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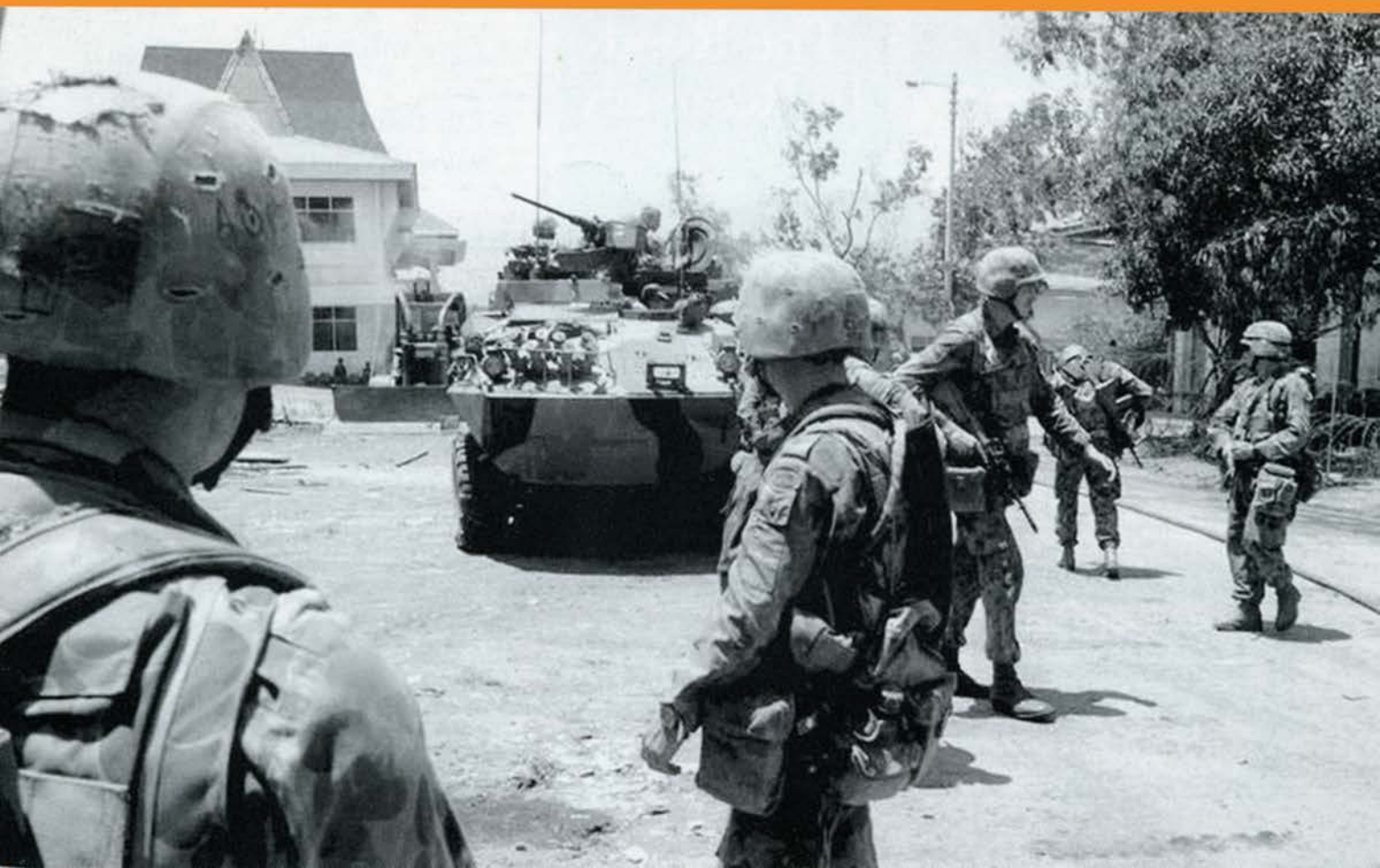
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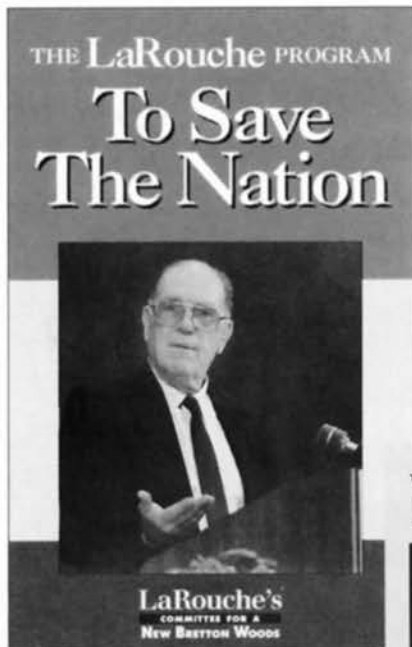
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LaRouche campaigns for the 'forgotten' 80% of voters
America in the 1990s: a decade of debt
Cohen, Hoon press for strategic confrontation

**Nation-states disintegrate
under assault from London**



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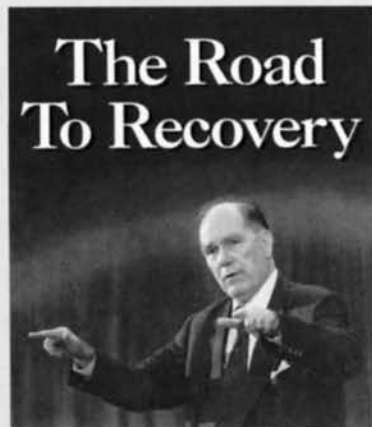
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Lyndon H. LaRouche, Jr.



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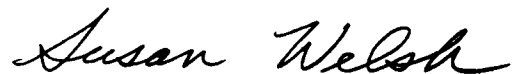
From the Associate Editor

This issue centers on the drive by the British-led financier oligarchy to wipe out the nation-state. As our *Feature* puts together the global picture—whose total impact is greater than the sum of its parts—you can see that, during the past year and a half, this effort on the part of the oligarchs has proceeded at a dizzying pace, with dangerous portents for world peace.

But even as this assault proceeds, leading figures around the world are rallying to Lyndon LaRouche's call for a defense of national sovereignty, and of those values that make the nation-state an indispensable institution for promoting the general welfare. See the selection of international endorsements of LaRouche's Presidential campaign, on p. 53, for an idea of how this process is occurring. Especially encouraging is the letter by 14 Russian scientists and intellectuals. Their eloquent letter shows not only that they look to LaRouche as the hope for achieving friendly and productive relations between Russia and the United States; more deeply, they are grappling with LaRouche's "big ideas," and are making them their own. "Like no one before," they write to him, "you have succeeded in uncovering the harmony and interaction of rigorous science and Classical art forms, as well as uniting the methods of scientific discovery and the education of youth."

LaRouche, writing in "Will the U.S.A. Keep Its Sovereignty" (*EIR*, Nov. 19, 1999)—a useful companion-piece to the current issue's *Feature* on the disintegration of the nation-state—pointed out that, emerging in the United States today, there is a shift in mood, "a limited, but rapidly accelerating appetite for serious answers," rather than "the evasive word-play of bite-size slogans." This process was manifest in the New Hampshire primary, where voters delivered the message that they don't want a choice between "Dumber and Dumbest." LaRouche discusses this shift in his webcast speech to Delaware voters (see *National*).

If Americans take the next step, abandon their foolish pragmatism and "spectator mentality," they will draw the same conclusions that those 14 Russian intellectuals drew, and rally to LaRouche.



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Economics

4 America in the 1990s: a decade of debt

Total debt in the United States nearly doubled during the 1990s, topping \$25 trillion. In a properly run economy, it is necessary to spend money today to build the technology and infrastructure to increase the productive power of the workforce of tomorrow. But that is not what is happening now, as families live off their credit cards, and financiers peddle IOUs to inflate the speculative bubble. Bankruptcy will be the ultimate result.

7 The euro falls, and falls, and falls . . .

The euro is in a dangerous "no man's land," too weak to attract the billions in foreign investment its framers had expected a year ago, and politically too entrenched to be abandoned without risking a political and monetary collapse of the European Union.

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Feature



Australian troops patrol the streets of Dili, East Timor, September 1999, following a destabilization operation run against Indonesia by the British Commonwealth.

12 Nation-states disintegrate under assault from London

"The underlying, principal strategic conflict dominating the planet today, is expressed as the varied threat of generalized warfare, famine, and epidemic disease, the which is caused, ultimately, and that almost entirely, by the several efforts to employ the model of pagan Imperial Rome, or more barbaric ethics, for the purpose of establishing 'one-world government,' through the United Nations Organization, or some alternate instrument," Lyndon H. LaRouche, Jr. wrote recently. In this report, we identify those forces that are attempting to destroy the nation-state, the one institution that could offer a defense against these Dark Age forces.

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America in the 1990s: a decade of debt

by John Hoefle

There is nothing wrong with a society incurring debt, if that debt is used to increase the productive power of that society. In a properly run economy, spending money today to build the technology and infrastructure to increase the productive power of the workforce of tomorrow, is not only acceptable, but necessary. The costs of such projects are often great, but the payoff in future years is even greater. The drive to put a man on the Moon, for example, returned \$14 in benefits for every \$1 we spent, because of the scientific and technological breakthroughs it generated.

However, when debt is incurred to pay off other debts, or to cover shortfalls in income, the result is far different. Such debt does nothing to increase the productive power of society, but instead increases the overhead claims against the productive sector. When a national economy engages in this type of entropic process, the ultimate result, if policies are not changed, is bankruptcy.

Most of the debt incurred in the U.S. economy over the last three decades has been of the latter character, with the predictable result.

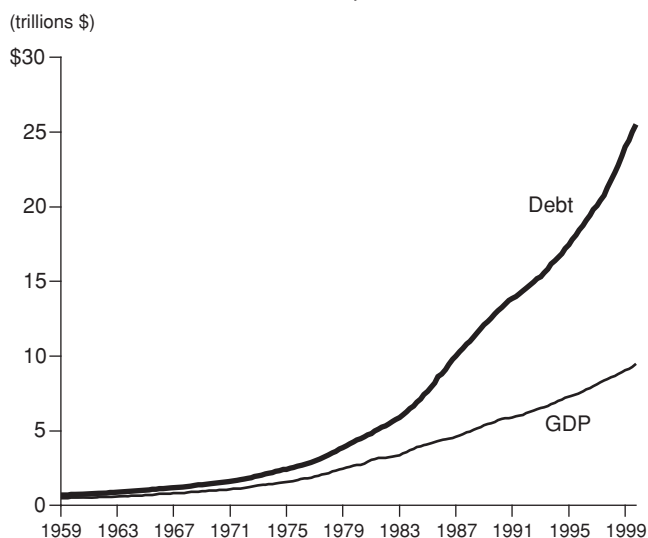
Debt doubles

The level of debt outstanding in the United States nearly doubled during the 1990s, topping \$25 trillion as of Sept. 30, 1999, the latest figure available. By comparison, the debt stood at \$1.5 trillion at the end of the 1960s, \$4.3 trillion at the end of the 1970s, and \$12.8 trillion at the end of the 1980s.

The debt is growing much faster than the nation's Gross Domestic Product, indicating the entropic nature of the economy (**Figure 1**). During the 1990s, the debt in the U.S. economy, as measured by the Federal Reserve's Flow of Funds, grew by \$12.2 trillion, or 95%. During that same period, U.S. GDP rose by \$3.9 trillion, or 69%.

During the 1990s, the U.S. economy went \$3.26 deeper

FIGURE 1
Growth of credit market debt outpaces U.S. Gross Domestic Product, 1959-99



Source: U.S. Federal Reserve.

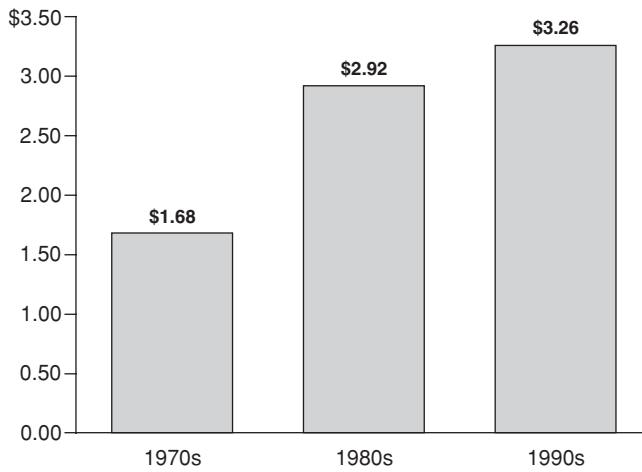
in debt for every \$1 of increase in GDP, compared to \$2.92 in the 1980s and \$1.68 in the 1970s (**Figure 2**).

When one considers that the productive sector of the economy accounts for about one-third of GDP, while overhead sectors account for two-thirds, the picture is actually much worse than the Fed's figures indicate.

Not surprisingly, the sector of the economy going the most deeply into debt during the decade was the financial sector, with a 206% increase, compared to a 61% increase in Federal government debt, a 76% increase in what the Fed

FIGURE 2

Rise in debt for each \$1 growth in GDP



Sources: U.S. Federal Reserve, *EIR*.

terms non-farm corporate debt, a 31% increase in the debt of state and local governments, and a 26% increase in the debt of farm businesses.

Within the financial sector, the largest increase was the 661% rise in debt owed by issuers of asset-backed securities. Asset-backed securities (ABS) are a form of derivatives, in which securities are issued against the income stream generated from underlying assets. The debt owed by real estate investment trusts (a form of real estate mutual fund) rose 502%, and the debt of government-sponsored enterprises (GSEs) rose 297%.

Overall, the financial sector had assets of \$19.1 trillion as of Sept. 30, 1999, of which \$4.5 trillion was held by commercial banks, \$2.2 trillion were in Federally related mortgage pools, \$1.9 trillion were held by life insurance companies, \$1.4 trillion by ABS issuers, and \$1.3 trillion by GSEs. Savings and loan institutions accounted for \$1.0 trillion in assets.

Of perhaps more immediate interest to many of our readers, are the \$1.1 trillion in mutual funds and the \$1.0 trillion in money market mutual funds; and the \$1.0 trillion in private pension funds and \$733 billion in state and local government retirement funds.

