population of veterans who, in the course of a very dirty war, were exposed to multiple threats to the proper functioning of their immune system, including chemical exposures of varying sorts, experimental drug and experimental vaccine exposures, depleted uranium, plus a variety of infectious agents under very unsanitary conditions. A successful effort to pin down the effect of such interactions, and to find successful treatments for such patients, could spin off into advances into many areas of medicine.

A few doctors and researchers have started treating veterans with GWS with repeated, aggressive use of various antibiotics, with dramatic improvement reported in most cases. Thus far, about 100 Gulf war veterans have been successfully treated in this way. Dr. Edward Hyman in New Orleans started that approach after noticing unusual amounts of bacteria in the urine of GWS patients. Why such therapy works, when it works—because some Gulf war veterans do not respond at all to this therapy—is a hotly debated issue that will not be resolved without more substantial research funding.

Dr. Howard Urmovitz, from Calypste, a biomedical company in Berkeley, California, speaking at the Eighth Annual Conference on AIDS in America in Houston, Texas on April 12, 1996, insisted that a well-funded program to research GWS would lead to across-the-board medical advances. Dr. Urmovitz, an AIDS researcher, takes an unusually broad approach to his work, studying numerous other medical conditions that also involve inflammatory response, in order to get

a better idea of what the immune system may be doing. "If you study GWS and cure it," he said, "you will lead to a management that will be unbelievable. . . . We need to study these diseases concomitantly, rather than independently. . . . It is terribly important to do these clinical trials [on GWS]."

A tiny glimpse at the sort of thing that concomitant studies of possible exposures experienced by veterans with GWS might reveal, is a joint study by Dr. Mohamed Abou-Donia at Duke University Medical Center, and Dr. Robert Haley at the University of Texas, Southwest Medical Center, in Dallas, Texas. (Only part of this research has been published so far.)

Thatcher, Bush set up the war against Iraq

The Persian Gulf war of January-February 1991 was not—as most Americans believe—a response by the so-called "coalition" forces to Iraqi aggression against Kuwait. It was deliberately engineered by Britain's Margaret Thatcher, with then-U.S. President George Bush acting like a puppy on her leash. Their purpose was to establish a precedent for the utter destruction of the sovereignty of a nation, *any* nation, and for malthusian world government by a United Nations dictatorship. The particular target of the British oligarchy was not so much Iraq, as Germany, which had achieved reunification in October 1990, and whose unity struck terror into the hearts of London's geopoliticians.

In an expression of gratitude to Britain's principal American pawns in Operation Desert Storm, Queen Elizabeth II awarded knighthoods to George Bush (Honorary Knight Grand Cross of the Order of Bath), Gen. Norman Schwarzkopf (Honorary Knight of the British Empire), and Gen. Colin Powell (Knight Commander of the Order of Bath).

EIR documented the strategic aims of Operation Desert Shield and Operation Desert Storm, every step of the way.

In a *Special Report* published in September 1990, while the buildup to the war was under way, we quoted an Aug. 12, 1990 statement by Lyndon H. LaRouche, Jr., who was still being held a political prisoner of George Bush. Headlined "Margaret Thatcher Is Brainwashing George Bush," the statement read in part: "As of the 11th and 12th of August, I began to become very upset at the way in which most of the leading British press was featuring breaking accounts of the way in which Margaret Thatcher had brainwashed President George Bush.

"The fact of the matter is, that every bit of the crisis

These two researchers were fortunate enough to get private funding to do this study, from Ross Perot. The study revolves around the interaction of three chemicals: pyridostigmine bromide (PB), an experimental anti-nerve gas pill given to soldiers in anticipation of possible use of chemical warfare by Iraq; DEET, a common insecticide; and permethrin, another common insecticide.

These insecticides were used to protect soldiers from insect-borne diseases endemic in the Persian Gulf area. None of these chemicals, individually, is harmful in the dose that was *supposed* to have been used during the Gulf War. But Dr.

Haley and Dr. Abou-Donia hypothesized that the use of the three together had a very different impact: that the PB pills blocked the natural production of an enzyme called plasma butyrylcholinesterase (BuCHE), which normally filters out chemicals, including insecticides like DEET and permethrin, preventing them from damaging the central nervous system.

Dr. Abou-Donia's study, published in the May 1996 issue of the *Journal of Toxicology and Environmental Medicine*, shows that chickens given the combination of PB with DEET and permethrin developed, according to doses used, increasing degrees of weight loss, diarrhea, weakness, tremors, short-

leading up to the Kuwait incident was orchestrated by British intelligence. I have the name, rank, and serial number of many major British agents who are controlling Israel and controlling the orchestration of the Arab side at the same time.

"Britain orchestrated this crisis. Margaret Thatcher's government supported British intelligence's organization of this crisis. Then Margaret Thatcher came to the United States, and took a Bush who was reluctant to get into a military adventure in the Middle East, and she brainwashed the President of the United States into a military operation in the Middle East, which could backfire wildly, and which could certainly do damage to our allies in Japan and Western Europe; and will upset the balance of power, creating a Soviet problem of a kind we could have avoided."

EIR reported that George Bush and the British lured Iraq into the invasion of Kuwait, which provided the pretext for the "coalition" war. On July 25, 1990, U.S. Ambassador to Iraq April Glaspie met with Saddam Hussein and told him: "Mr. President, not only do I want to say that President Bush wants better and deeper relations with Iraq, but he also wants an Iraqi contribution to peace and prosperity in the Middle East. President Bush is an intelligent man. He is not going to declare an economic war against Iraq. . . ."

"We have no opinion on the Arab-Arab conflicts like your border dispute with Kuwait. I was in the American Embassy in Kuwait during the late 1960s. The instruction we had during this period was that we should express no opinion on this issue, and that the issue is not associated with America. [Secretary of State] James Baker has directed our official spokesmen to emphasize this instruction." (For more on these events, see Webster G. Tarpley and Anton Chaitkin, *George Bush: The Unauthorized Biography* [Washington, D.C.: EIR, 1992.]

Between Jan. 16 and Feb. 28, 1991, the UN "coalition" carried out over 120,000 bombing "sorties" against Iraq, systematically destroying that nation's civilian and mili-



EIR's cover story of Oct. 12, 1990 showed how the buildup to the war against Iraq was part of a British strategy to prevent reunited Germany from participating in a Eurasian alliance for economic development.

tary infrastructure, sparing neither food warehouses nor bridges, mosques nor bomb shelters, civilians nor fleeing, defeated soldiers. The total deaths resulting from these attacks have been estimated at 200,000-500,000. The embargo imposed upon Iraq by the UN Security Council since the end of the war, has resulted in hundreds of thousands more deaths, primarily of children and the elderly.

This is what President George Bush described, in an address to the UN General Assembly on Sept. 23, 1991, as the advent of a *pax universalis*—a universal peace.



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.

ness of breath, paralysis, and death. Dr. Haley's pre- and post-Gulf war epidemiological and neurological study of a whole battalion that served in the Gulf war, has not yet been published.

Government coverup

Veterans and others who have testified at hearings sponsored either by Congress or by the President's Advisory Committee on Gulf War Veterans' Illnesses (PAC), have raised a number of very serious, well-documented questions about the ongoing DOD-VA coverup of what occurred during this war, as it relates to this country's moral commitment to treat its soldiers who return with slowly developing war-related injuries or illnesses.

Current VA records show that only 5% of Gulf war veterans' claims are being granted as requested, despite the intent of PL103-446. The American Legion did a study of three out of four Persian Gulf Area Processing Offices, which shows that 73% of the claims for compensation under PL103-446 were totally denied; 23% were partially granted; and only 4% were granted as requested. Testifying at the March 11, 1996 congressional hearings on GWS, Matthew Puglisi, assistant director of national veterans affairs, American Legion, said: "The majority of the reasons for denial given by the VA was the symptoms did not become manifest to a compensable

degree of 10% within the required two years of the veterans leaving the Persian Gulf Theater . . . 19% of the denial letters sent to the veterans were inadequate according to VA's own regulations and Court of Veterans Appeals decisions. . . . Thousands of Gulf war veterans who are symptomatic for the illness, or illnesses, known as GWS are not receiving health care or compensation from the VA."

Charles Sheehan-Miles, executive director of the National Gulf War Resources Center, Inc., made the same point in his March 11 testimony during congressional hearings: "Though a number of potential exposures have been reported and studies conducted, VA medical personnel do not know about these exposures and their possible effects on short- and long-term health. Some of these exposures include depleted uranium, chemical and/or biological weapons, toxic oil smoke, inoculations, and epidemic diseases. Unfortunately, VA has to a large extent relied on the Defense Department's denial that most of the exposures even took place. . . . As a result, VA doctors are following standard medical diagnostic protocols which are designed to detect illnesses likely to be contracted in civilian life, rather than in an extremely toxic wartime environment. Private and some government research has shown that medically significant effects are shown when veterans are tested for the right illnesses. . . . Though Maj. Gen. Ronald Blanck, M.D., commander of the Walter Reed Army Medical Center, wrote on Jan. 18, 1994, that 'clearly, chemical warfare agents were detected and confirmed at very low levels . . . [and] could have contributed to illnesses,' VA has failed to evaluate veterans for possible exposure to these low level agents."