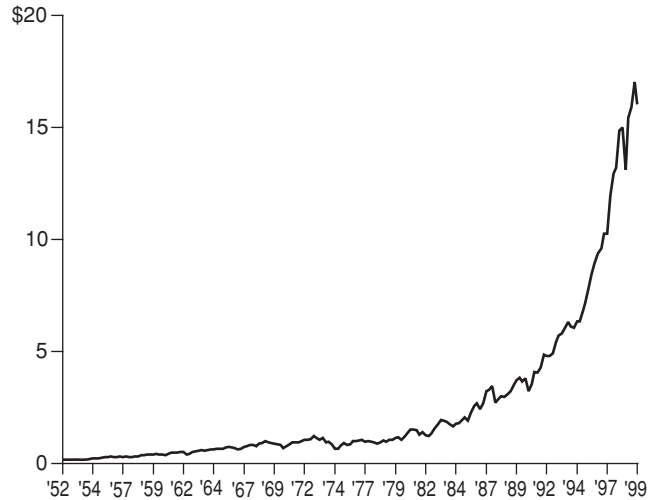
By comparison, what the Fed terms the domestic nonfederal nonfinancial sector had assets of just \$3.0 trillion, of which \$2.0 trillion were held by the household sector (and against which the household sector owed \$6.3 trillion in debt), and \$248 billion were held by the nonfinancial corporate business sector.

If one compares the \$19.1 trillion in financial sector assets with the \$7.3 trillion in financial sector debt, it might seem that the debt burden is under control. That misperception disappears rather quickly, once one considers the nature of the

FIGURE 3

Growth in corporate equities, 1952-99

(trillions \$)



Source: U.S. Federal Reserve.

assets in question, which are largely fictitious paper titles whose claimed value is wildly inflated by the largest financial bubble in history. As we saw with the collapse of the real estate bubble in the United States in the late 1980s, these “assets” can evaporate faster than an ice cube on the sidewalk on a hot summer day. With nearly four-fifths of all U.S. assets held by the financial sector, the day of reckoning will be quite brutal.

Off-balance-sheet money

Coincident with the rapid rise of the bubble, has been the rise in the value of the market value of corporations, as measured by the aggregate value of shares issued. As of Sept. 30, the value of this corporate equity was \$16 trillion, a rise of \$12.2 trillion during the decade, and more than four times the \$3.8 trillion at the end of the 1980s (**Figure 3**).

Federal Reserve Board Chairman Alan Greenspan and other foolish people have referred to the rapid rise in the market value of stocks and other financial instruments as “wealth creation,” the basis of their claims about the “fundamental strength” of the U.S. economy. But, at bottom, it is just a mountain of unpayable IOUs.

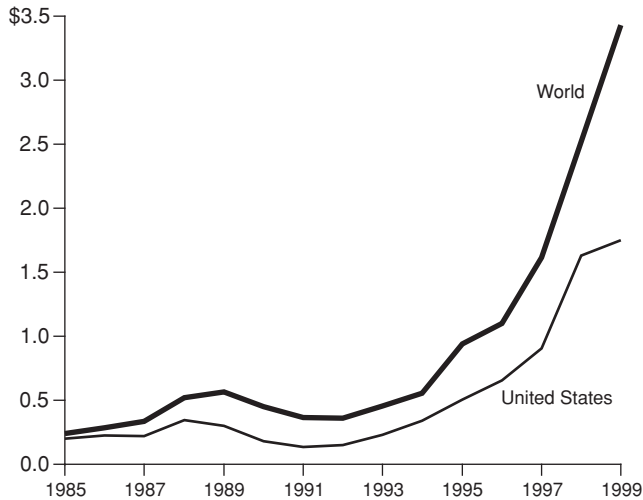
Still, as long as the markets perceive that these gambling markers have value, they can be traded as if they were actual money.

This is nowhere more true than in the mergers and acquisitions market, where stock has become the currency of the day, a sort of off-balance-sheet money. During the heyday of the 1980s, the weapon of choice in the M&A market was the leveraged buyout, in which takeover bandits such as Kohlberg

FIGURE 4

Growth in mergers and acquisitions

(trillions \$)



Source: Thomson Financial Securities Data.

Kravis Roberts (KKR) and the “Milken’s monsters” of Drexel Burnham Lambert, would borrow huge amounts of money to take over corporations. The 1989 takeover of RJR Nabisco by KKR, for what was at the time a staggering \$26 billion, capped a frenzied decade, and sucked so much capital out of the system that the M&A market went into a decline for several years.

However, the rapid growth in stock market valuations has opened the door to a vastly larger wave of takeovers, funded by stock swaps. In a stock swap, the acquiring company does not pay for its purchase with cash, but with stock, issuing its own shares to the shareholders of the target company. By using the wildly inflated value of their own shares as a form of money, companies are able to merge on a scale which makes the merger binge of the 1980s look like peanuts (Figure 4). The \$180 billion takeover of Germany’s Mannesmann by Britain’s Vodafone is just the latest in a series of deals which would be impossible, were actual money required.

Even the junk bond market, which nearly died with the collapse of Drexel, has seen a remarkable resurgence (Figure 5). Some \$95 billion of junk bonds were issued in 1999, down from \$140 billion in 1998 and \$119 billion in 1997, but well ahead of anything in the 1980s. In fact, more junk bonds were issued in 1998 alone, than in the entire decade of the 1980s.

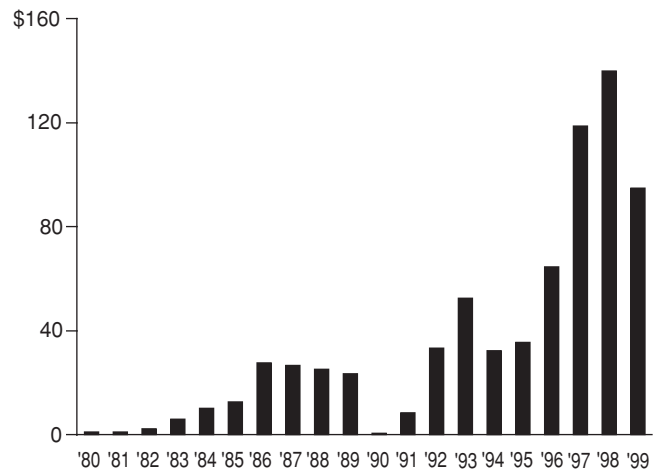
Households in debt

While some people are profiting mightily—if only in the short-term—from this IOU frenzy, the level of debt in U.S. households is growing rapidly. As of Sept. 30, as mentioned

FIGURE 5

Increase in junk bonds issued, 1980-99

(billions \$)

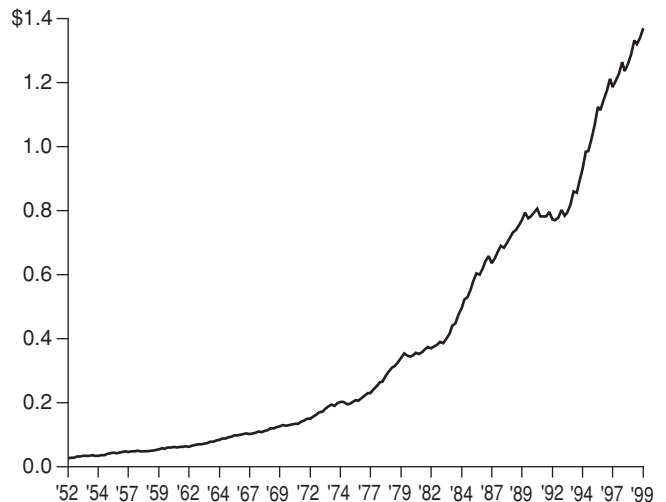


Source: Thomson Financial Securities Data.

FIGURE 6

Growth of consumer credit, 1952-99

(trillions \$)



Source: U.S. Federal Reserve.

earlier, the household sector owed \$6.3 trillion, an increase of 91% during the 1990s.

The Fed lumps households and non-profit organizations together in its Flow of Funds statistics. According to the Fed, this sector had financial assets of \$31.9 trillion at the end of September—more than double the \$14.2 trillion at the end of 1989—against liabilities of \$6.6 trillion. Of those assets, \$9.5

trillion were in pension fund reserves (much of which is invested in stocks), \$6.6 trillion were in direct stock holdings, \$4.2 trillion were in bank and money market deposits, and \$2.7 trillion were in mutual fund shares.

Of the debt in the household sector, \$4.4 trillion was in home mortgages, and \$1.4 trillion was in consumer credit. The sharp rise in consumer credit in the 1990s, up \$577 billion over the \$793 billion at the end of the 1980s (**Figure 6**), reflects not only heavy borrowing against the fictitious capital flooding the markets, but also the shortfall in household income during the period. Millions of people are living off their credit cards, and when that runs out, they are forced into bankruptcy. Some 10.7 million bankruptcies were filed during the 1990s, more than twice the number filed in the 1980s. That figure includes more than 546,000 businesses and 7.6 million individuals.

But even that is only the beginning. Worldwide, there are some \$300 trillion of financial claims outstanding, and not nearly enough productive economic activity to pay the bills. The gross world product, also known as world GDP, stands at some \$41 trillion, and a large percentage of that figure represents overhead. That puts the ratio of financial claims to productive activity somewhere north of 10 to 1, and getting worse. The global financial system itself is bankrupt, and the United States, with its record debt and derivatives exposure, is sitting at ground zero of the coming explosion.

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The euro falls, and falls, and falls . . .

by William Engdahl

Just before the euro's official launch as a central bank unit of account on Jan. 3, 1999, many leading European politicians and bankers were boasting that the advantages of the new euro super-currency meant that it soon would challenge the role of the dollar as leading world reserve currency. European politicians, from French Finance Minister Dominique Strauss-Kahn to conservative French President Jacques Chirac, blew this trumpet in the months before January 1999. They were echoed by some of Europe's leading bankers, including Deutsche Bank's Norbert Walter.

But, as of the beginning of February 2000, the euro has fallen to its historic low, breaking the psychologically important parity to the U.S. dollar, and the mood is anything but euphoric. As of this writing, the euro is being traded for \$0.97, a fall of 17% against the dollar. Yet, to date, there is no hint that Europe's political establishment is even considering abandoning the failed experiment.

This, then, leaves the euro in a dangerous "no man's land." Technically, it is too weak to attract the billions in foreign investment its framers had expected a year ago. Politically, it is too entrenched to be abandoned without risking a political and monetary collapse of the entire European Union (EU).

When the European Central Bank surprised observers and raised its central interest rate on Feb. 3, ECB President Wim Duisenberg cited "concern" about the low euro as the reason, adding to market jitters. This worsening crisis of confidence in the euro experiment now has the potential to interact with the global financial fragility, above all in the U.S. NASDAQ stock market bubble and in Japan's debt-bloated economy, to create systemic crises of unimagined dimension.

Frictions and fracture lines

As the euro declines, the prospect of splits among European Monetary Union (EMU) member-states is emerging, which adds to the growing political instability at a most dangerous time. The unprecedented clash between the other 14 EU member-states, which have threatened to blacklist Euro-land member Austria, because they disapprove of the choice of Austrian voters in putting the party of right-wing populist Jörg Haider into government, is making potential foreign euro investors even more nervous.

As well, disappointment over the attractiveness of the euro in recent days has led to a sharp rise in opposition to Britain's joining the EMU. British Prime Minister Tony Blair has pledged to hold a popular referendum on the issue following the next Parliamentary elections in two years. Yet, the latest U.K. opinion polls show that voters are strongly opposed to British entry into the euro, with the number rising as the euro falls.

On Feb. 2, British Conservative Party leader William Hague announced that former Defense Secretary Michael

Portillo, a "euro-skeptic," would be named "Shadow Prime Minister," responsible for the party's attacks on Blair's euro policy. A defensive Blair replied feebly, "I think to rule out the euro in the next Parliament is foolish, is backward, and I won't have anything to do with it." There is a measurable cooling off of enthusiasm in recent weeks both among the Euroland countries and from the British over its entry into the EMU.

"Initially, the German [Chancellor Gerhard] Schröder government was convinced they needed the power of the City of London, still the world's largest financial center, if the euro was to become a major reserve currency," said City of London economist Stephen J. Lewis. "Now they are not so sure, as they see Blair wants to enter, but not as one of equals." Failure to win British entry would be yet another blow to euro prospects, but one which is too distant to be a factor in today's low price.

'Dirigist' measures needed to halt systemic collapse, says LaRouche

Like every other so-called "local" or "regional" question—even as significant as the European currency, the euro—cannot be understood outside the historic global financial crisis, and measures to address the crisis must be devised accordingly. On Dec. 22, 1999, Lyndon LaRouche spoke of the euro, in answer to questions put to him by Long Shih Rome, a journalist for the Malaysia-based publication *Smart Investor*, which circulates in Malaysia, Singapore, and Indonesia.

Long Shih Rome asked, "Now the euro is hovering close to parity. What is the prospect for the euro in 2000?" LaRouche replied, "No one knows; no one could possibly know. The entire world system is in a terminal boundary layer of self-accelerating, leveraged turbulence. We have reached the point, that political decisions, rather than so-called market trends, will determine everything even during the short term."

To the question, "Does the current weakness or future weakness of the euro suggest it is undervalued, given that some European economies are recovering?" LaRouche replied, "No. Every economy in Europe, except the City of London's financial traffic, is currently operating below real economic break-even, and collapsing at a currently accelerating rate. Without a radical shift back to the kinds of 'dirigist' and 'statist' measures remembered from the 1950s and early-1960s Europe, there is no possibility that the present trend of deepening economic collapse could be halted, or even reversed. The collapse is not cyclical, but systemic. Only systemic measures, overturning present political arrangements, could halt the presently ongoing collapse."

The Maastricht debacle

The basic problem with the euro is one that most people misunderstand. It was rammed down the throats of European citizens—in almost every case without even a referendum, for fear of rejection of such a fundamental surrender of national sovereignty. The euro was in effect *blackmail*, in exchange for allowing German unification.

At an EU heads-of-state summit in Maastricht, Holland in December 1990, French President François Mitterrand handed German Chancellor Helmut Kohl a *fait accompli*: He claimed that Kohl "owed him" for having agreed to German unity earlier that year, in return for which Kohl had to agree to the new supranational euro and its politically independent European Central Bank. If recent allegations hold water, that Mitterrand arranged for the private transfer of perhaps more than \$15 million into the secret Liechtenstein and Swiss warchest of Kohl's Christian Democratic Union in 1992, the reason for unflinching German adherence (with minor differences) to the EMU since 1992, becomes perhaps even clearer. Kohl soon became the most impassioned proponent of the euro project.

The project, however, was fatally flawed from the start. Never in history has a group of nations—always, in the past, empires—created a single currency prior to the creation of a single political entity. Even Hitler, when his armies controlled most of continental Europe in 1940-41, failed to establish a single currency. Moreover, while surrendering control over printing of national currency, a central attribute of any nation's sovereignty, the member-states of the EMU so far have refused to opt for full government fusion into United States of Europe, as Jean Monnet envisioned 30 years ago.

Instead, the ECB created by the Maastricht Treaty has one simple mandate: to control inflation in Euroland. The ECB is forbidden to respond to pressure from governments

facing domestic economic problems because of the one-size-fits-all ECB monetary policy. This straitjacket, a nightmare for sovereign governments, was, in effect, the dream of Bank of England Governor Montagu Norman. During the 1920s and 1930s, Norman fought to create a supranational central bank entirely independent of politicians' meddling, an elite of unelected technocrats ruling Europe, and if possible, the world.

A central flaw in the ECB architecture is the fact that, while there is a single monetary authority that can raise interest rates uniformly across Europe, tax policy is still in the hands of elected national governments. As unemployment climbs above 4 million in a country such as Germany, pressure is sure to grow on elected political regimes to go into deficit financing to spur growth. Under Maastricht, this is strictly limited to a deficit of only 3% of GDP.

'To the exits'

However, the image of an ever-falling euro, and the December efforts of the Schröder government to defend its German Mannesmann firm from a hostile takeover by British Vodafone-Airtouch, have reportedly made foreign investors even more leery of the profit potentials of investing in Euro-land companies.

"Funds of European companies continue to leave Euro-land," said Lewis. "This flight of investment capital out of the euro, continuous and steady, and lack of any offsetting reason to invest against risk of a falling currency, are the fundamental reason the euro falls." Indeed, Euro-land economies were hit by huge capital flight of \$154 billion during the first ten months after the euro's launch. If anything, the trend has accelerated in recent weeks.

According to Lewis, after weeks of secretly trying to intervene via selling the dollar reserves of member national central banks of the 11-nation euro zone, the supranational European Central Bank in early February finally threw in the towel and let the currency break below dollar parity. The ECB intervention had to be kept secret because the euro does not become an official currency of circulation with coins and bills until sometime in 2002. In the meantime, the ECB has the precarious job of managing a "virtual currency." Were word to leak out to financial markets that the ECB had been intervening to hold up the value of the euro, that would unleash a torrent of speculation and possible panic flight out of the euro.

Certainly, whether the euro is at \$1.004, as it was for several weeks, or at \$0.97, where it is today, makes little difference in economic terms to Europe. "What it does, however," stressed Lewis, "is add to the perception among foreign investors that the euro is a 'loser.' Few pension or mutual fund managers can defend investing new billions of dollars in a currency which has dropped 17% in a year."

There is one gaping irony in the euro's present weakness:

It is largely being caused by capital flight out of Euro-land and into U.S. and, to a lesser extent, Japanese, stocks. So long as the U.S. economy continues to post "official" GDP growth rates of 5.8%, and European economies show feeble stock market gains, the gamblers rush to the tables in America. European and other large fund managers will continue to pile into the U.S. stock market to cash in on the biggest bubble in history—the \$14 trillion in market valuation of all U.S.-traded stocks combined, a whopping 180% of GDP. For the past five years, or so the argument goes, U.S. stocks have risen through thick and thin by rates on average of some 26.3%.

However, these capital outflows from Euro-land into the dollar, which have helped weaken the euro and boost the dollar, have a defect, namely, that all this is about to come to a crashing halt. Precisely when, is impossible to forecast. But even Federal Reserve Board Chairman Alan Greenspan, in recent public statements, has begun to sound ever clearer warnings that the present booming U.S. consumer economy is "unsustainable."

Indeed, the Fed has now raised rates five times in recent months, and its latest 0.25% rise in Fed Funds cost for overnight money, was announced with an ominous statement that future inflation was a growing concern, suggesting that further rate hikes will continue to be made until consumer spending slows significantly. Greenspan even estimates that a full quarter of recent U.S. GDP growth can be attributed to the so-called "wealth effect." With 43% of American households now invested in stocks, and their investment, on paper, rising by more than 26% per annum, families have been taking out home equity loans and credit card debt to buy everything from cars, to washing machines, to more stocks.

"I have been told by friends in Washington," London investment banker Tim O'Dell told *EIR*, that "the Fed and Treasury are privately working out their response to a 'significant,' i.e., 20% or more, fall in the dollar, i.e., a euro at \$1.20. This is why [U.S. Treasury Secretary Lawrence] Summers is trying of late to talk the dollar up by pointing to the structural problems of the European economies. At the moment, the concern is not high, but it is very much in the background of their thinking. If there were a rush of capital flight out of the dollar, that would lead to large interest rate increases in bonds. The likelihood that Greenspan can pull off a 'soft landing' this time is extremely small."

Yet, a dollar collapse caused by capital flight would not only weaken the United States and pop the stock bubble there, but it would also force liquidation of hundreds of billions in long-term stock and bond assets held by U.S. pension funds and mutual funds in Europe, to cover losses at home. That in turn would plunge Europe into a new crisis of the euro, as well as raise interest rates. This self-reinforcing downward spiral would pull both Europe and the United States into depression, and worse.

Business Briefs

Informal Economy

Worldwide piracy up 40% in 1999

A measure of the growing crisis in the world economy is the number of incidents of piracy, and its relationship to all kinds of illegal trafficking in arms, drugs, raw materials, and people, and to all varieties of irregular warfare. The British-based International Maritime Bureau (IMB) released its annual report on Jan. 24 from the Piracy Reporting Center in Kuala Lumpur, Malaysia, which says that incidents of piracy increased 40% in 1999 compared to 1998, and tripled since 1991.

There were 285 separate attacks on ships last year, more than half conducted while ships lay at anchor. A majority of the incidents took place in Southeast Asia, with the number of attacks in Indonesian waters nearly double those of 1998. Eight ships were hijacked outright, most in Southeast Asia and off Somalia. A total of 203 attacks, or more than two-thirds of the total, took place in seven countries: Indonesia (113), Bangladesh (23), Malaysia (18), India (14), Singapore Straits (13), Somalia (11), and Nigeria (11). The use of guns and knives in the attacks doubled, but the number of deaths dropped precipitously, from 78 in 1998, to only one-third that in 1999, which raises the possibility of collusion.

The following locations were named as most dangerous: Indonesian territorial waters, Chittagong port and Tuticorin, coastal Somalia, Bangkok Bar, Manila Bay, Singapore Straits, Philip Channel, Spratly Islands, and West African ports.

The Balkans

Blocked Danube ruins Romanian port cities

After NATO airstrikes destroyed three bridges near the Serbian city of Novi Sad, the Romanian port of Galati, which is 500 miles away, has suffered an economic decline due to the debris blocking the river. As a result of the blockage, 80% of the Romanians who worked on the Danube, that is, 4,000 people, have lost their jobs, and 23 shipping compa-

nies, most of them new private enterprises, are on the brink of bankruptcy.

Total losses to Romania's economy due to the blocked river were \$800 million last year, 2% of the country's GNP. Some who lost their jobs now live on \$40 a month in unemployment benefits, and they blame NATO for their misfortune. Some of them, quoted by the Feb. 6 *Washington Post*, claim that western Europe wanted to boost the Rhine region, and the bridges on the Danube were destroyed not for strategic reasons, but to isolate southeastern Europe.

Reportedly, the Belgrade government has accepted an Austro-Hungarian plan to clear the river and erect one temporary bridge at a cost of \$24 million, funded mostly by the European Union.

In 1987, the Danube's best year, 95 million tons of goods, mostly raw materials such as coal, oil, grain, steel, and cement, were shipped on the river. Trade fell off after the breakup of the Soviet bloc, but the Balkan wars during 1992-95 dealt the shipping industry its heaviest blow. In 1995, trade fell to 25 million tons; by 1998, it had crept back up to \$40 million.

The Romanian shipping industry had signed nearly \$100 million in contracts for 1999. All of that money has been lost. Nearly 1,500 barges and 200 tugboats stand idly on the river.

Investment

China urged to better use domestic savings

Better use must be made of domestic savings to reduce dependency on foreign investment, a recent article in the newsletter *International Finance News* stated, *China Daily* reported on Jan. 31. China's savings in state-owned banks tend to fund less-profitable state-run firms, while foreign capital is being used by more profitable, newer enterprises. It is important to examine where foreign funds are going, the article said.

Since it began its reforms, by the end of 1997, the amount of foreign funds China had used had reached \$348.35 billion, and the huge inflow of foreign capital has made up the shortfall in domestic savings and foreign

exchange. However, since the 1990s, with the exception of 1993, China's total domestic savings have exceeded total domestic investment. Savings deposits increased from 703.4 billion yuan (\$84.7 billion) in 1990 to 4,627.9 billion yuan in 1997, a much higher increase than that of GDP during the same period.

"Only when domestic savings are used efficiently can a country gradually reduce its dependence on foreign investment," the article said. "The state should also strengthen the administration of foreign investment. . . . The emphasis on foreign investment use should be shifted from quantity to quality and efficiency."

Trade

Britain's entry into NAFTA is under study

The U.S. Trade Commission is studying Britain's possible entry into the North American Free Trade Agreement, and it should be "applauded," according to Canadian reporter Robert Sibley, in an article in the *Ottawa Citizen* carried in the Jan. 24 *High Plains Journal*. Sibley says the Commission will report back to Congress, and there will be formal hearings later this year. Those supporting the U.K. joining NAFTA, who backed the study, include Sens. Phil Gramm (R-Tex.), William Roth (R-Del.), and Daniel Patrick Moynihan (D-N.Y.). "We already have strong financial and historic ties. Now it's time to further our relationship," Gramm is quoted.

Canadian supporters are identified as Reform Party leader Preston Manning, part of the opposition in Parliament, and Conrad Black, the newspaper magnate. Sibley says the 19th-century supporters of similar plans included Canadians John Watson, George Monro Grant, and George Parkin, who "envisioned a world in which the British Empire, which then included Canada, and the American republic worked together to forge a world order that would be a truly civilizing force."

Today, the idea is backed by free trade advocate Robert Conquest, who proposes "an association composed of the United States, the United Kingdom, Canada, Aus-

tralia and New Zealand, as well as Ireland, the Caribbean, and the Pacific Ocean.” In a recent issue of *National Interest* magazine, Conquest argued that such an institutional order would “define political civilization, opening a great part of the world to joint solutions of economic and social problems.”

Central Asia

Nations urged to form closer economic links

The Asian Development Bank is urging Central Asian republics (Kazakstan, the Kyrgyz Republic, Tajikistan, and Uzbekistan) to forge closer economic links, to develop infrastructure, energy resources, transportation systems, communications, and trade, the *Business Standard* of New Delhi reported on Feb. 3. For geographic reasons, it said, the ADB is also urging China’s Xinjiang Uygur Autonomous Region to join these efforts.

The breakup of the Soviet Union has left the Central Asian countries with few sources of manufactured goods and industrial input, little demand for their products, and inadequate administration. They are remote from world markets, with underdeveloped infrastructure. According to the ADB, these nations’ trade policies are inappropriate and their capacities poor.

The ADB said that cooperation is vital in energy and transportation. Uzbekistan has large resources of natural gas and oil; Kazakstan has oil and coal; the Kyrgyz Republic possesses big hydroelectric resources; and Xinjiang has coal and oil. In the transport sector, the need for cooperation is even greater, and the nations must establish transit links among themselves and with the outside world, beyond the existing links to the former Soviet Union.

The ADB has identified nearly 50 regional infrastructure projects for investment. Priority is given to rehabilitating the highway connecting Almaty, Kazakstan’s former capital, with the Kyrgyz capital of Bishkek. Railways are also in bad condition.

Transport needs are also enormous. In the Kyrgyz Republic, over 60% of the road system is unsafe. Roads are a government priority, and it intends to allow privately

owned companies both to construct and to maintain the roads. Uzbekistan’s main rail route, a 1,452 km line connecting Keles, Tashkent, Khavast, Dzizhak, Samarkhand, Bukhara, and Khokjadavlet, has to be replaced to improve links with both Asia and Europe.

The six years of civil conflict since 1991, on top of natural disasters, severely damaged Tajikistan’s transport infrastructure. Tajikistan, which is mountainous, is dependent on roads for movement of 82% of all freight and 98% of all passengers, but over 60% of paved roads are in poor condition due to lack of funds and equipment. Tajikistan’s road and power networks are estimated to require \$500 million and \$450 million, respectively, for urgent rehabilitation.

Banking

Thai-owned banks becoming extinct

Dr. Twatchai Yongkittikul, Secretary General of the Thai Bankers Association, warned a seminar on compliance with World Trade Organization obligations, that Thailand could be heading toward a banking industry that is dominated by 4-5 foreign banks, with no Thai-owned banks left, *The Nation* reported on Feb. 2. He pointed out that the rapid consolidation of the industry elsewhere has already produced a situation where only six banks dominate in Japan and Singapore.

Thai banks have come under intensive pressure since the 1997 crash, not least from liberalized bank rules, which opened up the industry to foreign players and allowed them 100% control of Thai banks. Currently, there are 5 Thai-owned banks, 6 foreign banks, and 2 government banks. Thai banks are at a further disadvantage because they are required to operate provincial branches, if they want to have metropolitan branches in Bangkok. Even the Governor of the Bank of Thailand concedes that the Thai banks are losing money on 30% of branches located in overwhelmingly underdeveloped rural areas. Thai banks are also required to contribute to support funds for the stock market and support to the rice and sugar industries.