Testifying at hearings of the PAC in Chicago on July 8, Samuel Ramos, a veteran who had received a bronze star for his service in Vietnam, stated that he and his whole family became sick following his return from service in the National Guard during the Gulf war; the VA has denied his claims for compensation, putting him on the following medications for his GWS symptoms: morphine, Methadone, Percoset, Demerol, Darvon, Merinol, Vicodin, and muscle relaxers. As a result of such treatment, Ramos testified: "I lost my family, my friends, my good standing with the community, my freedom, and even my self-esteem. I was disrespected, humiliated, lied to and harassed by General Blanck's staff. Treatment of active duty personnel was intolerable at Walter Reed Hospital. People with the same symptoms as I, were held in the psychiatric ward." The use of such drugs acts as a cheap, mind-deadening substitute for a serious treatment and research effort around GWS.

Demolition of Iraqi arsenals

Brian Martin, president of International Advocacy for Gulf War Syndrome, released to the PAC on June 19, 1996, a copy of a video taken by members of the 37th Engineers' Battalion with the 20th Engineers' Brigade, during the March 4, 1991 demolition of Iraqi arsenals at Kamisiyah. The video

was shown at Martin's testimony to the PAC in Chicago on July 9. It documents the exposure of U.S. troops to chemical warfare agents.

This was a deployment which took place after the cease-fire, after the air and ground war had ceased. It involved blowing up 100 large concrete bunkers and warehouses, plus some open-pit storage areas, because they were arsenals containing weapons. According to many veterans, some bunkers at Kamisiyah contained chemical warfare agents stored along with other ammunition. In a telephone conversation, Martin stated that 85% of the ammunition he saw in those bunkers was U.S.-made, but Jordanian, Russian, Italian, Dutch, and other ammunition was also seen.

Charges that the Iraqis had chemical and biological warfare agents have not been proven; but since these charges have been supported by the U.S. government, then how can the same government credibly dismiss out-of-hand claims by veterans that they were exposed to these agents during coalition demolition, with deleterious effects on their health?²

The video shows an explosion, creating a huge plume of smoke fed by several smaller explosions, as 33 bunkers were destroyed at once. Soldiers are shown from the 37th, deployed about three miles southwest of the explosion, wearing neither chemical warfare protection suits nor masks, with black and gray smoke from the explosion swirling around their heads; they are running for cover as rockets and live rounds rain down on them.

A full-page feature on this incident by Philip Shenon, published in the Aug. 11 *Sunday New York Times*, states that although the DOD claims that they have found no unusual pattern of illness among those from the 37th exposed to this demolition effort, the author interviewed 37 of 150 battalion members so exposed. Of those 37, Shenon writes that 27 have suffered serious health problems since the war; yet, as elite paratrooper troops, they were in superb physical shape going into the war. Although the Pentagon claims that extensive inspection of the area was done prior to the detonation, soldiers of the 37th claim that no such thorough inspection was done, and that chemical alarms went off shortly after detonation began. Maj. James R. Riggins (ret.), who was the executive officer of the 37th, said: "We were so close, that it made sense to don all the chemical equipment, so we did." But he said that the 37th had no chemical expertise to conduct a thorough search of the bunkers in advance. "How the hell would we really know what's inside those bunkers? We are

2. At the April 16 PAC hearings in Atlanta, Randy Wheeler, a Marine Artillery scout observer with the 3rd Tank Battalion, 1st Toll Platoon, assigned to protect a German-made FOX vehicle designed to test for chemical warfare agents, testified that at an area outside the Kuwait International Airport, they found storage of rounds containing mustard gas and other chemical agents, and that all munitions found there were manufactured in the Netherlands, Jordan, or the United States. During the July 8 PAC hearings, Igor Mitrokhin, from the United Nations special commission on disarming Iraq, testified: "Of course, Iraq was not able to create the CW arsenal on its own."

obviously not chemical-weapons experts." Shenon explains that the 37th was short of chemical suits, and, *since alarms went off frequently, they were encouraged not to unwrap new suits even when alarms went off.*

Brian Martin testified that he heard no chemical alarms during the detonation, but it is certainly possible that members of the 37th further away from the chemical alarms, might not have heard them over the noise of the explosion.

Major Riggins told Shenon that although he has remained healthy, he didn't question the claims of members of the 37th who had become sick. "Some of these guys are heroes. They are John Wayne types. These are not the type of guys to make these things up."

Blowback during coalition air war bombing

Jim Tuite, director of the Senate Banking Committee investigation of GWS under then-Sen. Donald Riegle, Jr. (D-Mich.), is a Vietnam veteran, and was science and technology research coordinator with the U.S. Secret Service. He testified to the PAC on April 16, 1996, that he was developing arguments based on information which is "the position of the Department of Defense, not the position of Jim Tuite."

Tuite claimed that prior to the war, the Army and Air Force contracted with the national laboratories to do classified studies on how to destroy arsenals of chemical and biological weapons without killing massive numbers of Iraqis or coalition soldiers. The studies, he said, warned of the labs' serious concern about fallout from blowing up these facilities. The Russians, he said, including the former commander of the Soviet chemical weapons troops, also expressed serious concerns about such fallout once the air war began, especially given the geographic proximity of Iraq to the former Soviet states.

Tuite pointed out that in 1994, the DOD was spending tens of millions of dollars to develop "safe-kill" weapons that would minimize collateral effects from bombing of chemical and biological weapons arsenals, so it hardly seems likely that the United States had successfully developed a safe solution during the Gulf war, early in 1991.

Tuite further testified that the nerve gas Sarin does not burn, is mixable in water, and has a cumulative effect from low-dose exposure. Since Sarin does not burn, at least not under detonation-type conditions, and since there were, according to declassified Defense Intelligence Agency reports, no massive casualties in the immediate area of the bombings—a populated area along the Euphrates River—the question becomes, where did the gas go? If it was diffused, according to the DOD's weather modeling, in the layer of the atmosphere next to the Earth, large-scale casualties and deaths would have immediately occurred. Since there is no evidence of that, said Tuite, it must be that the DOD modeling was incompetent. Or, was the claim that Iraq possessed such chemical warfare agents false? If this turns out to be the case, it is, in itself, a scandal, since such claims have been used to



Training for the war against Iraq, in a simulated chemical warfare environment. A full investigation is needed into what caused the symptoms known as Gulf War Syndrome, as well as a research program to determine how veterans who have this disease can be cured.

justify continued sanctions against Iraq, which have killed hundreds of thousands of Iraqi children.

Tuite stated that Sarin vaporized during the bombing and rose from the heat of burning facilities, way up into the lower troposphere. He reported NOAA satellite weather data from that time period, which show that on the relevant days, the visible debris and smoke clouds from the bombings were drifting southeast across coalition troop concentrations. He testified that generally the coalition forces bombed late at night or early in the morning. Then, using Air Force Gulf War weather reports, he showed that a low fog, often containing both water and Sarin vapor, would drift over the troops most mornings, with Sarin, which is mixable with water but heavier than air, dropping out as the water evaporated each morning, causing alarms to go off. He testified that, according to DOD standards in training field manuals, those chemical alarms were confirmed to be positive alarms, and were re-confirmed by French, British, and Czech alarms.

He testified that nerve agents—that is, organophosphate chemicals, such as Sarin—in low doses cause cumulative damage, with flu-like symptoms and rashes, very much like the GWS symptoms that veterans experienced, both during the air war and later upon returning home. He told the members of the PAC to pick up a pesticide can, like malathion, and see what symptoms it warns you to look for: “It says if you see flu-like symptoms and rashes, immediately seek medical assistance.” He cited the peer-reviewed study by Dr. Gran Jamal, a British expert on organophosphate pesticide

poisoning, which shows that 14 out of 14 randomly selected sick British Gulf war veterans had peripheral nervous system damage similar to that seen in civilian agricultural overexposure to organophosphates.

Tuite testified that exposure to low levels of organophosphates, at two or more orders of magnitude lower than the levels at which the alarms start going off, causes chronic damage to health unless gas masks are worn; yet, gas masks were not worn, because soldiers were unaware of the danger! These levels of exposure were not an acute threat, in terms of impairing the military mission, but were a serious health threat to the individuals so exposed. He testified that besides the numerous chemical sensor alarms of various sorts, massive sudden deaths of animals during the air war further corroborated the assertion that the chemical alarms were not false alarms.

Tuite declared: “I am critical [of the DOD], in that denying that these low-level exposures are hazardous and by denying that when alarms went off it was real, they have undermined our forces’ confidence in their leadership, in their chemical weapons gear,³ in their chemical weapons detectors and, quite

3. An article by Dr. Evan Koslow, “Would You Go to War Wearing This Equipment?” in the May 1990 *Armed Forces Journal*, argued that the suits and masks used in the Gulf war were nowhere near adequate, but the experience of the French troops, who were rigorous about staying in Mission Oriented Protective Posture-status whenever alarms went off, indicates that, in reality, the suits were definitely better than nothing.

frankly, a whole doctrinal review needs to be conducted. . . .”

Tuite was questioned about the permissible exposure limit for Sarin, and he pointed out that alarms were going off detecting 1,000, and even 10,000 or 100,000 times these permissible levels, “and again, the troops were told, because these alarms were all going off, that it wasn’t enough to hurt you, don’t worry about it, take the batteries out of the alarms. Because our doctrine specifically says that the effects of these chemical agents are acute, immediate and severely debilitating. And they are at militarily significant levels, but they’re not at levels that will cause serious physical injury to the individuals exposed. . . . We know that the French exercised fairly decent MOPP [Mission Oriented Protective Posture] discipline, both because of the quality of their detectors, and because they weren’t taking the nerve agent pre-treatment pills, and we have very few reports of French sickness. Now we don’t know whether that’s because of the pills or because they exercised MOPP discipline because they weren’t taking the pills. . . . My concern in this issue is not as it relates to veterans, it’s as they relate to the soldiers that are still in uniform. . . . We have systematically undermined our troops’ confidence in the abilities of their commanders to tell them the truth.”