HUNGARIAN rail workers went on strike on Feb. 1 after negotiations with the State Railway Co. failed to break a deadlock on wages and collective contracts. The rail workers’ trade unions proposed a 10.78% wage increase and agreed to some 800 layoffs this year, but these were rejected.

CHINA is to relax its one-child policy and allow an estimated 60 million people to have more than one child, Zhang Yugin, Vice Minister for Family Planning, said at a press conference in Beijing on Feb. 1. Zhang said that people who were born into single-child families would be allowed to have two children.

NORTH KOREAN Vice Premier Jo Chang-dok told the Korean Central News Agency on Feb. 3, “There has never been such shortage of electricity as today” in North Korea. Blackouts have become common in Pyongyang, and are worse in the countryside. He blamed the shortages on the U.S. failure to honor commitments under the 1994 “Agreed Framework,” in which the West promised to provide fuel oil and construction of two new modern reactors, in exchange for the closure of North Korea’s nuclear power program.

BRITISH FARMERS booed Prime Minister Tony Blair at the annual meeting of the National Farmers Organization. Blair urged farmers, who are facing the worst crisis in a century, to embrace the “huge opportunities” on the Internet and other technology, and announced that his government will spend £2 billion during the next seven years by redirecting farm production subsidies into environmental protection programs. Farmers have to live “in a globalized market,” was his message.

GERMANY cancelled the Berlin to Hamburg maglev Transrapid rail line on Feb. 5, because of the short-sighted fear of rising costs and the German Railway’s complaints that it would lose money. Germany hopes to sell the Transrapid in China and the United States.

Nation-states disintegrate under assault from London

by Jeffrey Steinberg

The underlying, principal strategic conflict dominating the planet today, is expressed as the varied threat of generalized warfare, famine, and epidemic disease, the which is caused, ultimately, and that almost entirely, by the several efforts to employ the model of pagan Imperial Rome, and pagan Roman, or more barbaric ethics, for the purpose of establishing “one-world government,” through the United Nations Organization, or some alternate instrument. . . .

War today is brought to crush, in the most mass-murderously, exemplary fashion, those who resist the spiritual heirs of Diocletian’s use of famine and epidemic, as the means to reduce the world’s population-level, especially the darker-skinned portion, over the next pair of generations or so, by approximately 80%. It is not the nation-state which is the cause of modern war; the cause of war today is chiefly the satanic lust of oligarchs for one-world rule.

—Lyndon H. LaRouche, Jr., *The Science of Christian Economy*

When Lyndon LaRouche wrote those words, from inside a Federal prison, in 1991, much of the world was still basking in the sunlight of the events of 1989, when the Berlin Wall came down, and the strains of Beethoven’s Ninth Symphony were carried across the demolished wall into East Berlin. It was a moment when the “Velvet Revolution” in Czechoslovakia was fresh in the minds of citizens all over the world, and the collapse of the Soviet Union itself was playing out in a remarkably bloodless fashion.

Despite those heady events, which caused a brief outbreak of cultural optimism around the planet, Lyndon LaRouche, who had publicly forecasted the peaceful reunification of Germany and the collapse of the Soviet Empire, saw the looming danger of an assault against the nation-state system, and a resulting New Dark Age, even as he argued for policies to fully realize the opportunities presented by the end of Soviet Communism.



Colombian President Andrés Pastrana tours a region demolished by the FARC narco-terrorists, July 1999. Colombia is a dramatic case of the disintegration of the nation-state, as, with the blessings of the City of London and Wall Street, half of the national territory has been handed over to the FARC.

Today, a decade later, LaRouche's prophetic warnings are playing out on every continent, as the London-headquartered forces of world oligarchism conduct an unrelenting, multi-faceted assault against the nation-state.

Not surprisingly, the current phase of this attack dramatically escalated, following the breakup of the Soviet Union. During the Cold War era, even the most rabid advocates of the take-down of the nation-state system were held back by the realities of the two contending blocs, armed with vast arsenals of intercontinental ballistic missiles with nuclear warheads, and the need to maintain some degree of industrial capacity and scientific and technological progress, in the event of war. With the demise of the Soviet Union, the breakup of the Warsaw Pact, and so on, the London-centered oligarchy seized upon the opportunity to crush the system of sovereign nations, and unleashed the Four Horsemen of the Apocalypse to wipe out a majority of the world's human population.

Beyond the oligarchy's general hatred of the nation-state system, a principal motive for the accelerating attack has been the fact that the entire global financial and monetary system is on the verge of the greatest blowout in modern history. When that shock occurs, a new system will have to come into being to replace it, and that system will either be established through the collaborative efforts of sovereign governments—led by the United States—or it will be crafted by the financier oligarchy, through a range of multilateral institutions, all under their thumb, and modelled on the imperiums of the past.

Lyndon LaRouche has issued a call for the convening of a New Bretton Woods conference, that would take up the

mission of the late President Franklin Delano Roosevelt, who devised the original Bretton Woods system of fixed exchange rates, oriented toward global economic recovery from decades of depression and war. FDR's embedded mission, at Bretton Woods, and in the wartime Allied conferences, was to end European colonialism—particularly British colonialism—forever. To the extent that there remains even a remote chance that the current U.S. President, Bill Clinton, along with leaders of other major nations around the world, could take up LaRouche's New Bretton Woods call, the City of London-centered financial oligarchy will use every resource at its disposal to break the power of the nation-state.

President Clinton himself, who was the victim of a London-directed assault against his Presidency, in a television interview with Charlie Rose, aired on the Public Broadcasting System on Dec. 22, 1999, identified the assault on the nation-state system as the gravest threat to world stability at the dawn of the new millennium.

Rose was visibly shaken when the President, in response to a question about the security threats to America in the twenty-first century from Russia and China, answered:

"I think it's far more likely that our former enemies will become at least friendlier, if we're not friends; and that all of us together will face the enemies of the nation-state in the twenty-first century."

Rose, incredulous, asked: "The enemies of the nation-state?"

Clinton: "Yes, the organized enemies of the nation-state that have vast money and vast access to weapons and technology and travel: the organized crime syndicates, the narco-traffickers, the terrorists. And I think the likelihood that all

Functions performed by the modern nation-state

From The Road to Recovery by Lyndon H. LaRouche.

Those positive functions performed by the modern form of sovereign nation-state republic, which can not be performed effectively by any different form of society, are typified by the following:

1. National sovereignty as such. The assertion of the power to defend the republic and its people against overreaching power of alien (e.g., oligarchical) forms of both domestic and external forces.

2. The power to create and defend the institutions of national currency and credit, as an expression of sovereignty not subject to any external agency, and to defend the currency and production of the nation and its citizens from undesirable foreign or domestic practices.

3. The improvement and maintenance of the condition of the whole territory and population of the nation, including the public health, by means including public improvements in and regulation of the nation's basic economic infrastructure, including the authority to pursue such action despite contrary foreign and domestic interests and influences.

4. The sovereign state's leading responsibility and authority for fostering of progress in science, technology, and the arts, as through institutions of universal education, and by other means.

5. The fostering of investment in scientific and technological progress in what are, in physical terms, capital-intensive and power-intensive modes.

these people will be integrated—there may be some rogue states that will support them, but I think you're more likely to see the nation-states trying to uphold stability in their national lives, increasingly open and democratic—even China, I think, will become more open and more democratic. They're already electing mayors in a million little towns, literally.”

Rose: “In democratic elections?”

Clinton: “Yes. And so I think—by their standards. They don't have a Republican or a Democratic Party like we do, but they are having these elections. I think in the future the likelihood is that nation-states will be allied against the enemies of the organized society, and the open society.”

Methods of attack

In the pages that follow, we present a global survey of the state of the nations. The pattern is overwhelming. Through

financial warfare, narco-terrorism, orchestrated “corruption” scandals, separatist insurgencies, assassinations, the unchecked spread of pandemics of killer diseases, and the growth of offshore, unregulated financial centers that dwarf the national treasuries of most nations of the world, nation-states on every continent are being destabilized, disintegrated, and, in some cases, eradicated altogether.

Under the banner of “globalization,” the advocates of the new imperium argue that nations can no longer retain sovereign control over their currencies and credit systems. Some then argue for the creation of a “global currency,” often called “dollarization,” while others preach the virtues of several large, warring currency blocs—a Western Hemispheric dollar bloc, a European-African euro bloc, and an Asia-Pacific yen bloc. Either way you cut it, this spells the elimination of one of the five pillars of any sovereign nation-state (see box, for LaRouche's identification of these pillars): sovereign control over currency and credit. Continental western Europe, the cradle of the nation-state system, dating back to the fifteenth century, has already surrendered national sovereignty over currency and credit, through the suicidal Maastricht Treaty and its offspring, the euro.

The power of the offshore, unregulated speculators, backed by the major financial institutions of Britain, continental Europe, and Wall Street, was demonstrated during 1997-98, when a concerted hedge-fund assault was carried out against the currencies and stock markets of Malaysia, Indonesia, Thailand, the Philippines, South Korea, Russia, and Brazil. Decades of economic progress were reversed in a matter of days. Financial and economic chaos, particularly in the case of Indonesia, led to social unrest, which was aggravated by well-funded insurgencies, all backed by prominent figures in the British establishment, and by the international human rights mafia. The end result for Indonesia, was the break-off of East Timor, as the first step toward carving up the country into a string of micro-states, which would be easy prey to British Commonwealth-based raw material cartels out to grab up their oil and precious metals. As its first “sovereign act,” the government of East Timor announced that it would not create a national currency at all, but would “dollarize.” Kosovo, another micro-state in the making, adopted the German deutschemark (soon to be replaced by the euro) as its currency—even though it is ostensibly still part of the Federal Republic of Yugoslavia.

When, in September 1998, Malaysian Prime Minister Dr. Mahathir bin Mohamad broke from the International Monetary Fund diktats and imposed capital and exchange controls, to defend his nation's economic sovereignty, the City of London and its allies in Washington went berserk. Vice President Al Gore, after consulting with some of the leading hedge fund and commercial bank officials, including George Soros, travelled to Kuala Lumpur, Malaysia to deliver a stinging public rebuke to his host. Due to Prime Minister Mahathir's actions, however, his country has been spared much of the

devastation and crushing loss of sovereignty that has torn apart much of Southeast Asia since the 1997 assault was launched.

Territorial integrity: gone

Sovereign control of territory and national security, another pillar of the nation-state system, is also crumbling in many parts of the world, as the result of the assault launched from London-centered institutions.

Prince Philip's World Wildlife Fund has been at the center of a drive to wipe out the vast majority of dark-skinned human beings living in the Sub-Saharan region of Africa. The African continent has been devastated, as the result of a string of British-manipulated wars, beginning in Somalia at the start of the 1990s.

In 1994, the Great Lakes region exploded in genocidal wars, first in Rwanda and Burundi, and then in Zaire (now the Democratic Republic of the Congo). The Rwanda and Burundi civil wars broke out following the assassination of both Presidents when their plane was shot down as it prepared to land in Kigali, Rwanda. They were returning home together from a regional summit. Angola is devastated, as the result of a civil war that began nearly 20 years ago.

As hundreds of thousands of citizens were driven from their war-torn towns and villages into makeshift refugee camps, were deprived of adequate food, medical care, and public health facilities, diseases long ago brought under control, and new virulent strains, began to sweep across the continent. Some 5,000 people die each day in Africa from AIDS alone. And, over the next decade, more Africans are expected to die from AIDS, than all of the people killed during all of the wars of the twentieth century.

The propagandists of the new imperium delight in the devastation of Africa, proclaiming that the continent is proof-perfect that the nation-state has outlived its usefulness. "Failed states," they say, must be supplanted by private agencies—an overt move toward a post-modernist feudalism. Thus, in the port of Freetown, Sierra Leone—one of the designated "failed states"—ships bearing the insignias of Consolidated Goldfields, Anglo American Corp., Rio Tinto, and DeBeers Diamonds dominate the harbor, and private mercenary armies like Defense Systems Ltd. and Executive Outcomes—hired by the cartels—have replaced the military and police.

The nation-state system has been all-but eradicated on much of the African continent, but South America is not far behind. There, a new, virulent form of British Opium War genocide is propelling Colombia onto the "failed state" roster. With the full blessings of the City of London and Wall Street, a massive segment of Colombia's territory has been handed over to the narco-terrorist Revolutionary Armed Forces of Colombia (FARC), which has carried out an unrelenting campaign to destroy the vital infrastructure of the country, to murder any political leadership that challenges the power of the drug cartels, and to produce the vast majority of cocaine

and much of the heroin arriving on the streets of the United States and Europe.

The FARC and the lesser narco-armies have plowed some of their black-market revenues into military hardware and advanced computer and electronic equipment on a scale that dwarfs that available to the Colombian Army and National Police.

The Colombia cancer is spreading all across the continent. When Ecuador's President Jamil Mahuad announced that he had decided to "dollarize" the country, it was nearly plunged into a civil war, with the upper hand held, not by national patriots, but by separatist insurgents.

From the Caucasus to Kashmir, the Eurasian landmass is dotted with separatist insurgencies, the vast majority of which are headquartered and bankrolled in London. Kashmir is now a flash-point for a potential war between Pakistan and India, that could be the first between nuclear powers.

The assault on Russia's Caucasian region underscores the insanity of the London oligarchs. The Chechen separatist invasion of Dagestan in 1999, which triggered the second Chechen war, was a flagrant move to grab nearly the entire Russian coastline of the Caspian Sea—to shut Russia out of oil and natural gas resources. The fact that London-based "Afghansi" terrorists have issued calls for a *jihad* against Russia, and have been recruiting mercenaries to go and fight against the Russian military in Chechnya—with the de facto blessing of the British government of Prime Minister Tony Blair and the British Crown—shows a reckless disregard for the consequences of such provocations against a former great power, one that still possesses a formidable arsenal of nuclear weapons.

In fact, the stated goal of some leading Western geopoliticians, such as Zbigniew Brzezinski, is to break up Russia into several fragmented ethnic mini-states over the course of the next decade.