Tuite then moved to the problem of depleted uranium. “The radioactive dust takes a long time to start manifesting its symptoms, but it has very similar symptoms. . . . I think you’re going to see more and more soldiers get sick, soldiers who aren’t sick now, or soldiers who are managing their illness now. . . . This becomes very frightening, because it becomes a readiness issue as well.”

Tuite was questioned as to where he got the information on the chronic low-level effect of organophosphates, since the military claims that such information doesn’t exist. He answered that he has a farm, and the Agricultural Extension Office passes out flyers from Rhône-Poulenc, among other manufacturers of agricultural pesticides, that include safety drawings and alerts for any farmer experiencing rashes or flu-like symptoms to immediately seek medical help. Plus, Tuite pointed to the literature about how occupational exposure to organophosphates can lead to delayed neuropathy.

Tuite also testified that a “board member of a major supplier of pathogens to Iraq’s biological warfare program was named to head the Defense Advisory Board’s inquiry” on GWS.

Double standard on chemical warfare

Both the DOD and most veterans’ groups claim, that although the Iraqis possessed chemical weapons, they did not systematically and deliberately use them during the Gulf war. Yet, the fact that the Iraqis may have possessed chemical and biological weapons, apparently obtained largely from the United States, continues to be used by the U.S. government as an excuse for continuing punitive sanctions against the Iraqi population.

At the July 8 hearings of the PAC, Kathi Kelly, as an

American civilian who was in Iraq during the war, stated that 567,000 Iraqi children have died from starvation and lack of medicines since those sanctions were imposed in August 1990, and are continuing to die at a rate of 10,000 a month. “Children under five, like our own children, simply cannot control their governing forces. And yet, because of the terrible corrective punishment, they’ve been called upon to pay the price,” she said.

But while sanctions kill off young and old in Iraq, the DOD and VA are using the excuse that the Iraqis did *not* systematically use their chemical and biological warfare capacity against U.S. troops during the Gulf war, to avoid treating veterans for chronic low-level CBW exposure. This carefully skirts the issue that the Iraqis did not create the problem of U.S. soldiers’ exposure to CBW: it was the bombing of Iraqi arsenals by the coalition forces that did, according to Tuite’s testimony, which was carefully prepared using DOD material.

Parasites and contaminated blood

Vic Sylvester of the Desert Storm Association, in an interview, accused the VA of incompetence, in its failure to test returning veterans with GWS for parasites endemic to the Gulf region. He pointed to a *New England Journal of Medicine* article from March 1991, which states that any veteran returning from the Gulf with chronic fatigue syndrome should be tested for *all* parasites native to the Gulf region. This includes sand fly fever; *leishmaniasis*—a difficult-to-detect lethal parasite also carried by the sand fly; *Euphrates schistosomiasis*, which is associated with irrigation projects and is second only to malaria in causing deaths worldwide; and *Winchera bancrofti*, a parasite that causes heart problems. In India, Sylvester said, *schistosomiasis* generates a high rate of bladder and urinary cancers due to chronic irritation. Desert Storm veterans have a very high rate of those cancers. Such parasites can be transmitted within the family by intimate contact. Many parasitic diseases, such as *schistosomiasis*, are immune system depressors, and certainly would fit in with the symptoms typically experienced in GWS.

Yet, veterans complain that the VA refuses to test them for the relevant parasites. Most VA facilities have no parasitologist on call, according to Sylvester, although soldiers are sent into combat overseas under some of the most unsanitary conditions imaginable. During testimony to the PAC on April 16, 1996, Louise Applequist testified that, during the war, her husband generally ate outside with the wind blowing around. “They could not help but eat a certain amount probably of dust and parasites that were in front of them.”

During July 8, 1996 testimony to the PAC, Dr. Timothy Gerrity, deputy director of the Medical Research Service in the Office of Research and Development in the Department of Veterans Affairs, defended the DOD’s award of research money for the development of diagnostic or screening test and treatment regimen for *leishmaniasis*, by stating: “We

are becoming aware, as our World War II veteran population ages, and enters into health conditions that reduce their immune status, that *L. tropica* infections that occurred due to service in the Middle East back in the 1940s, during World War II, are now turning into active opportunistic infections.”

Thus, he admits that parasites are a serious problem for veterans, but one which is generally ignored for the same general reasons that *Leishmaniasis tropica* is ignored: lack of adequate and accurate tests to screen for it, lack of safe treatments to treat it, and lack of a trained cadre force of parasitologists to handle such problems. This is a serious problem both in the civilian and the military realm, which is part of a general pattern of medical infrastructural collapse, in which even mildly challenging problems are swept under the rug, rather than invest in the infrastructure and research which would be necessary to treat that problem seriously.

Many Americans think that we don't have to bother with looking for parasites, because Americans have infrastructure that developing countries lack. This was once true, but increasingly decayed infrastructure leaves Americans more vulnerable. But, this argument is invalid for another simple, neglected reason: Americans have close contact with pets, and farm and wild animals, which are loaded with parasites.

Sylvester points out an additional fallacy in ignoring parasites in veterans returning from the Gulf: *Leishmaniasis* can stay dormant in the blood for ten years; *schistosomiasis* for 20 years; and *Wincherea bancrofti* for up to 20 years. Immediately following the Gulf war, there was a temporary ban on returning veterans giving blood, but it was prematurely lifted by the DOD. The Desert Storm Association approached the Red Cross with the problem of contamination of the U.S. blood supply, but the Red Cross, headed by Bob Dole's wife, was not interested.

Drugs and vaccines

Sylvester is a veteran of the Korean War. Like most soldiers, he got all his vaccinations at once, right before going to Korea, and like many, he got very sick. He was initially so sick that he couldn't raise his arm, stayed "sick as a dog," for the next month, and caught every cold and flu going around for the next year. This phenomenon is known as immune system overload, and can occur also in civilian life, with multiple childhood immunizations. To minimize this potential, civilians going overseas are vaccinated over a period of time. Most medical researchers consider the military tradition of giving all vaccinations at once, medically unjustifiable, pointing out that in terms of basic immune function, researchers have absolutely no idea what they are doing to the soldier who gets so many vaccinations at the same time. Military medicine regards this as a tradition, and no career officer wants to ruin his career by pointing out that it would make more sense to develop a standard vaccination series, for which soldiers and reservists are vaccinated over a period of time;

and then only add last-minute special vaccinations for extraordinary deployments.

In addition to standard licensed multi-vaccinations, soldiers deployed to the Persian Gulf were given investigational vaccinations (anthrax and botulis toxid) and the investigational drug pyridostigmine bromide (PB). Investigational drugs and vaccinations are products which lack Food and Drug Administration approval, because they have not yet been tested adequately for safety or efficacy. Normally, in medical research, experimental products would not be massively tested on large numbers of humans, the way these investigational drugs and/or vaccines were. Normally *all* medical research requires written informed consent, for the use of *any* investigational product on any human subject, but the FDA allowed the DOD a temporary waiver, during Desert Storm. Since then, the DOD has requested that the FDA make this temporary waiver permanent! Sylvester cites an article in *Modern Military Medicine*, which states that PB, anthrax vaccine, and botulis toxid vaccine were not the only investigational products fielded during Desert Storm; hence, he states, there may have been other, classified, investigational products tested on uninformed soldiers during this war.

There are a few soldiers who were vaccinated to go to the Gulf, but didn't go for one reason or another, and yet who *did* get very sick with GWS. Veterans and some researchers are therefore interested in these investigational products as a potential cause of GWS. But if the investigational drugs and/or vaccines did generate GWS, then the crucial question would become, what was it about these products that caused widespread GWS? Was it vaccine contaminants, vaccine adjuvants, interactions of various live weakened germs in a soldier whose immune system might have become overloaded by toxic battlefield conditions? Was it an interaction of chemicals like PB with other toxic battlefield conditions, as suggested by the research of Dr. Haley and Dr. Abou-Donia? Could some of these investigational products be totally unsafe? Could vaccines now being used in the civilian and military realm, harbor unsafe levels of contamination?

All these questions require considerable funding to be properly resolved, and have been made all the more pertinent by the simple observation that the French, who refused to allow their troops to be given investigational products and/or vaccines, have almost no GWS among returning troops, relative to other nations among the coalition forces.

Full investigation needed

These are all very serious charges which deserve investigation by an impartial body. Thus far, the DOD's response to much of the testimony that has been offered, seems to be to erect a barrier of missing documents, virtual reality scenarios about what should have occurred, and sleight-of-hand dismissals of what real combat conditions are like. Can a super-computer weather model, which even its operators admit is

based on many unproven assumptions and is not very accurate—particularly on the question of the ever-changing wind direction—be held up as authoritative, over a video of an actual event, which the DOD admits is authentic, combined with numerous testimonies from soldiers who were at Kami-siyah?

Some have attempted to dismiss the Abou-Donia study as involving much higher doses of the combination of PB, DEET, and permethrin than soldiers could possibly have been exposed to during the Gulf war. But Sylvester claims that there was a world of difference between what the instruction manuals claim should have been done, and the actual concentration of pesticides sprayed on troops by contractors, who were, in fact, very short of water. Similarly, there are claims that the necessary use of chemical warfare protection suits locked the slime from the oil well fires on the DEET-impregnated uniforms directly against the skin, under high-temperature desert conditions that would generate a totally different rate of skin absorption than anything the DOD would ever have thought necessary to model back in the United States.

Another example: Sylvester states that some units drank diesel oil-contaminated water, because the troops that were ordered to change all filters on trucks that carried diesel fuel, before those same vehicles were used to haul water, were

unaware that the main filter system was on the bottom of those trucks, and so those trucks came back to the United States with the main filters, through which the water was pumped, still coated with diesel fuel!

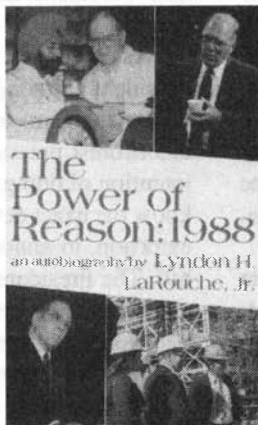
Therefore, which is more important to this country: to protect and treat its soldiers, and preserve its future war-fighting capacity, or to protect the career of some Pentagon desk officer, whose scenario for what should have occurred didn't work out in reality? And, what about the infectious diseases associated with GWS, spreading undetected and untreated through the U.S. civilian population, while the existence of GWS is being contested by the DOD/VA, which do not wish to deal with this problem, even though it is destroying that future war-fighting capacity in the process?

The Gulf War was concocted by then-President George Bush and then British Prime Minister Margaret Thatcher to cut off the potential for Eurasian industrial development which opened up with the fall of the Iron Curtain in 1989 (see box). It was a dirty war, followed by a dirty peace, which imposed murderous sanctions on the people of Iraq. The genocidal mentality ("Bomb the Iraqis back to the Stone Age and starve the survivors!") that designed this dirty war, is the same mentality that was willing to turn against American veterans once the war was over. Toleration of this mentality is a price no nation can afford to pay, and still survive.

Books by Lyndon H. LaRouche, Jr.

The LaRouche case "represented a broader range of deliberate cunning and systematic misconduct over a longer period of time utilizing the power of the federal government than any other prosecution by the U.S. Government in my time or to my knowledge."

—Former U.S. Attorney General
Ramsey Clark

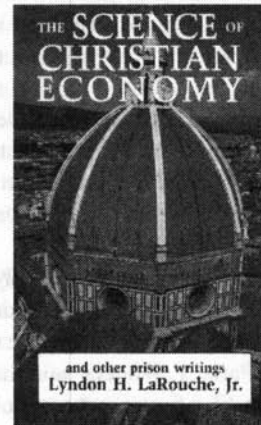
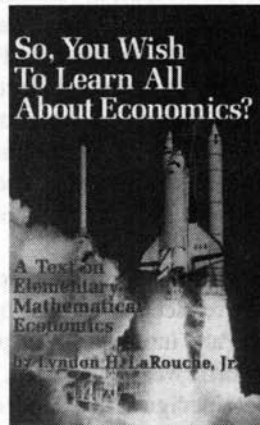


READ LAROUCHE'S BOOKS and find out why the Establishment is so determined to silence his voice.

The Power of Reason: 1988.
An autobiography by
Lyndon H. LaRouche, Jr. \$10.00

*So, You Wish to Learn
All About Economics* \$10.00

*The Science of Christian Economy
and Other Prison Writings* \$15.00



Send checks or money orders to:

**Ben Franklin
Booksellers, Inc.**

107 South King St.
Leesburg, VA 22075
phone 1-800-453-4108 (toll free)
or 1-703-777-3661

Shipping and handling charges: Add \$4 for the first book and \$.50 for each additional book. Virginia residents add 4.5% sales tax.

We accept MasterCard, Visa, American Express, and Discover.

LaRouche builds 'third force' in Democratic election fight

by Mel Klenetsky

While announcing the political defeat of two factional enemies in the Democratic Party, Lyndon LaRouche declared war, at a conference of the Schiller Institute and the International Caucus of Labor Committees (ICLC), in Reston, Virginia on Aug. 31. The war that LaRouche declared was for the heart and soul of the nation and the Democratic Party, in the two months leading up to the Presidential elections. The two LaRouche foes defeated during the week of the Chicago Democratic convention Aug. 26-29, were President Clinton's former campaign adviser Dick Morris, and the current chairman of the Democratic National Committee, Donald Fowler.

LaRouche had repeatedly charged that Morris and Fowler were sabotaging the President's re-election efforts, by attempting to make the Democratic Party into a second Republican Party. LaRouche said that Morris was a dangerous, Rasputin-like figure, whose political pedigree tied him to the networks implicated in the assassination of President John F. Kennedy. Morris is the cousin and protégé of the late Roy Cohn, the notorious lawyer and dirty-trickster for Sen. Joe McCarthy and the New York mob.

On Aug. 29, LaRouche discussed Dick Morris's demise, in a radio interview with "EIR Talks." Morris has "about the moral appeal of activated sludge. But, he is not an insignificant figure," LaRouche said. "He comes out of the Roy Cohn stable—which is not just Roy Cohn; Roy Cohn was an operative of J. Edgar Hoover, Tom Dewey, the Dulles brothers, Rankin, that crowd. You find three of these characters are sitting on the Warren Commission, as controlling figures there, at the relevant point. Roy Cohn is connected with a part

of the organization which is implicated in the organizing and assassination attempt on President Kennedy back in 1963. And the organization was caught red-handed trying to assassinate President Charles de Gaulle of France in the same period."

As for Morris, "he was working, like Rasputin, to destroy President Clinton," LaRouche said. "And, he came close to destroying him, with inducing the President, under virtual extortionist pressure, to do something the President had no intention of doing. But the extortion got him to do it. I don't know the exact details of the extortion, but I know there was extortion, to announce he wasn't going to veto the welfare bill. The President was *committed* to vetoing that thing. It's abhorrent to everything he stands for."

Morris's dirty tricks may not be over. According to a Sept. 5 *New York Times* op-ed by Maureen Dowd, Morris, who resigned on Aug. 29 over the exposure of his affair with a high-priced prostitute, will reportedly "unmask" the President, in a book for which he signed a contract with Harry Evans of Random House, after a Sept. 4 meeting with publisher Judith Regan.

LaRouche's strategy

LaRouche's concept of a "third force" comes out of his concern to undo the political damage done to the President's re-election efforts by the signing of the welfare bill. Speaking to "EIR Talks," he elaborated on his plans between now and the November elections. "I'm working now on the final stages of putting together what we call a 'third force in American politics,'" LaRouche said. "That is, there are a lot of people

in the United States who, particularly after the President's signing of that terrible welfare bill, would not directly support the President's re-election. It caused very serious damage. The President may have lost as much as 5-10% of the potential vote he had . . . by that series of actions. And, as a result, there are a lot of people who may support the President indirectly, but are not going to support him directly. But, they will support me, and they will help me and my efforts.

"So, we're pulling together a group of people who will constitute, on the basis of the principle of being the third force. Our concern is to work on the question of the composition, chiefly, of the next session of the House of Representatives. We have enough power—since you can knock a candidate out by taking away 5-10% of his vote—we have enough power in parts of the country, to at least change the result in 20 or more Congressional Districts."

LaRouche's new efforts follow on the heels of a several-year campaign against Newt Gingrich's Contract with America and those influences within the Democratic Party, such as Don Fowler and Dick Morris, who have tried to get Clinton to follow a strategy of becoming a second Republican Party, by making their policies appear indistinguishable from those of the GOP. "As Senator Kennedy correctly summed up the situation and the results of all the honest polls," LaRouche told the Schiller Institute-ICLC conference, "the reason that we lost the 1994 Congressional election, is because some Democrats didn't understand that this country has no need for a second Republican Party."

Dick Morris, according to numerous press accounts, was the main force behind Clinton's decision to sign the welfare reform bill. Vice President Al Gore was also a backer of the bill, with White House Chief of Staff Leon Panetta and White House adviser Harold Ickes opposed. Other Morris achievements, according to a *USA Today* article of Aug. 28, included Clinton's Gingrich-like statement, "The era of big government is over," in the State of the Union message last January. Morris is also credited with Clinton's seven-year balanced budget counterproposal to the Republicans.

Morris and his pollsters Mark Penn and Douglas Schoen are credited with getting the Clinton campaign to orient toward young, married, suburban families with incomes between \$30,000 and \$60,000, rather than the traditional Democratic base.

Gearing up an attack on the Newtzis

At the end of August, with Morris announcing his resignation and Fowler saying that he would resign next January, the Edward Kennedy-Mario Cuomo wing of the Democratic Party, opposed to the Morris strategy, started to take off the gloves against Gingrich and his ilk. Election strategist Harold Ickes, the man who is supposed to replace Morris as Clinton's main campaign strategist, began to refer to the Republican ticket as the "Dole-Gingrich ticket." Ickes, according to the

New York Post, lined up Mario Cuomo, former governor of New York and a major liberal critic of welfare reform, at the last minute, to address the Democratic Convention. The *Post* reported that Morris could not even obtain an advance copy of Cuomo's speech.

Further signs included a *Wall Street Journal* article of Aug. 30, which announced that Clinton was adopting a strategy of attacking Gingrich, and that he began to warm up to that idea after the 1995 Kentucky come-from-behind race for governor of Paul Patton. In the wake of the Patton victory, Clinton began talking about "nationalizing Gingrich." At the convention, Sen. Tom Daschle (S.D.) and Rep. Dick Gephardt (Mo.), the Democratic leaders of the Senate and House, respectively, announced a step forward in getting out their "Families First" agenda, their attack on the Contract with America.