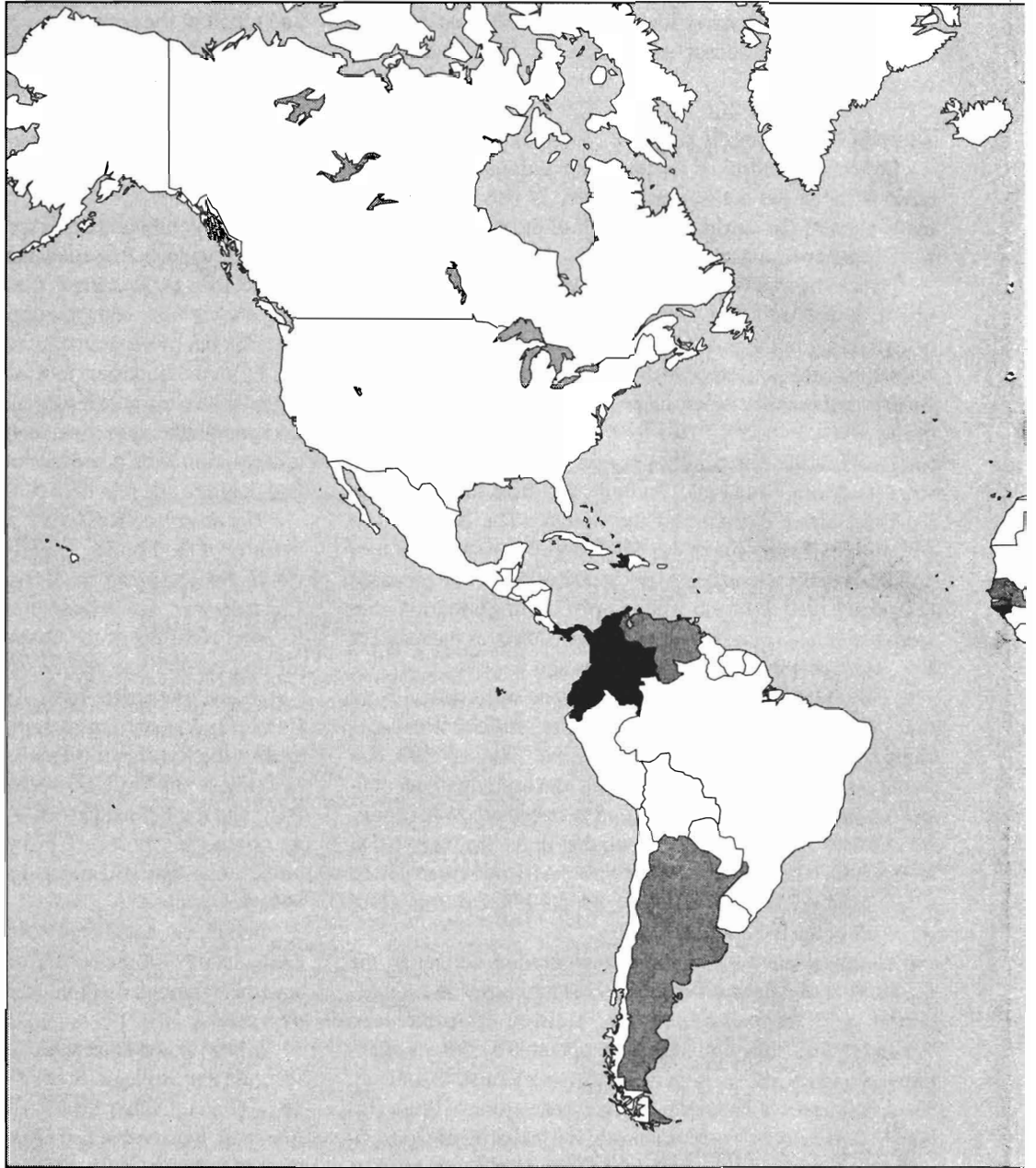
Likewise, the late Gerald Segal of London's International Institute for Strategic Studies publicly advocated the break-up of China. Uighur insurgencies in the western province of Xinjiang, foreign-backed efforts to hive off Tibet, and efforts to create a north-south divide within the heart of China, have signaled that such an effort is already under way. The recent provocative actions by lame-duck Taiwan President Lee Teng-hui, to create a new crisis across the Taiwan Strait, have also greatly contributed to regional tensions. Like Russia, China, as a great power, will not be easily disintegrated. However, Segal and others have signalled that factions in London are fully committed to throwing China into chaos, and eventual disintegration.

'Clean Hands' and dirty intentions

The so-called advanced sector nations have not been immune to the assault against the nation-state, with the sole exception of Great Britain, which has never aspired to nation-

Continued on page 18

FIGURE 1
London's assault
on the nation-state:
going, going, gone



1. Collapsing/prime targets

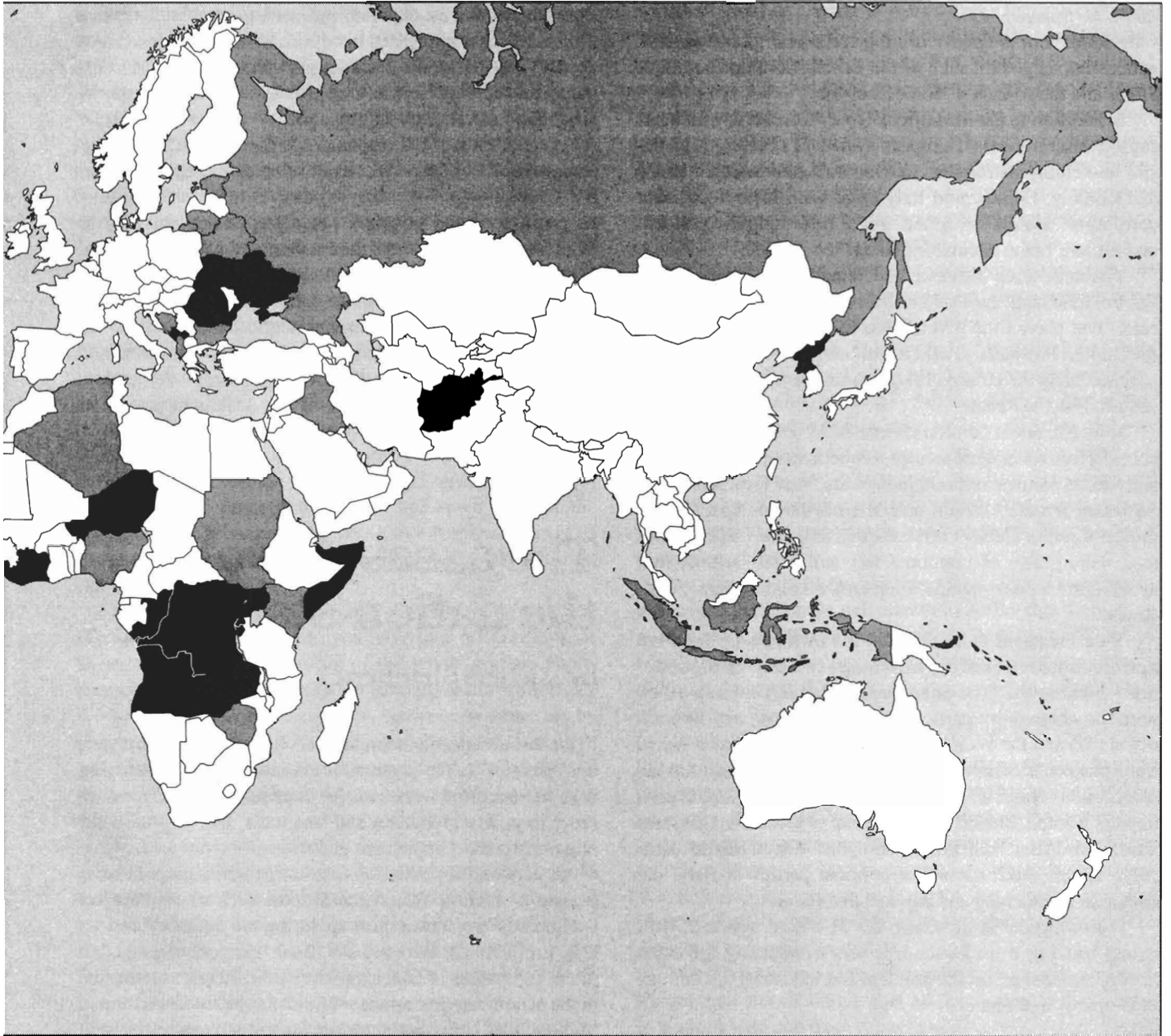
- Albania
- Algeria
- Argentina*
- Bosnia*
- Bulgaria*
- Estonia*
- Indonesia
- Iraq
- Kenya
- Lithuania*
- Nigeria



2. Bankrupt/shattering

- Russia
- Senegal
- Sudan
- Venezuela
- Zimbabwe
- Afghanistan
- Colombia
- Ecuador*
- Ivory Coast
- North Korea
- Romania
- Uganda
- Ukraine
- Zambia

* dollarized or currency board



3. Dollarized/shattered

Angola
 Burundi
 Democratic Republic of Congo
 East Timor*
 Guinea Bissau

Haiti
 Kosovo*
 Liberia*
 Montenegro*
 Niger

Panama*
 Republic of Congo/Brazzaville
 Rwanda
 Sierra Leone
 Somalia

Continued from page 15

state status, but is openly driving for a new global empire, under various guises, such as the British Commonwealth of States and the so-called “Blair Doctrine.”

In addition to the Maastricht Treaty treachery, which has caused the continental European system of sovereign currencies and credit instruments to evaporate, the pivotal nations of Germany, France, and Italy have been hit by “political corruption” scandals—aimed, not at reforming the political institutions, but at decimating them.

The same thing is true in the United States. It was, as *EIR* has documented, the London-based Hollinger Corp. media cartel that played the pivotal role in the six-year assault on the Clinton Presidency, which ultimately led to Clinton’s impeachment by the House of Representatives and his trial (and acquittal) in the Senate.

With President Clinton distracted by grand jury appearances before special prosecutor Kenneth Starr, and the House and Senate partisan impeachment wars, Vice President Gore, Secretary of State Albright, and others in the Principals’ Committee of senior Cabinet officials, delivered the United States as a willing ally of London’s war and chaos efforts, first against Sudan, next against Iraq, and, finally, against Yugoslavia.

Vice President Gore flaunted his own role in the drive against the nation-state by convening a two-day “anti-corruption” event at the U.S. State Department in February 1999, with the noteworthy participation of Transparency International (TI) and the World Bank. TI was launched as a World Bank project, to dismantle the governing political institutions of targeted countries, from Africa, to Southeast Asia, to continental Europe. Indeed, it was a group of jacobin magistrates allied with TI that launched the so-called “Clean Hands” campaign against both the major political parties of Italy, the Christian Democracy and the Socialist Party.

Following the same script, the TI-linked network, with strong backing from London, is now conducting the same kind of assault against the political and industrial institutions of Germany and France.

In summary

Lyndon LaRouche commissioned this special report in order to provide an overview of the process of disintegration already under way. Even those readers who may be familiar with some of the details presented in the pages that follow, lack the necessary comprehensive overview of the scale of assault on the nation-state system that is under way.

In the history of mankind, the nation-state has proven to be the only system by which individual human beings have had the opportunity to realize their God-given capacity for creative discovery. Disintegrate the nation-state system, through the kind of multi-faceted assault documented in this report, and mankind is certain to plunge into a New Dark Age, lasting for several generations, at best. Destroy the nation-

state system, and the oligarchs in London—typified by Prince Philip, who has expressed his desire to be reincarnated as a deadly virus that would decimate populations—will drive this planet into a living Hell, as they plunder all of the raw materials and industrial assets left to grab.

As LaRouche has emphasized, the United States was founded as the most perfect expression of the republican nation-state principle in history, to date. Despite the erosion of its institutions and principles, and despite the treachery of Wall Street, the Al Gores, the Bushes, and so on, the United States remains a bulwark of the nation-state system to this day. It is all but impossible to conceive of the nation-state system surviving this present onslaught, without the United States taking a leading role in defeating the London-centered oligarchy’s present efforts. This, in turn, places a tremendous responsibility on the shoulders of the American people, as well as the elected institutions of government.

The assassins of the nation-state

by Michele Steinberg

In the last decade, the international oligarchy concocted various “theories” of the “dysfunctional nation-state,” identifying it as the cause of wars and the impediment to progress, in order to justify globalism and free trade, the very tools the oligarchy uses to implement genocide.

A network of institutions, most of them incorporated as private or semi-private organizations, such as the “Project Democracy” apparatus built up during the regime of former U.S. President Sir George H.W. Bush, runs coordinated, but secret campaigns of attack against nation-states, as indicated in the accompanying articles. The report below constitutes a “Who’s Who” of some of the key individuals and institutions running this assault.

The current attack on the nation-state had precursors grounded in the neo-Malthusian movement launched in 1963 by Prince Philip, Duke of Edinburgh, and consort to Queen Elizabeth II, who has said he wishes to “be reincarnated as a deadly virus” to reduce the human population. Philip created the World Wildlife Fund (WWF) to promote genocide, and to reassert in a new form Britain’s stranglehold over Africa and other former colonial areas. In Philip’s view, *no former colony was ever to develop*.

But Philip’s WWF empire scheme required allies:

- In the early 1970s, the **Club of Rome**, a Malthusian outfit headed by Aurelio Peccei, became the launching-pad for the “popular” version of the environmentalist, zero-

growth movement. Peccei explicitly attacked the nation-state as the enemy of Malthusianism.

- In 1973, the **Trilateral Commission**, co-founded by Zbigniew Brzezinski and Henry Kissinger with David Rockefeller's money, became an effective means to attack the United States from within. In December 1974, Kissinger, a self-confessed operative for the British Foreign Office and Secretary of State to President Gerald Ford, joined Prince Philip's plan for genocide. Kissinger oversaw the writing of National Security Study Memorandum (NSSM) 200, which said that the United States, the UN, and "other international bodies" would have to employ "vigorous efforts" against countries with high population growth, to reduce their population. NSSM 200 singled out "India, Bangladesh, Pakistan, Nigeria, Mexico, Indonesia, Brazil, the Philippines, Thailand, Egypt, Turkey, Ethiopia, and Colombia." On this list are the targets of the current wars and chaos (e.g., India, Pakistan, Indonesia, Colombia); other countries on the list, such as Ethiopia, barely exist today.