The appearance of Jesse Jackson at the convention was designed to undo some of the problems that Don Fowler had created. Early on in the campaign, Fowler had alienated African-American Democrats by failing to support various voter registration drives in the South. Fowler also attacked LaRouche and, by a dictatorial violation of Democratic Party rules, which went totally against the spirit of the Democratic Party pledge and mandate for an open party, he refused to seat convention delegates pledged to LaRouche. LaRouche received more than 600,000 votes in the Democratic primaries, in his bid for the party's Presidential nomination. Yet Fowler ordered Democratic state officials that they should "disregard" the vote for LaRouche, on the absurd grounds that he was not a "bona fide Democrat."

In August, LaRouche and voters from Arizona, Louisiana, Texas, Virginia, and Washington, D.C. filed a complaint in U.S. District Court in Washington, D.C., charging Fowler and other party officials with violation of the 1965 Voting Rights Act. Fowler's lawyer used "Jim Crow" precedents to argue that the Democratic National Committee was basically a private club that could choose its own members; Judge Thomas Penfield Jackson upheld Fowler's racist arguments. But the case is still active.

While LaRouche views the anti-Morris and anti-Fowler efforts within the Democratic Party positively, he is not relying on them to shape the November debate. LaRouche's concern, as outlined to the Schiller Institute conference, is to save the Presidency and the Democratic Party, by taking on the fascists and the racists, in both the Gingrich camp and the Democratic Party itself. LaRouche described how his supporters led the charge in defeating Conservative Revolution darling Ollie North, during his campaign for Senate in Virginia in 1994, when the Conservative Revolution swept the rest of the country. "The major reason the Clinton administration didn't do that [go after North], even though they admired what we did, was because they couldn't take on the fascists within the Democratic Party," LaRouche told the Schiller

Institute audience.

After the Republican sweep of the 1994 elections, Morris was brought in to turn around Clinton's chances, according to *USA Today* and other press sources, which argue that Morris gave Clinton his current lead. But the fact that Gingrich is one of the largest liabilities for the Republican Party, would say something quite different.

LaRouche puts it emphatically: "Dick Morris is the disease that sunk the Democratic Party in the 1994 Congressional elections. He is the spirit, the soul, or at least the rear end, of the Democratic Party. . . . Therefore, we have to transform the Democratic Party within two months, in the process of an election. Therefore, we are deploying as a third force into the Democratic national campaign, in order to rally forces that can trust us. . . . Would you recommend to place trust in a leadership in the Democratic Party, and in the White House, which did nothing, while Jim Crow tried to run us out of the Democratic Party? A leadership which is ready to sell out to Gingrich, for the sake of . . . winning an election, by politics, not principle?"

Impeach Pennsylvania's Governor Ridge

LaRouche is absolutely committed to saving the Clinton Presidency and the Democratic Party. In addition to his "third force" campaign, LaRouche spoke of a second aspect. "At the same time, as part of the same package," he told "EIR Talks," "I'll be conducting and accelerating the campaign against Pennsylvania's Gov. Tom Ridge, whom I've indicted for his commission of what the Nuremberg court defined as a Nazi-style crime against humanity. Our problem is that a lot of the people who are in Newt Gingrich's camp in the Republican Party, and a few Democrats here and there, too, are very sympathetic to, or have committed similar crimes. California, for example, Wilson, the governor; Weld in Massachusetts, for example, another one of these criminals. We're focussing on Tom Ridge. Take out the lead duck, and then go for the rest of the flock. . . ."

"Before Election Day, it is going to be very clear to a large number of Americans who are not yet persuaded of that fact, that Newt Gingrich's flock of inedible ducks, is a Nazi-style pack of Nuremberg-type criminals; and we shouldn't be reelecting them, or their kind, to federal office."

A principal vehicle for the campaign against Ridge will be the FDR-PAC, a new political action committee formed on Aug. 29 by associates of LaRouche in the Democratic Party. The committee will draw upon the Democratic tradition of Franklin Delano Roosevelt and John F. Kennedy, to mobilize the traditional base of the Democratic Party—particularly labor and minorities—to defeat the "Contract on Americans."

With these two projects, LaRouche thinks that he and his friends will significantly shape the results of the November elections in their very unique way.

The murderous impact of the welfare bill

In the stampede to get the welfare "reform" bill (H.R. 3734 and S. 1956) through Congress and signed by the President, some important statements describing the real impact of the Conservative Revolution's program went unreported. The following are excerpts from the July 31 and Aug. 1 debates in the Senate and House on the "Personal Responsibility and Work Opportunity Reconciliation Act of 1996," before the vote on the bill.

Sen. Edward Kennedy (D-Mass.): According to the Congressional Budget Office, federal funding in the coming years is approximately \$10 billion less than the amount needed to meet the work requirements in the bill.

Sen. Paul Sarbanes (D-Md.): What are the states going to do under this legislation when a recession hits, and more and more people slip into poverty, people lose their jobs, they are out of work? The bill essentially gives the state a block grant based on 1994 figures, and that's it.

Sen. Carol Moseley-Braun (D-Ill.): I want to refer my colleagues to the history of what happened before we had a national safety net for poor children in this country. I am looking at the spring 1995 issue of *Chicago History* magazine. It says, "In 19th-century Chicago, the debate over the care of needy children raised issues of Government versus private control and institutional versus family care." Mr. President, that is exactly the argument I have heard all day long on this welfare debate in this Senate today. We are revisiting the past. Let me show you what state flexibility got us last time, Mr. President. The last time we had state flexibility (in the 1890s), we had children sleeping in the streets, which was the first poster.

Here is another one. This is another part of the experiment, again, the history that maybe we have forgotten. The fact is, they were scooping children up from the alleys in New York, shipping them to Rockford, Illinois, and auctioning them off.

Sen. Bill Bradley (D-N.J.): The CBO [Congressional Budget Office] says that most states will ignore the request to put people to work and instead pay the 5%, \$50 penalty for the failure to meet the work requirements. It will pay them to do that. Just taking one example, the biggest city, New York City, which operates the largest work program in this country. Only 32,000 welfare recipients are in it, out

of 850,000 New Yorkers on welfare. The reason? Not because they do not want to do it—lack of money to create jobs. The mayor of New York City said that to meet the work requirements in the bill, the city would need \$100 million more than it will receive in this block grant. It can't do it, and so it will pay less, pay the \$50 bounty per person, to get out from under that work requirement.

Sen. Dianne Feinstein (D-Calif.): In order to meet the 20% work requirement in this bill, California would have to find jobs next year for more than 166,000 current adult welfare recipients. But, in the last two years, the state added an average of only 300,000 people total to payrolls in non-farm jobs. How do we possibly create enough jobs to increase employment by another 50%—especially for a work force that is largely unskilled and under-educated? California is a state that has all but lost its production base, and is now producing either high-skilled jobs or hamburger flippers at minimum wage.

In order to move people into work, there must be affordable child care for parents. This bill does not provide anywhere near enough funds. The child care block grant in this bill is awarded to states based on their current utilization of federal child care funds. In California, there are 1.8 million children on AFDC [Aid to Families with Dependent Children]. California currently provides child care subsidies and/or slots to approximately 200,000 children. The Child Care Law Center estimates that under the welfare reform bill, as more parents are required to work, as many as 418,000 additional preschool children and 650,000 children aged 5 to 13 may need child care. This would be a 600% increase in child care slots. This bill does not come near the amount of child care dollars that would be needed in California to do this job.

The conference bill cuts food stamps by 20%. California loses \$4.2 billion. Last year, 3.2 million people relied on food stamps each month. California's unemployment rate is still high, at 7.2%. This bill would limit food stamps for an able-bodied adult with no children to a total of three months over a period of three years. If that person becomes unemployed, they would only be able to receive an additional three months of food stamps in that same three-year period. This bill would also bar all legal immigrants from receiving food stamps—there is no exemption for elderly, disabled, or children.

The major cost shift to California comes from the elimination of federal assistance for legal immigrants, most of whom are elderly, blind, and disabled—all of them poor—who came to this country under terms agreed to by the federal government. And yet, the federal government will not bear the cost of changing the terms of that deal—the cost of this policy shift will be forced onto states and counties. . . . But to change this policy on those already in this country—retroactively—and thus summarily dropping hundreds of thousands of elderly and disabled immigrants from federal support programs

like SSI [Supplemental Security Income], food stamps, and AFDC, onto already overburdened county assistance programs, is not only an abdication of federal responsibility—to me it is unconscionable. The impact of this cost shift to California counties could be catastrophic. An estimated 722,939 legal immigrants in California—many of whom are aged, blind, and elderly—would lose SSI, AFDC, and food stamps under this bill.

The state of California indicated by its budget that it has no ability or intention of stepping in to fill the funding gap this bill creates. Governor Wilson's state budget for fiscal year 1996-97 assumes the immigrant provisions in this legislation will pass, and legal immigrants will no longer be eligible for assistance. California's legislative analysts' report indicates that Governor Wilson's budget "assumes enactment of federal legislation barring most legal immigrants from receiving SSI/SSP benefits starting Jan. 1, 1997. The budget assumes savings of \$91 million from this proposal."

While we in Washington sit in our ivory tower and pat ourselves on the back for changing welfare as we know it, the real impact of this bill will land on real people who are too old or too sick to care for themselves, and whose families—if they have one—have no ability to help them.

Sen. Dale Bumpers (D-Ark.): I am going to vote against it because it discriminates against my home state of Arkansas in a massive way. Children in my state will get \$390 a year. Children in Massachusetts will get \$4,200 a year; in Washington, D.C., \$2,200 a year. You tell me why a child in Arkansas is worth \$390 a year and \$4,200 in Massachusetts.

Never has such an important piece of legislation been crafted in such a highly charged political environment. But there ought to be a rule against considering these kinds of bills that affect the very fiber of this nation in an election year. We are going to kick people off welfare and tell them to get a job. I would like to invite all of my colleagues to go to the Arkansas Delta. I will pick out a dozen communities for you to visit and then you tell me after you have kicked these mothers off welfare, where they are going to get a job; 50% of these mothers will be kicked off the welfare rolls after the first two years. There are no jobs.

Sen. Jeff Bingaman (D-N.M.): This bill provides a penalty of a 5% cut in federal funds for the state's block grant that will be increased to a maximum of 21% cut should targets be missed in consecutive years. The National Governors' Association shares the concern that many states will have difficulty in meeting the work requirement. This will leave states with the choice of using state and local funds for education, training, and child care, or throwing more people off the rolls so it will be easier to hit their work targets, or cutting far back on benefits. The CBO has said that, over six years, this bill falls \$12 billion short of the funding needed to meet the work requirements of this legislation, and about \$2.4 billion short in child care resources.

National News

Brits fear Clinton turn now that Morris is gone

The London *Daily Telegraph*, the Hollinger Corp. conduit for British intelligence, reacted with palpable anxiety to the news of the demise of Dick Morris, the self-styled controller of President Clinton. The *Telegraph* ran a lead editorial Aug. 26, headlined "Why Clinton Shouldn't Win," which made no secret of its concern, that Morris's unsavory exit might be a precursor of a Clinton policy shift, which London would find unpalatable.

After a few consoling claims that the sex scandal swirling around the political transvestite Morris "hurts" Clinton, the *Telegraph* declares: "Of greater concern to the Democratic cause, . . . is the fact that Mr. Morris will not be on hand to guide Mr. Clinton up to Election Day in November." After all, Morris was "the man responsible for the President's two-year tack to the right," the paper says. "But there is now a greater chance than before that his statist instincts will re-emerge. . . . It has been suggested that Mr. Clinton's conversion to conservatism, however opportunistic, means that it matters little whether he or Dole wins. Such complacency is misplaced; there is a danger that Mr. Clinton, once free of the need to seek reelection, will revert to type."

Clinton hits abuses by special prosecutor

During a televised interview on CNN on Aug. 26, President Clinton attacked White-water special prosecutor Kenneth Starr for abusing and distorting the American system of justice. Clinton noted that Starr is the first special counsel in history, to conduct investigations which have nothing to do with the President's campaign, nothing to do with the President's administration, and with no evidence of wrongdoing by the President or the First Lady.

He cited the report of the Resolution Trust Corp. on the Whitewater case—which found nothing criminal, nor even anything

meriting a civil law suit, against himself, or against the First Lady or her law firm. "It was not her law firm that was fined by the Resolution Trust Corporation; it was Kenneth Starr's law firm, the special counsel, who did not reveal that his law firm was still under investigation by the RTC at the time he took over."

The President also denounced "the abuse of the special counsel law," both by the special prosecutor and by Sen. Al D'Amato (R-N.Y.). "We've turned everything upside-down in our legal system. Now you have to prove yourself innocent. There is no presumption of innocence. Somebody makes a charge; you prove yourself innocent. The next story is the new charges, not that you proved yourself innocent. And I think this whole thing has turned badly upside-down, and I think it has distorted America's system of government. I think a lot of injustice has been done," Clinton said.

"But the people that they're really working over are people they just keep calling as witnesses, just over and over and over and over again. They never accuse them of doing anything wrong. They're just playing with them, just having a big time, letting them run up \$100,000, \$200,000, \$300,000 in legal bills. They don't care. They've got all the money in the world. There's no evidence they did anything wrong.

"If the American people really knew what had gone on in this thing, they would be appalled. Appalled. But they haven't found out what's going on, and I don't know that they ever will."

Ayn Rand named her pet Greenspan 'Undertaker'

In a feature on fascist "philosopher" Ayn Rand, the Aug. 25 *Washington Post* claimed that Federal Reserve Chairman Alan Greenspan became an active member of her cult's inner circle in the 1950s. Then in his twenties, Greenspan was a contributor to Rand's newsletter, and read and commented upon an advance copy of the manuscript of her book, *Atlas Shrugged*. In 1974, when President Gerald Ford named Greenspan chairman of his Council of Economic Advisers, Rand cooed to a reporter, "Alan is my disci-

ple." Rand's pet nickname for Greenspan was "the Undertaker."

Echoing Thomas Hobbes, Ayn Rand's fascist school promoted self-centered infantilism, which she called "objectivism." Rand is worshipped by many of today's Conservative Revolution ideologues, and her picture hangs inside the headquarters of the Cato Institute, which is "packed with Randians," says the *Post*. It also claims that another of her followers, Supreme Court Associate Justice Clarence Thomas, invites his law clerks over, for home screenings of the 1949 movie version of Rand's book, *The Fountainhead*.

Rand was born in Russia in 1906 as Alice Rosenbaum, arriving in the United States in 1926. In *The Fountainhead*, her protagonist attacks the founding principles of the United States: "The country was not based on selfless service, sacrifice . . . or any precept of altruism. It was based on man's right to the pursuit of happiness. His own happiness. Not anyone else's." When Rand died in 1982, she was laid out in an open casket, the *Post* reports, "beside a six-foot-tall floral arrangement in the shape of a dollar sign, her favorite symbol."

Nobel laureate delivers paper on his own lunacy

Prof. John Nash, who won the 1994 Nobel prize for economics for his work on "game theory," recently confirmed his eligibility for the award, by informing the 10th World Congress of Psychiatry that he was out of his mind. According to the Aug. 28 London *Times*, Nash told the conference in Madrid that he was schizophrenic from 1959 to 1974.

Nash said his mental illness began shortly after *Fortune* magazine billed him as the "most promising young mathematician in the world." During his research and the early phase of his illness, he began to believe "first, that the staff at my university, the Massachusetts Institute of Technology, and later all of Boston was behaving very strangely" toward him. "I started to see crypto-communists." As his illness became worse, he said, "I started to think I was a man of great religious importance and to hear voices all the time." He continued his "scientific" work

while undergoing psychiatric treatment.

"I would not dare to say that there is a direct relation between mathematics and madness," Nash told the conference, "but there is no doubt that great mathematicians suffered from maniacal characteristics." In an editorial praising Nash, the *Times* pointed out that "Isaac Newton underwent a period of schizophrenia in which he accused Locke of trying to embroil him with women." The London paper endorsed Professor Nash's questioning whether it is desirable to "cure mad geniuses," if "the sufferer's talent were thereby diluted. Luckily this mathematician regained his mind without losing his brain," the *Times* concluded.

F-16 sale to Indonesia a political firecracker

Unnamed "human rights officials" in the Clinton administration and members of Congress, including Sen. Patrick Leahy (D-Vt.) and Sen. Claiborne Pell (D-R.I.), are squaring off against members of the National Security Council (NSC), by calling for the delay or cancellation of the sale of nine F-16 jets to Indonesia, according to the Aug. 21 *New York Times*. The sale was finalized by Secretary of State Warren Christopher during the Association of Southeast Asian Nations meetings in Jakarta in late July.

Those in favor of delay or cancellation say the sale would be an "unhelpful signal" at a time when the Indonesian government is conducting a crackdown, following riots on July 27. The *Times* suggests that the NSC supporters of the deal see it as a good way to make \$200 million. Either way, this firecracker is lit at both ends.

Washington recognizes that Indonesia is a key ally in Southeast Asia and in dealings with the Islamic world. However, the F-16s in question are part of the 28 F-16s, previously sold to Pakistan, but barred from delivery by the Pressler Amendment. President Clinton had personally pledged to Prime Minister Benazir Bhutto last year that the U.S. would seek ways to reimburse Pakistan, to some extent, by selling the planes to a third party. Indonesia was the most promising candidate.

Responding to the *Times* story, Indonesian Foreign Ministry spokesman Ghaffar Fadyl said, "I hope the [U.S.] government will not be influenced by reports that are unclear and sometimes could be classified as disinformation."

NASA cuts threaten both space station, Shuttle

According to the Aug. 30 *Orlando Sentinel*, projected NASA budget cuts will place U.S. plans for maintaining its Shuttle program and developing a space station in serious jeopardy. As the space agency's out-year budgets stand now, 655 NASA positions, out of a current total of 2,100, would be eliminated by 1998.

Kennedy Space Center Director Jay Honeycutt reportedly outlined the consequences in an Aug. 7 letter to officials at NASA headquarters and at the Johnson Space Center in Houston. Honeycutt stated that the cuts would leave the space agency unable to monitor the quality of the work of contractors; make it impossible to conduct government safety inspections of some facilities; force the center to discontinue independent safety studies called for by the commission that investigated the Challenger accident; and end efforts to upgrade or make technological improvements in the Shuttle after 1998.

The reductions proposed for the Kennedy Space Center have caused an uproar since they were announced. Complaints from employees, and demoralization on the part of the workforce that watched the Challenger blow up right before its eyes, has already led to independent investigations of the safety risks caused by workforce reductions.