Aurelio Peccei

The assassins in their own words

In 1993-94, key theoreticians, including Samuel Huntington, of the New York Council on Foreign Relations; Gerald Segal, of the International Institute of Strategic Studies (IISS) in London; and Zbigniew Brzezinski, Trilateral Commission founder, now at the Center for Strategic and International Studies in Washington, D.C., were unleashed against the nation-state, especially targetting Russia and China for dismemberment.

These hired guns for the oligarchy are backed by a network of propagandists who explicitly call for establishing a zone of prosperity, surrounded by a modern version of the old Roman Empire *limes*, the wall of fortification, outside which lay a *terra incognita* of chaos, disease, famine, and death. In books such as *The Empire and the New Barbarians (L'Empire et Les Nouveaux Barbares: Rupture Nord-Sud* [Paris: Hachette-Pluriel, 1992]), by Jean-Christophe Rufin, the *limes* idea is graphically depicted (though not endorsed by the author). Another book, *The Real World Order: Zones of Peace; Zones of Turmoil* (Chatham, N.J.: Chatham House, 1993), by Max Singer and Aaron Wildovsky, proposes that the nation-state be ended and replaced by a "wall of fortification."

Here are some statements of the anti-nation-state theoreticians:

Samuel Huntington: Author of "The Clash of Civilizations" in the Summer 1993 *Foreign Affairs*, the magazine of the New York Council on Foreign Relations, writes:

"World politics is entering a new phase . . . the end of history, the return of traditional rivalries between nation-states, and the decline of the nation-state from the conflicting pulls of tribalism and globalism. . . . It is my hypothesis [that] . . . the dominating source of conflict will be cultural. . . . The *clash of civilizations will dominate global politics.*" Huntington says that the economic cohesion of the nation-state will break down, and wars between any combination of Christianity, Islam, Hinduism, Slavic-Orthodoxy, and various tribes in Africa, will dominate the globe and will result in "torn countries." He says, "The Soviet Union and Yugoslavia are candidates for dismemberment. . . . These are torn countries. . . . The most obvious and prototypical torn country is Turkey. . . . For the U.S., Mexico is the most immediate torn country."

Huntington, a co-founder of the Trilateral Commission, accompanied Brzezinski into the Jimmy Carter administration, where they promoted the "Arc of Crisis" policy, to engulf in war a swath of territory from Egypt to the Transcaucasus. He also wrote the *Crisis of Democracy*, published in 1976, which put forward the doctrine that "human rights" overrides national sovereignty.

Gerald Segal: The May/June 1994 *Foreign Affairs* featured an article by Segal entitled "China's Changing Shape." He wrote "Never in China's history has such a push for decentralization been accompanied by the pull of so many outside forces. In an age when empires disintegrate . . . can China be immune to revolutionary change?" Illustrating his point with a map that divides China into the "Inner Empire" and the "Outer Empire," Segal adds, "Unlike Hong Kong, Taiwan is not necessarily on an inexorable road to unity with China."

Zbigniew Brzezinski: In his book *The Grand Chessboard: American Primacy and Its Geostrategic Imperatives* (New York: Basic Books, 1997), he argues for the rule of empire: "Hegemony is as old as mankind. But America's current global supremacy is distinctive in the rapidity of its emergence. . . . [After World War II] the next fifty years were dominated by the bipolar American-Soviet context for power. In some respects, the contest between the U.S. and the Soviet Union represented



Samuel Huntington



Zbigniew Brzezinski

the fulfillment of the geopoliticians' fondest theories. It pitted the world's leading maritime power . . . against the world's leading land power. . . . And each used its ideology to reinforce its hold over its respective vassals and tributaries, reminiscent of the age of religious warfare. . . . The collapse of its rival left the U.S. in a unique position. It became simultaneously the first and the only truly global power. . . . Rome comes to mind . . . [but] the Roman empire was not truly a global power."

Martin van Creveld, a military history lecturer at Hebrew University in Jerusalem, writes on "the future of warfare." The content of his "future" has made him a hero of the "New Dark Age" faction internationally, as he insists that the era of the sovereign nation-state and the principles underlying the 1648 Treaty of Westphalia (by which peace came to a Europe ravaged by the Thirty Years' War) have come to an end, and there will be an increasing trend toward the establishment of "private armies" and other manifestations of feudalism. In a recent interview, he stressed: "The state as a kind of organization has outlived itself. The future lies in one of either two directions, either there are larger and more sophisticated supranational organizations, like the European Union, or there will be Chechnyas. Many places will become new Chechnyas. States can no longer make it. In many places, we will see things heading in more primitive directions, as we see now in large parts of Africa and Asia, where there are pre-state conditions. . . . The best candidate for break-up now, is Indonesia. I have been saying for the last couple of years . . . it is a prime candidate for a major civil war."

Juan Enriquez Cabot, who teaches at Harvard and descends from the American opium-trading Cabot Lodge family, in an article entitled "Too Many Flags" in the Fall 1997 *Foreign Policy*, says that "the stereotype that only weak and underdeveloped countries produce new states . . . is wrong." The Western Hemisphere "has seemed to be immune from secessionist impulses. But boundaries . . . are [not] as stable as they appear." In a Sept. 21, 1999 interview, he explained: "One of the consequences [of globalization], is that all of a sudden the people who are generating most of the wealth in your country, are not focussed on the internal markets of the country. . . . And, the size of the country itself matters much less. . . . Some of the richest and fastest-growing countries in Latin America are actually small countries. You start getting Costa Rica and Uruguay developing on a par or faster than the large countries. . . ."

"The Soviet Union is now back to the borders it had, or Russia is back to the borders that it had, in the 1740s. And, I suspect that they are going to continue cleaving new states until there is a clear value added to the central government. . . . [Chechnya and Dagestan are] symbols of what will happen unless that country is able to generate a common sense of purpose, and start delivering something. . . . [But,] that isn't the critical issue for the Soviet Union [sic]. It's whether the Soviet Union—Russia—splits east-west."

The globalizers

Under the banner of "globalization," a handful of key institutions are running the destabilizations of countries on a day-by-day, even an hour-by-hour basis. Many of these operate as non-governmental organizations (NGOs) through the United Nations.

Leading the globalist charge are the international financial institutions (IFIs): the **International Monetary Fund (IMF)** and the **World Bank**, which, together with their allies among the blood-sucking international hedge funds (of which George Soros's Quantum Fund S.A. is the best known), can cut a nation's access to credit, and destroy its currency and credit rating in a matter of days.

IMF Managing Director **Michel Camdessus** kicked off a new era of assault on the nation-states in 1997, when he appeared at an international conference of **Transparency International (TI, an NGO)** and called for a "new French Revolution" by the Third World's *sans culottes* (financed and backed by the IMF and other globalizers), to bring down selected government leaders, beginning with Indonesia President Suharto. Within the year, Suharto was ousted.



Michel Camdessus

For decades, the IMF has used "conditionalities" to impose genocide. In return for loans, countries are forced to give the IMF control over their currencies and their national budgets, including setting wages, and allocations for food subsidies, health care, and pensions; they are forced to demilitarize and surrender the right of national defense.

Two developments gave even greater power to Camdessus and the IMF. First, in 1993, TI's strategy to "identify and root out corruption" was developed by a special unit of the World Bank. Then, in 1995, **Sir James Wolfensohn**, who had built up TI, became president of the World Bank, on the recommendation of anti-nation-state U.S. Vice President Albert Gore, Jr., a close ally of Prince Philip.



Sir James Wolfensohn

With this combination, in 1997, the IMF announced that it could withdraw a loan already allocated "on account of poor governance." *Governance* is supposed to mean, according to the World Bank, "the manner in which power is exercised in the management of a country's economic and social resources." According to the new doctrine, if the governance is

“poor,” the IMF has the power to take over the administration of any country.

The power to bring a nation-state to its knees was tested by the IFIs and their allies in the hedge funds in 1997, when Soros mounted an attack against Asian countries. (Soros operates several hedge funds based in the offshore tax haven of the Netherlands Antilles that have several billion dollars of old European *fondi* money under management. Included among Quantum investors is Queen Elizabeth II. Soros uses his profits to fund a powerful NGO devoted to legalizing the drug trade.)

By leveraging assets (at 20 to 100 times the original value) through willing major banks, e.g., Citicorp, Soros mounted a series of economic warfare attacks against the currencies of Thailand, Malaysia, and other Asian nations. In a short time, decades of development were destroyed.

However, the powers of a sovereign nation-state, asserted by Malaysian Prime Minister Dr. Mahathir bin Mohamad in response to Soros and the international financial institutions, once again proved that the oligarchy and its New Dark Age could be stopped. Mahathir fixed Malaysia’s exchange rate, and called in foreign-held currency, successfully defending his country.

The Western Hemisphere

In the Western Hemisphere, the leading institution in the arsenal against nation-states is the **Inter-American Dialogue**. Founded in 1982 to manage British-Wall Street policy toward the Western Hemisphere, the Dialogue has maintained one unified commitment throughout its history: to replace the nations of this region with a supranational, “hemispheric” system of government, based on usury and free trade. The subjects of various special task forces set up by the Dialogue over the years reflect this commitment: In the 1980s, drug legalization, ways to reduce national militaries in size and influence, and the urgency of establishing a hemispheric free trade zone, dominated its agenda. In the 1990s, task forces worked on “redefining sovereignty,” proposals for a system of political and economic “multilateral governance” in the region, a project to foment “ethnic divisions,” and ways to legalize narco-terrorists under the rubric of “democratic governance.”

The IAD and TI are two institutions of the species of NGOs which, in the structure of globalization, have *more power* than governments. In the UN, the NGOs have rights and power *equal to* member-countries, and they can operate across borders, exempt themselves from national laws, and even hold huge tracts of territory that are off-limits to the sovereign nation’s institutions. NGOs thereby serve as conduits for arms-trafficking, drugs, and money-laundering used to destabilize countries. One of these, Human Rights Watch, backed by Soros, acts as a de facto arm of world government, identifying countries that can be militarily and economically crushed for alleged human rights abuses.

Asia 1997

The case of Indonesia

by Michael Billington

Indonesia has always been a prime target for empire-builders: Not only is it huge geographically, spread out over 3,400 miles, spanning strategically critical shipping lanes, but it also contains enormous deposits of some of the world’s most valuable resources. Its most valuable resource—its population, now more than 200 million people, the fourth largest on Earth—is viewed as more of a nuisance than a benefit by the would-be colonialists. Henry Kissinger, for example, in 1974, included Indonesia on his list of 13 developing nations whose population growth represented a “security risk” to the United States.

Indonesia is now being targetted by the full arsenal of British-American-Commonwealth (BAC) subversion capabilities. Even the coverage in the world press, reporting on Indonesia’s ethnic, religious, and separatist violence, escalating hunger and poverty, and bankrupt economy, gives a distorted picture calculated to facilitate the foreign takeover of the wealth and strategic territory of the Republic of Indonesia.

Under the Dutch colonial empire, Indonesia was considered to be Europe’s most lucrative colonial possession. Today, the country stands second in the world in tin production, fifth in copper, gold, nickel, and natural gas, and 14th in oil. But the stakes go beyond the natural resources available for looting.

The British (and their Dutch colonial subcontractors) never forgave the Indonesians for their successful military defense against the attempted re-colonization of the islands after the World War II Japanese occupation. When the father of the nation and the first President, Sukarno, carried the revolutionary spirit forward into the creation of the Non-Aligned Movement, starting with the famous 1955 Bandung Conference of Asian and African Nations, held in Indonesia, the British responded by sponsoring multiple separatist movements in the outer islands—with generous support from the Dulles brothers at the U.S. State Department and the CIA. Their effort failed, when the Indonesian military and the population rallied to defend the nation’s territorial integrity.

Then, soon after the assassination of President John F. Kennedy, London and Washington moved to isolate and destabilize Indonesia through a cutoff of credit and other sanctions imposed by the International Monetary Fund (IMF), tactics which were to become very familiar in the 1990s. In 1965, as the United States was escalating the war in Vietnam, London and Washington also supported a coup by a faction in

the Indonesian military opposed to President Sukarno, which unleashed a calculated bloodbath against Sukarno's popular base, targetting especially the mass-based, legally constituted Communist Party, leaving tens of thousands dead.

The same methods are being used today

All these methods and more are at work again today. General Suharto, who replaced Sukarno after 1965, ran an authoritarian regime, but promoted the utilization of the substantial oil wealth to create the beginnings of an industrial infrastructure, while dramatically reducing poverty. Suharto, however, fell prey to the foreign hot-money bubble of the 1990s, making Indonesia an easy target for the 1997 blood-letting by currency speculator George Soros and his ilk.

Virtually overnight, the Indonesian currency, the rupiah, was reduced to one-fifth of its former value, later settling at one-third. All foreign debts and import prices thus increased threefold, leaving the country utterly bankrupt. The IMF then forced the government to assume the entirety of the bad debt of the financial institutions, while also demanding drastic price increases on consumer necessities, and the privatization of state-sector banks and industries. Only Western speculators, of course, have the resources to buy such enterprises.

IMF Managing Director Michel Camdessus later acknowledged that the IMF had made "a mistake" in Indonesia (and elsewhere in Asia), by imposing extreme austerity conditions when new credit was needed. IMF documents show that

Camdessus was lying—that the policy had been intentional, with the purpose of destroying the currency and opening up the economy to foreign takeover.

The world press published a humiliating photo of President Suharto sitting as he signed an agreement with the IMF, with a smirking Camdessus standing behind him, gloating over his prey. The "international community" and the world press then unleashed a barrage of defamation against Suharto, blaming his corruption as the sole cause of the Indonesian collapse, despite the obvious fact that the crisis was Asia-wide, and reflected a global breakdown. Simultaneously, the well-funded non-governmental organization (NGO) network in Indonesia—reported to be the largest concentration of NGOs in the world—went to work demanding Suharto's ouster, diverting attention from the ravages of the speculators and the IMF conditionalities.