A report by the Aerospace Safety Advisory Panel stressed that the demoralization of the workers—who do not know if they will have a job tomorrow, and are concerned about the threat to safety—increases the risk to the Shuttle system. According to the *Sentinel*, Honeycutt also emphasized in his letter, that the time when these reductions-in-force are to take place, is when demands on the launch center will be at their height, as segments of the space station are readied for launch.

Briefly

THE CLINTON administration abruptly grounded Britain's "Open Skies" proposal Aug. 26, just one day before British negotiators were to arrive in Washington for further discussions. An Open Skies agreement, giving each country's airlines greater access to the other's airports, was considered essential to the planned merger of British Airways and American Airlines. A senior U.S. official reportedly said the British plan "fell so far short . . . that it did not provide a basis for discussion."

HENRY KISSINGER still fancies himself a real wag. According to the Aug. 28 *New York Post*, Sir Henry told a recent dinner party "how his baritone had disturbed the frogs at the exclusive Bohemian Grove in California. The frogs set up such a racket that a herpetologist was called in to tape Kissinger talking. The tape also caused the frogs to go berserk." The scientist concluded that Kissinger's voice resembles that of "a male frog in heat."

WALTER MONDALE was presented with the Averell Harriman Democracy Award on Aug. 26, by UN Ambassador Madeleine Albright, on behalf of the National Democratic Institute. The award is named for the arch-Anglophile banker and betrayer of U.S. national interests, who promoted "race science" and backed Adolf Hitler.

THE AFL-CIO has released new television and radio spots, targeting 27 GOP members of Congress who are lying about their votes to slash Medicare. The ads urge voters to tell their representatives, "we know the truth about your vote to cut our Medicare benefits. Another vote is coming. This time, we'll be watching."

ROSS PEROT called for privatizing Social Security, in his first "infomercial" aired Sept. 1. A similar call by Oliver North during his 1994 senatorial campaign led to his resounding defeat by the voters.

The bombing of Iraq—a grave blunder

As the United States moves into the last phase of the Presidential election, President Clinton has been unwilling to take on the new Franco-British Entente Cordiale, despite their efforts to undermine his peace initiatives in Northern Ireland, Bosnia, and the Middle East. Instead, he allowed himself to be led into the trap of following George Bush's Gulf war scenario.

Immediately, this has a disastrous effect in the Middle East, but it also can have a longer-term impact, by disrupting positive moves in the direction of Eurasian development, which included Iran, Turkey, and China. The so-called retaliation against Iraq for pacifying an area of its own national territory does not fall under any UN guideline, since the Iraqis did not use air power—and so could not have violated the so-called no-fly zones set up by the United Nations.

The United States acted, in this instance, without the cover of NATO or the United Nations, and we can expect that the British and French will exploit this vulnerability to the fullest. However, the precedent for this kind of so-called police action was set by the United Nations, and is now supposed to be the prerogative of NATO as well, in out-of-area deployments.

The purpose of such deployments is to abrogate national sovereignty and to deny the legal existence of the nation-state, in favor of one-world government. While Iraq is the ostensible target of the American military action, the United States itself is a target of the Franco-British Entente Cordiale.

In *EIR* of June 28, a campaign policy document by Lyndon LaRouche was printed, which dealt precisely with this situation. Titled "Now, Rid NATO of the Entente Cordiale!" it addressed the issue of how the British and French are attempting to dominate, and shape, NATO as an instrument against the nation-state. The same is true of the United Nations, which has played a disgraceful role, most recently in supporting Serbian aggression against Bosnia-Herzegovina, under the pretext of supposedly pacifying the region.

The British and French use the oligarchical, geopolitical tactic of orchestrating irregular warfare—some-

times by the deployment of terrorists, and sometimes by creating what they assume will be small wars, to their own advantage. Their evil stupidity, their miscalculation, have led to two world wars in this century, and may yet detonate a third before the century is over.

LaRouche presented an alternative to geopolitics in his document on NATO, which is precisely relevant to the present U.S. intervention against Iraq. LaRouche wrote: "As replacement for NATO and for related, obsolete dogmas, the United States must adopt a comprehensive, radically new strategic outlook, pivoted upon comprehension of the crucial realities of the Eurasian land-mass.

"This comprehension 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."

The Gulf war against Iraq, was a tactic created by Margaret Thatcher and George Bush in order to sabotage the potential opened up by reunification of Germany, to integrate the former Soviet bloc with Europe through massive infrastructural development. This would have been a boost to German and French industry as well—the focal point of what LaRouche called his European Productive Triangle proposal.

Today, efforts sponsored by the Chinese, to build a Eurasian land-bridge, would provide a means of bringing peace and development to the Middle East. It is not coincidental that just as the Silk Road plan has gained the support of Iraq, Iran, and Turkey, the British and French have suckered the United States into a renewal of hostilities against Iraq.

Let us be clear: Our enemy is not Iraq. Our enemy is the British Empire, with which the French are now allied.

SEE LAROUCHE ON CABLE TV

All programs are *The LaRouche Connection* unless otherwise noted.

ALASKA

- ANCHORAGE—ACTV Ch. 44
Wednesdays—9 p.m.

ARIZONA

- PHOENIX—Dimension Ch. 22
Wednesdays—7 p.m.
- TUCSON—Access
Mondays—5 pm (Ch. 61)
Tuesdays—1 pm (Ch. 63)

CALIFORNIA

- E. SAN FERNANDO—Ch. 25
Saturdays—8:30 p.m.
- LANC./PALMDALE—Ch. 3
Sundays—1:30 p.m.
- MARIN COUNTY—Ch. 31
Tuesdays—5 p.m.
- MODESTO—Access Ch. 5
Fridays—3 p.m.
- ORANGE COUNTY—Ch. 3
Fridays—evening
- PASADENA—Ch. 56
Tuesdays—2 & 6 p.m.
- SACRAMENTO—Ch. 18
2nd & 4th Weds.—10 p.m.
- SAN DIEGO—Cox Cable
North County—Ch. 15
Wednesdays—4:30 p.m.
Greater San Diego—Ch. 24
Wednesdays—4:30 p.m.
- SAN FRANCISCO—Ch. 53
Fridays—6:30 p.m.
- SANTA ANA—Ch. 53
Tuesdays—6:30 p.m.
- STA. CLARITA/TUJUNGA
King VideoCable—Ch. 20
Wednesdays—7:30 p.m.
- W. SAN FERNANDO—Ch. 27
Wednesdays—6:30 p.m.

COLORADO

- DENVER—DCTV Ch. 57
Saturdays—1 p.m.

CONNECTICUT

- BETHEL/DANBURY/
RIDGEFIELD
Comcast—Ch. 23
Wednesdays—10 p.m.
- BRANFORD—TCI Ch. 21
Weds., 10 a.m. & 7:30 p.m.
- NEWTOWN/NEW MILFORD
Charter—Ch. 21
Thursdays—9:30 p.m.

DISTRICT OF COLUMBIA

- WASHINGTON—DCTV Ch. 25
Sundays—12 Noon

IDAHO

- MOSCOW—Ch. 37
(Check Readerboard)

ILLINOIS

- CHICAGO—CAN Ch. 21
(call station for times)

INDIANA

- INDIANAPOLIS—PA Ch.
American Cablevision
Mondays—5:30 p.m.
Fridays—11 p.m.
- SOUTH BEND—Ch. 31
Thursdays—10 p.m.

KENTUCKY

- LOUISVILLE—TKR Ch. 18
Wednesdays—5 p.m.

LOUISIANA

- NEW ORLEANS—Cox Ch. 8
Mondays—11 p.m.

MARYLAND

- BALTIMORE—BCAC Ch. 42
Mondays—9 p.m.
- BALTIMORE COUNTY—
Comcast Cablevision—Ch.2
2nd Tues., monthly—9 p.m.
- MONTGOMERY—MCTV Ch. 49
Weds.—1 pm; Fri.—8:30 pm
- P.G. COUNTY—Ch. 15
Thursdays—9:30 p.m.
- WEST HOWARD COUNTY—
Comcast Cablevision—Ch. 6
Daily—10:30 a.m. & 4:30 p.m.

MASSACHUSETTS

- BOSTON—BNN Ch. 3
(call station for times)

MICHIGAN

- TRENTON—TCI Ch. 44
Wednesdays—2:30 p.m.

MINNESOTA

- EDEN PRAIRIE—Ch. 33
Wed.—5:30 pm; Sun.—3:30 pm
- MINNEAPOLIS—MTN Ch. 32
Fridays—7:30 p.m.
- MINNEAPOLIS (NW Suburbs)
Northwest Comm. TV—Ch. 33
Mon.—7 pm; Tue.—7 am & 2 pm
- ST. LOUIS PARK—Ch. 33
Friday through Monday
3 p.m., 11 p.m., 7 a.m.
- ST. PAUL—Ch. 33
Mondays—8 p.m.
- ST. PAUL (NE Suburbs)
Suburban Community—Ch. 15
Wednesdays—12 Midnight

MISSOURI

- ST. LOUIS—Ch. 22
Wednesdays—5 p.m.

NEW JERSEY

- STATEWIDE—CTN
Sundays—5:30 a.m.