Corrupt layers in the military, using methods long approved by their Western advisers and trainers in "suppressing Communism," kidnapped and tortured student dissidents, purposely releasing them so that they could tell their tales, and are widely believed to have provoked the May 1998 riots that destroyed large areas of Jakarta, targetting the Chinese business minority. Within days of the riots, Suharto was forced to step down, although he prevented a military coup by passing the Presidency constitutionally to Vice President B.J. Habibie, the architect of Indonesia's industrialization. A number of suspect generals were purged or transferred to

Oil, opium and the attack on Asia

by Jeffrey Steinberg

The broad area of the Asian heartland, stretching from the Caucasus, through the Caspian Sea, and into Central Asia and the subcontinent, is now the zone of conflict for a new, more virulent British "Great Game," aimed at the destruction of Russia, India, China, and all of the bordering nations of the "Silk Road" region. Since 1979, Afghanistan has been the epicenter of a perpetual war, now spread into Pakistan, India, and the former Soviet republics of Central Asia. This perpetual war has also seen the explosive growth of opium production and distribution out of the area known as "The Golden Crescent."

The estimated 25-35,000 *jih*ad warriors who were brought to Afghanistan by Western intelligence services during 1979-89, to drive out the Soviet Red Army, have now been constituted as the core of a new international

terrorism—targetting the United States, continental western Europe, Russia, and all of the Islamic states of the Persian Gulf and Mediterranean, as well as Israel. More than a dozen governments have filed formal complaints with the British Foreign Office, over the fact that the "afghansi" terrorist organizations are all housed and bankrolled in London and in other British Commonwealth capitals.

The map shows the war-zone of the new "Great Game." British-centered oil cartels, including British Petroleum, Royal Dutch Shell, and their American "cousins," have carved out the Caspian Sea region as their new field of conquest, and are committed to the short-term destabilization and disintegration of Russia, to assure that Moscow is unable to prevent the "Great Oil Heist." The opium fields of Central Asia substantially overlap with the current and future oil and natural gas fields. The heroin routes crisscross the petroleum and gas pipeline routes.

The common denominator of the terrorists, the opium smugglers, and the oil profiteers, is London. The current heirs of the British Opium Wars and the nineteenth-century "Great Game" are, in many cases, the very same people.

harmless positions.

Although Habibie successfully guided the country to peaceful national elections the following year, the economy was at the mercy of the IMF and the foreign creditors. Poverty rates skyrocketed from 11% to over 50%, while food shortages led to an extent of malnutrition among children that will leave permanent damage.

The British 'outer islands' strategy

With the economy in shambles, the British "outer islands" strategy was revived. East Timor was the first target. Despite the fact that Indonesia had lifted East Timor out of the backwardness bequeathed by Portuguese colonialism, the population suddenly found itself impoverished by the national economic collapse. The government of President Habibie, under intense international pressure, agreed to a referendum on independence for East Timor. The international community leapt in with offers of millions of dollars of support if East Timor were to vote for independence, and, not surprisingly, the vote went that way. The Indonesian military kept the peace between the longtime warring factions in East Timor in the months leading up to the referendum, but after the overwhelming pro-independence vote, the pro-Indonesia militia, possibly with backing from factions in the Army, went on a rampage. Lying reports of thousands of deaths filled the world press (the actual death count is around 200), serving to justify the British Commonwealth occupation of East Timor, using

primarily Australian troops under cover of the UN. The attempted dismemberment of Indonesia was under way.

A look at **Figure 1** will indicate another reason for the BAC interest in East Timor and other areas where separatist movements are being promoted, such as Aceh, Riau, Papua (formerly Irian Jaya), and Maluku. The vast oil fields lying in the Timor Sea were being developed rather slowly through joint agreements between the Western oil giants and the Indonesian state oil company, Pertamina. Since East Timor's referendum, however, the Western companies have commenced a "frantic drilling season," with at least 20 new wells under way. The UN occupation government currently ruling in East Timor, in consultation with the IMF, has conveniently dictated that the U.S. dollar shall be the official currency of the tiny state, completing the recolonization process.

The largest foreign mining presence in Indonesia is Rio Tinto, which controls much of Australia, but is itself controlled by one of its largest shareholders, the Queen of England. Rio Tinto is directly active in Aceh and Papua, both rife with separatist insurgencies, while in North Maluku, the site of some of the bloodiest ethnic rioting in the past year, the dominant mining company in the region, Newcrest of the United States, is run by the former CEO of Rio Tinto, Sir Roderick Carnegie.

Both Aceh and Riau are major oil producers, run by the leading Anglo-American oil cartels.

With the nation being literally torn apart, the military

Oil, gas, and drugs in the Caucasus and Central Asia

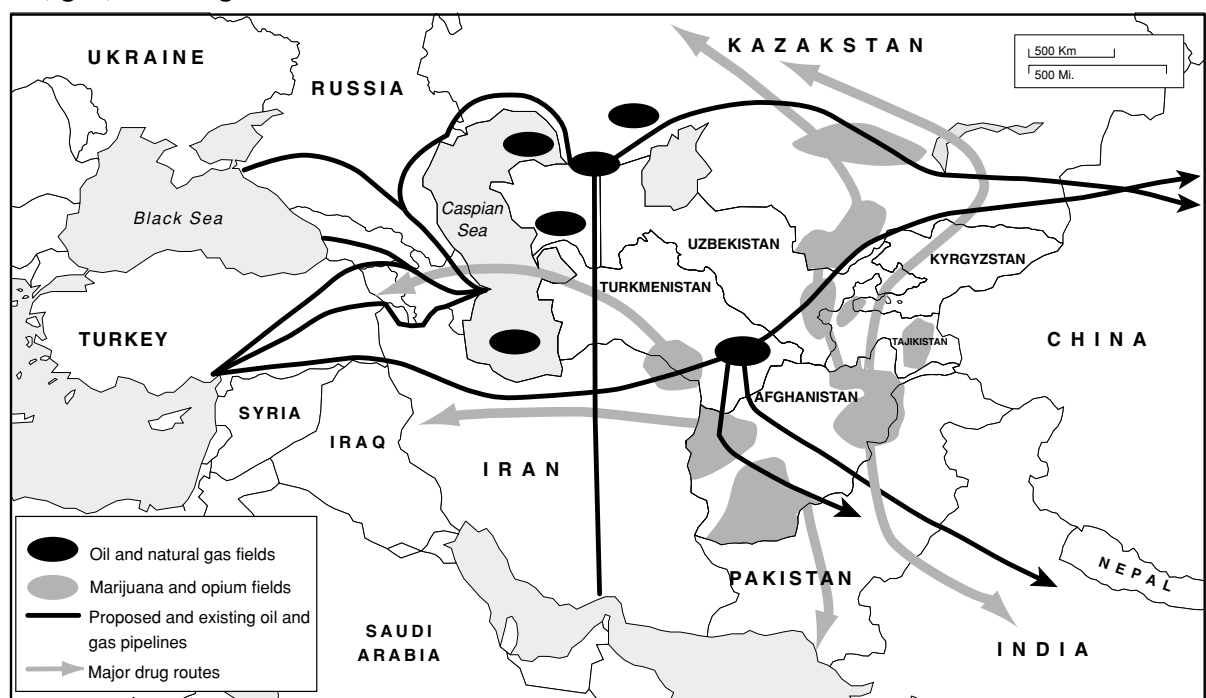
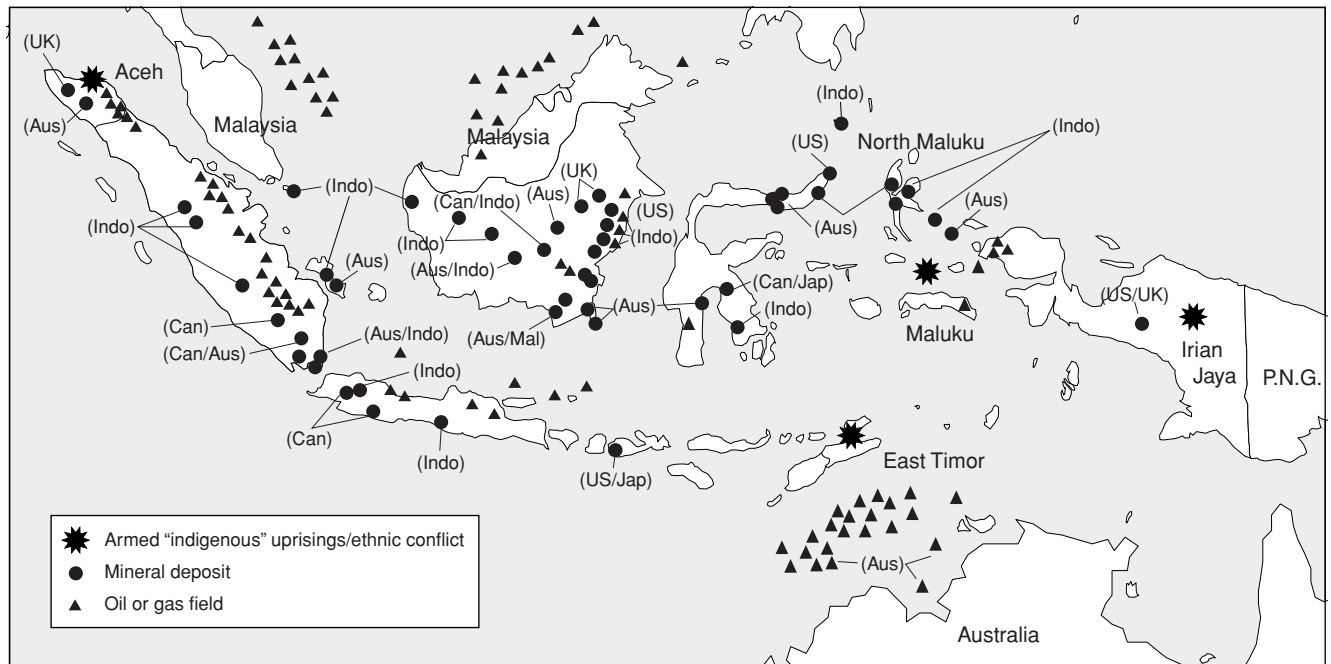


FIGURE 1

British-American-Commonwealth mining cartel dominates Indonesia



Sources: Resource Information Unit, Register of Indonesian Mines 1999; Petroleum Economist, World Gas Map, 4th Edition.

The British are taking over Indonesia's huge raw materials wealth through sponsoring indigenous "independence" movements, as they did in East Timor, and are doing in resource-rich Aceh and Irian Jaya; and through the International Monetary Fund, which has forced the Indonesian government to sell off its state-owned mining companies to BAC firms; this gives the BAC much more control than even that noted in this 1998 map. As for the three areas of insurgency/ethnic conflict, Rio Tinto has major projects in Aceh and Irian Jaya (site of the world's largest gold mine), while in North Maluku, the former longtime Rio Tinto chief executive in Australia, Sir Roderick Carnegie, runs the Gosowong gold mine of Newcrest Mining, which company locals have charged with running guns (which Newcrest has denied).

provides a crucial barrier between maintaining national territorial integrity and general dismemberment. In Maluku, it is only a sizable Army presence, which has begun to cool the enflamed religious and ethnic tensions, fanned by the economic crisis. In Aceh, the Army's war with the small, but violent narco-terrorists of the Free Aceh Movement has allowed serious negotiations to take place between the government and the political, social, and student leaders in the area, negotiations which show promise for a peaceful solution within a sovereign and united Indonesia.

Military targeted for destruction

And, yet, at this time of crisis, the current moderate and widely respected military leadership is being targeted for destruction by the BAC cabal and their allies within Indonesia. The unproven allegations of military involvement in the post-election violence in East Timor have been used to demand the resignation of the Coordinating Minister for Political and Security Affairs, General Wiranto (formerly Com-

mander-in-Chief of the Armed Forces), and other top military leaders. The *Far Eastern Economic Review*, the voice of Wall Street and the City of London in Asia, ran a Feb. 3 cover story threatening President Abdurrahman Wahid with a cut-off of foreign aid and investment if he doesn't fire General Wiranto and "curb the power of the military." Further, the article demands that Wahid ram through the sale of the nation's largest auto company, Astra International, claiming that the nationalist resistance to this sale is due to "military connections."

In fact, the proposed Astra sale was a sweetheart deal, negotiated in secret, without a public tender, and was intended to serve as a model for the foreign takeover of the most valuable of Indonesia's industries, at highly unfavorable terms—for Indonesia. In fact, the nationalist resistance has recently resulted in the government's re-opening the contract to alternative proposals.

The institutions of the Indonesian nation-state have not yet crumbled. The 1999 election—the first in several decades in which new parties were allowed to contend for power—

saw the vast majority of voters support the traditional institutions, although in new forms. Despite divisiveness, there is strong national resistance to handing over economic controls or relinquishing any further territory to foreign interests under the guise of “independence” of un-viable mini-states. President Wahid has also made clear his intention to prioritize Indonesia’s ties to China and Asia generally.

But few in Indonesia have had the courage of their neighbor, Prime Minister Dr. Mahathir bin Mohamad of Malaysia, to identify the destructive *purpose* of the international financial oligarchy, or to propose sovereign measures of the sort adopted in Malaysia to protect the nation’s currency and economy from speculators. The danger is quite overt. Prince Philip’s “spiritual adviser,” Martin Palmer, recently pronounced that “Indonesia has no logic for existence,” and promised that the independence gained for East Timor is but the first step in the break-up of Indonesia. Palmer bragged that “British policy for the last 200 years has been based on one central idea: the break-up of other empires [read: nation-states]. . . . The British Foreign Office has a certain agenda, which is continued divide and rule.”

Michael Billington is serving his eighth year of a 77-year sentence in Virginia state prison. Ostensibly convicted on charges of “securities fraud,” he in fact was railroaded into prison because of his association with Lyndon LaRouche.

Russia 1998

The line is drawn vs. attack on sovereignty

by Rachel Douglas

An assault on the nation-state is grim whatever the target country, but nowhere is the insanity of the perpetrators more on display than in the case of Russia—still one of the world’s great nations, and still the possessor of a superpower’s nuclear arsenal, even after a decade of destruction of the economy.