NEW YORK

- ALBANY—Ch. 18
Tuesdays—5 p.m.
- BRONX—BronxNet Ch. 70
Saturdays—6 p.m.
- BROOKHAVEN (E. Suffolk)
TCI—Ch. 1 or Ch. 99
Wednesdays—5 p.m.
- BROOKLYN
Cablevision (BCAT)—Ch. 67
Time-Warner B/Q—Ch. 34
(call station for times)
- BUFFALO—BCAM Ch. 18
Tuesdays—11 p.m.
- HUDSON VALLEY—Ch. 6
2nd Sun. monthly—1:30 p.m.
Mondays—11 p.m.
- ILION—T/W Ch. 10
Fridays—3 p.m. & 9 p.m.
- ITHACA—Pegasys—Ch. 57
Mon. & Weds.—8:05 p.m.
Saturdays—4:35 p.m.
- JOHNSTOWN—Empire Ch. 7
Tuesdays—4 p.m.
- MANHATTAN—MNN Ch. 34
Sun., Sept. 15—9 a.m.
- MONTVALE/MAHWAH—Ch. 14
Wednesdays—5:30 p.m.
- NASSAU—Ch. 25
Last Fri., monthly—4:00 p.m.
- OSSINING—Continental
Southern Westchester Ch. 19
Rockland County Ch. 26
1st & 3rd Sundays—4 p.m.
- POUGHKEEPSIE—Ch. 28
1st & 2nd Fridays—4 p.m.
- QUEENS—QPTV Ch. 57
Wednesdays—10 p.m.
- RIVERHEAD
Peconic Bay TV—Ch. 27
Thursdays—12 Midnight
1st & 2nd Fridays—4 p.m.
- ROCHESTER—GRC Ch. 15
Fri.—11 p.m.; Sun.—11 a.m.
- ROCKLAND—P.A. Ch. 27
Wednesdays—5:30 p.m.
- SCHENECTADY—PA Ch. 11
Mondays—10 p.m.
- STATEN ISL.—CTV Ch. 24
Wed.—11 p.m.; Thu.—5 a.m.
Saturdays—8 a.m.
- SUFFOLK, L.I.—Ch. 25
2nd & 4th Mondays—10 p.m.
- SYRACUSE—Adelphia Ch. 3
Fridays—4 p.m.
- SYRACUSE (Suburbs)
Time-Warner Cable—Ch. 12
Saturdays—9 p.m.
- UTICA—Harron Ch. 3
Thursdays—6:30 p.m.

- WEBSTER—GRC Ch. 12
Wednesdays—9:30 p.m.

- YONKERS—Ch. 37
Fridays—4 p.m.
- YORKTOWN—Ch. 34
Thursdays—3 p.m.

OREGON

- PORTLAND—Access
Tuesdays—6 p.m. (Ch. 27)
Thursdays—3 p.m. (Ch. 33)

TEXAS

- AUSTIN—ACTV Ch. 10 & 16
(call station for times)
- DALLAS—Access Ch. 23-B
Sun.—8 p.m.; Thurs.—9 p.m.
- EL PASO—Paragon Ch. 15
Thursdays—10:30 p.m.
- HOUSTON—Access Houston
Mondays—5 p.m.

VIRGINIA

- ARLINGTON—ACT Ch. 33
Sun.—1 pm; Mon.—6:30 pm
Tuesdays—12 Midnight
Wednesdays—12 Noon
- CHESTERFIELD COUNTY—
Comcast—Ch. 6
Tuesdays—5 p.m.
- FAIRFAX—FCAC Ch. 10
Tuesdays—12 Noon
Thurs.—7 pm; Sat.—10 am
- LOUDOUN COUNTY—Ch. 59
Thursdays—10:30 a.m.;
12:30 p.m.; 2:30 p.m.;
4:30 p.m.; 7:30 p.m.;
10:30 p.m.
- MANASSAS—Jones Ch. 64
Saturdays—12 Noon
- RICHMOND—Conti Ch. 38
(call station for times)
- ROANOKE—Cox Ch. 9
Wednesdays—2 p.m.
- YORKTOWN—Conti Ch. 38
Mondays—4 p.m.

WASHINGTON

- KING COUNTY—TCI Ch. 29
Thursdays—10:30 a.m.
- SNOHOMISH COUNTY
Viacom Cable—Ch. 29
(call station for times)
- SPOKANE—Cox Ch. 25
Tuesdays—6 p.m.
- TRI-CITIES—TCI Ch. 13
Mon.—11:30 am; Weds.—6 pm
Thursdays—8:30 pm

WISCONSIN

- WAUSAU—Ch. 10
(call station for times)

If you would like to get *The LaRouche Connection* on your local cable TV station, please call Charles Nottley at 703-777-9451, Ext. 322. For more information, visit our Internet HomePage at <http://www.axsamer.org/~larouche>

Executive Intelligence Review

U.S., Canada and Mexico only

1 year	\$396
6 months	\$225
3 months	\$125

Foreign Rates

1 year	\$490
6 months	\$265
3 months	\$145

I would like to subscribe to
Executive Intelligence Review for

1 year 6 months 3 months

I enclose \$_____ check or money order
Please charge my MasterCard Visa

Card No. _____ Exp. date _____

Signature _____

Name _____

Company _____

Phone (_____) _____

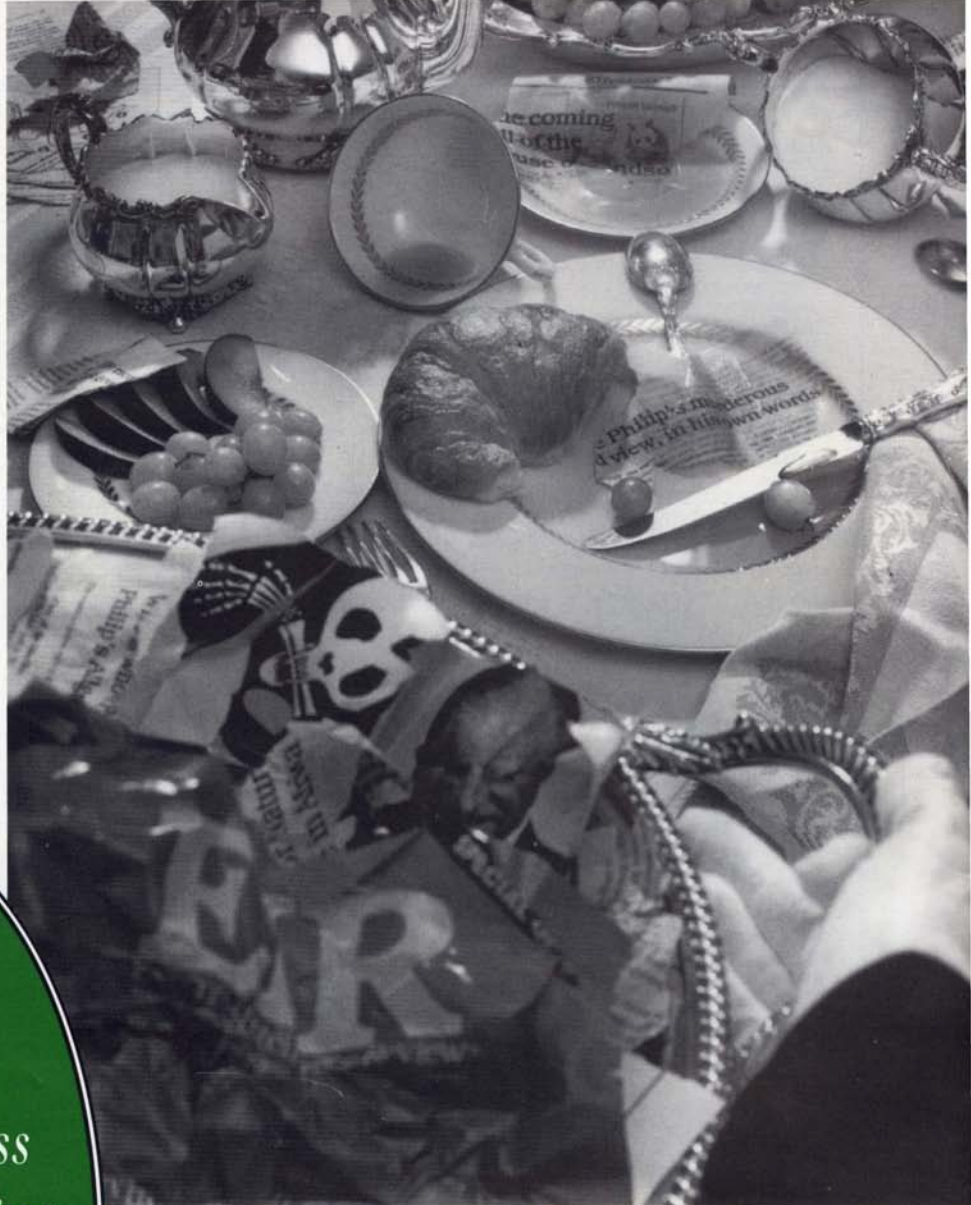
Address _____

City _____ State _____ Zip _____

Make checks payable to EIR News Service Inc.,
P.O. Box 17390, Washington, D.C. 20041-0390.

Did
Prince Philip
have reason to
be upset at the
release of
EIR's report,
"The Sun Never
Sets on the New
British Empire?"

*"Would
Your Highness
prefer something
different
to read?"*



Judge for yourself.

For your copy, send \$10.00 plus \$1.50 shipping and handling to:

EIR News Service, Inc.

P.O. Box 17390 Washington, D.C. 20041-0390.

Bulk rates available on request. Call (703) 777-9451 for more information.