Russia and Ukraine, the two largest countries to emerge from the former Soviet Union, have had their science and industry smashed in the name of liberal reforms that were supposed to be the path to integration into a globalized economy. Their combined natural population loss, the excess of deaths over births without offsets from immigration, has now surpassed 7.7 million people since 1992, when the two countries had a total population of 200 million. As Ukrainian Member of Parliament Dr. Natalia Vitrenko reported to an *EIR* seminar nearly one year ago, Ukraine, which was a developed nation with one of the best education and training levels in the world, “has been turned into a disaster zone, where a brutalized people, corrupted officials, and overt bandits represent a threat to world civilization as a whole.”

Compound deep economic depression with a threat of territorial fragmentation, such as what Russian leaders perceive in the foreign instigation of separatism in Chechnya, and you have invited the commanders of that ex-superpower arsenal to shift to a potential adversary posture. As *EIR* has reported, such a shift is expressed in the new Russian Military Doctrine and National Security Concept, which are both in the process of being adopted.

The draft Military Doctrine defines the following main external threats to the Russian Federation, in this order of importance: territorial claims; interference in its internal affairs; countermeasures against Russia’s becoming a center of influence in a multipolar world; hot spots close to the borders of Russia; deployment of troops close to Russia’s borders; the buildup (without UN approval) of forces near Russia that could be deployed into Russia; attacks on Russian military facilities in other countries; psychological warfare and propaganda against Russia abroad; and the creation of hindrances to the functioning of Russian state security systems, including the strategic nuclear forces, warning systems, anti-missile defenses, satellites, weapons stockpiles, and key industrial facilities. Among the internal dangers, are: the activation of

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extremist and separatist groups; the planning and preparation of actions to disrupt the infrastructure for the functioning of the state; organized crime; and unregulated trade in explosives and weapons.

The destruction of sovereignty

What was done in Russia, when “liberal reforms” had hegemony before the crash of August 1998, is best examined through the eyes of the Russian patriotic intelligentsia. Dr. Sergei Glazyev, an economist and former Russian cabinet minister who now heads the Economic Policy Committee in the State Duma, presented the devastation of Russia’s economy and population in his book *Genocide*, which EIR News Service published in English last year. He analyzed the destruction as a systematic policy, imposed from the outside.

In a section titled “The Colonization of Russia,” Glazyev wrote: “Practically the entire policy arsenal for the destruction of the institutions defining national sovereignty, in favor of global domination by the world oligarchy, was brought into action in the process of the destruction of the U.S.S.R., and continues to be employed in Russia and the other Commonwealth of Independent States members today. The international obligations, assumed by Russian leaders as part of the ‘revolutionary reforms,’ under pressure from their foreign bosses and at great cost to the country’s national interests, bear out this policy most clearly.” Among those obligations were Russia’s assumption of the former Soviet debt, and pledges by the Russian government to the International Monetary Fund, to abandon measures to defend the domestic market, conduct an independent financial policy, or employ state incentives for the development of industry, science, and technology.

“Numerous statements . . . and practical actions of leading Western countries and international organizations with respect to Russia leave no doubt, that . . . our country is assigned the role of a raw materials colony. . . . A strategy has been imposed on Russia of deindustrialization, shutdown of science-intensive technologies, raw materials specialization, and adjustment of the country’s legal and economic space to suit the interests of transnational capital. This strategy cleanses Russian territory not only of domestic products, but also of ‘superfluous’ people.”

Writing just weeks after the collapse of the speculative Russian bond market and devaluation of the ruble, Glazyev warned, “Continuation of the social and economic policy that was being carried out until Aug. 17, 1998, even for only a short while longer, would leave no hope for a decent life for tens of millions of citizens of Russia, or for the independent development of the nation. It is impossible to preserve either independence or the ability to develop independently in the world today, while failing to finance science and education, . . . and living in debt at the expense of the country’s future. . . .”

“The main result of the economic policy carried out in Russia was the clearing of economic space for transnational capital. . . . The ruling oligarchy will strive to consolidate the results it has achieved. This will be done in several directions, . . . each of which leads to a further weakening of Russian statehood. The first such direction is the further buildup of state debt, with Russia’s assumption of still greater obligations, including the use of raw materials deposits and tracts of land as collateral, and political concessions up to and including nuclear disarmament, the concession of contrived territorial claims by other countries, and so forth. . . .”

“A second direction is to compel Russia to make a partial renunciation of its sovereignty, in the form of international obligations that ban unilateral actions in the areas . . . of foreign trade, financial markets, and the exploitation of raw materials deposits. . . . Typically, political decisions were taken for Russia to join the Paris Club, the Energy Charter, and the World Trade Organization, without any study beforehand. Each of these international law regimens entails a partial renunciation of sovereignty in the area concerned. . . .”

“A fourth direction is the transfer of important enterprises and economic sectors to control by foreign capital. . . . Transnational corporations have . . . [established] control over several strategically important sectors of the Russian economy. Even in the case of the natural monopolies, which are of critical importance for ensuring the country’s national security—the electric power industry, the natural gas industry, telecommunications—a rapid transfer of shares to foreign ‘investors’ was organized. . . . With the conclusion of agreements with foreign companies on their exploitation of raw materials deposits, under terms of production-sharing, which provide for the primacy of international law and the Russian Government’s relinquishment of immunity, valuable Russian raw materials deposits, and subsequently large tracts of Russian territory, will come under transnational capital’s direct control.

“A fifth direction is the disintegration of the country, its breakup into self-governing territories, the destruction of a single legal and economic space, and the entanglement of constituent territories of the Federation in relationships of unilateral dependence on foreign capital. . . . Little by little, international recognition of the criminal regime in Chechnya is countenanced, the foreign contacts and independence claims of several Russian autonomous jurisdictions are intensified, and the common economic and legal space of the country is being destroyed. It is clear that, after several years of such policies, Russia is doomed to become a colonial country, carved up into spheres of influence among various groups of creditors and foreign corporations.”

Epidemics and geopolitics

“In October 1998, as this book was going to press,” Glazyev wrote in the Russian edition of *Genocide*, “the

country had a good chance to break out of the trap of colonization and to embark, at last, onto a trajectory of economic growth.”

Under the government of Yevgeni Primakov (September 1998 to May 1999), those hopes began to be realized, in part. Russia showed industrial growth during 1999. The surge in world oil prices somewhat alleviated its foreign debt payments crunch, because of the higher revenues, despite ostracism after the effective default of August 1998.

The choice of economic strategy under Acting President Vladimir Putin is hotly disputed within Russia now, as there is an attempt to combine officially proclaimed desires for a “national” economic policy, with adherence to the rules of globalized world finance. The continuation of the demographic tailspin through 1999, when Russia experienced natural population loss of another 836,000 people and AIDS and drug-resistant tuberculosis were among the fastest-growing diseases, underscores that the economic crisis will not will fix itself.

So far, the Putin regime has drawn the line against attacks on Russia’s sovereignty, in an area where matters seem clearer in Moscow: the country’s territorial integrity. Hence, the brutal military campaign in Chechnya, whose separation from the Russian Federation is understood in leading Russian circles as a first step in Zbigniew Brzezinski’s *The Grand Chessboard* scheme for the dismemberment of Russia.

Lyndon LaRouche, in a Jan. 23 webcast dialogue with California activists of his Presidential campaign, identified the nature of the Russian reaction: “The terrorists deployed into Chechnya and Dagestan and elsewhere, the destabilization of the Nagorno-Karabakh situation with respect to Azerbaijan, and so forth—these issues created a hotspot. And when the President of the United States backed down, in dealing with some of these problems, especially in Yugoslavia, when he capitulated totally to the British at the end of the so-called Kosovo war, the world strategic situation went out of control. *We have now headed in the direction of more and more wars, which even could become nuclear wars around the world, unless the President’s capitulation to Gore and to the British, and so forth, stops.*

“In this situation, there developed in Russia, a fear that Russia was about to be destroyed if this weren’t stopped. The reaction came in a Russian fashion: First of all, the leading Russian circles were convinced that the United States had cut them off, that they were isolated. They became desperate, desperate because of the economic policies imposed upon them, which again, Clinton didn’t have the guts to change that. He should have. . . .

“So, what you have, is a confused Russian patriot reflex reaction, which is extremely brutal, which is using the drawing of a line in the sand in Chechnya, as a point of confrontation where they say ‘We will not take another step backward.’ ”

South America 1999

Narco-nations come to the fore

by Dennis Small

In January 1999, the world financial hurricane that had battered Asia in 1997 and Russia in 1998, made landfall in the Western Hemisphere in Brazil. For a period of two to three tense weeks, Brazil, the Third World’s largest debtor nation and the eighth-largest economy in the world, was pushed to the very edge of national bankruptcy, and nearly pulled the entire world financial system down with it. Assaulted by hedge funds and other speculative capital, the Brazilian currency, the real, was devalued by almost 50% in a matter of days. The ferocious assault only subsided a few weeks later, when the Brazilian government handed over the country’s central bank to George Soros, by making one of his water boys, Arminio Fraga, the central bank’s new director.

Within days, Soros had called off the dogs: We must throw a “wall of money” at Brazil, the world’s most famous drug legalizer smugly told the world financial community gathered in Davos, Switzerland. The “wall” quickly took shape, as a \$42 billion bailout package from the International Monetary Fund (IMF), the U.S. Treasury, and others, negotiated in November 1998, began to be released to a panicked Brazil. Typically, the bailout had bone-crunching austerity conditionalities firmly attached.

But handing over the central bank of Brazil to Soros was not the only price that was paid to supposedly “solve” the 1999 Brazilian debt crisis. As a direct result of the Brazilian blow-out of 1999 and its hyperinflationary resolution:

- The economy of **Argentina**, already in bad shape, crumbled over the course of 1999, as entire chunks of its manufacturing sector moved to the cheaper-labor haven of devalued Brazil. These “runaway shops” have left more than 10,000 people newly unemployed in the Argentine manufacturing sector. Furthermore, the IMF has decided to turn the screws on the country’s provinces, not so much to collect the debt they owe, as to deliberately fracture the country along historical fault lines, encouraging “regional autonomy” political maelstrom, in which “the devil takes the hindmost.”

- The Jacobin government of Hugo Chávez in **Venezuela**, which took office in December 1998, was strengthened by the continental backlash to the hemispheric economic depression unleashed by the Brazil crisis. As a result, Chávez has emerged as the purported continental leader of the opposi-

tion forces — as the new Fidel Castro of South America. Chávez has established an overt alliance with the major drug cartel of neighboring Colombia, a.k.a. the FARC, and this alliance now threatens to overrun the entire northwestern sector of South America, establishing new narco-nations where sovereign republics once stood. In fact, the new Venezuelan Constitution, which Chávez rammed through in December 1999, in Article 14 “establishes a special juridical framework for those territories which, by free choice of their inhabitants, . . . incorporate themselves into the [Venezuelan] republic” — a transparent reference to the FARC-controlled areas of Colombia.

• **Ecuador** was plunged into outright bankruptcy in the aftermath of the Brazil crisis. In March 1999, a major devaluation and banking crisis hit the country. Then, six months later, in September, the bottom fell out: The government was forced to default on its foreign debt; the national banking system disintegrated in broad daylight, and half of all checking and savings accounts were unilaterally frozen by the government; and wave after wave of devaluations began to batter the Ecuadorean currency, the sucre. By January 2000, when President Jamil Mahuad announced that he would eliminate the sucre altogether and “dollarize” Ecuador, the country exploded.

In a period of 24 hours on Jan. 21-22, there were four different governments in Ecuador. One of them, the National Salvation Junta headed by Col. Lucio Gutiérrez, explicitly proclaimed its ties to Venezuela’s Chávez, as well as its support for the narco-FARC’s war against the government of Colombia. Fortunately, that junta was not able to consolidate itself in power — for now — but the dollarization policy remains in place, and the shattering of the nation will thus continue.

The shattering of a nation

Colombia was once a beautiful nation. A land of enormous natural wealth, in the nineteenth century it was also at the center of international scientific inquiry, including the famous Humboldt biological expeditions to the Americas. Its capital, Bogotá, was proudly known far and wide as the “Athens of South America.”

But Colombia today has been taken over by the world’s leading cocaine cartel, which masquerades as the “politically motivated” Revolutionary Armed Forces of Colombia, or FARC. The FARC could not dominate Colombia the way it does today, based on purely national factors: The population overwhelmingly despises the narco-terrorists. But the FARC cartel has, especially over the course of 1999, received decisive international backing from:

1. **Wall Street**, in the form of two visits to Colombia by New York Stock Exchange President Richard Grasso. In June 1999, he met in the FARC’s jungle demilitarized zone (DMZ), to embrace FARC “Comandante” Raúl Reyes, and discuss “capitalism” and “investment strategies” with him. Then in January 2000, Grasso returned as part of the Millennium

Group of international honchos, to meet with Colombian President Andrés Pastrana and to give full backing to the latter’s policy of appeasement and surrendering chunks of the country to the FARC.

2. **The IMF**, in the form of a May 1999 demand that Colombia include illicit drug cultivation in the accounting of its Gross National Product, followed by a January 2000 signed agreement with the Colombian government which explicitly *excludes* government spending in the FARC-controlled area from the IMF’s otherwise stringent austerity conditionalities — i.e., they are encouraged to channel money into the FARC-run areas.

3. **The United Nations**, which has announced funding for “crop substitution” projects in the FARC-controlled areas — i.e., UN financial aid to the FARC.

4. **The U.S. State Department**, which continues to lie that it is impossible to militarily defeat the FARC cartel, and prefers instead to discredit and weaken the Colombian Armed Forces with non-stop human rights campaigns, financed by drug-legalizers such as Soros.

5. **Various European nations**, such as Sweden and Norway, who are currently sponsoring a preposterous international tour by a *joint delegation* of FARC and Colombian government negotiators, which is drumming up international sympathy *and money* for the FARC.

Looked at from the top, what is being put into place by this policy sponsored by the international financial oligarchy, is a FARC narco-nation within Colombia, which is rapidly expanding, in direct activity and influence, throughout the region (see **Figure 1**).

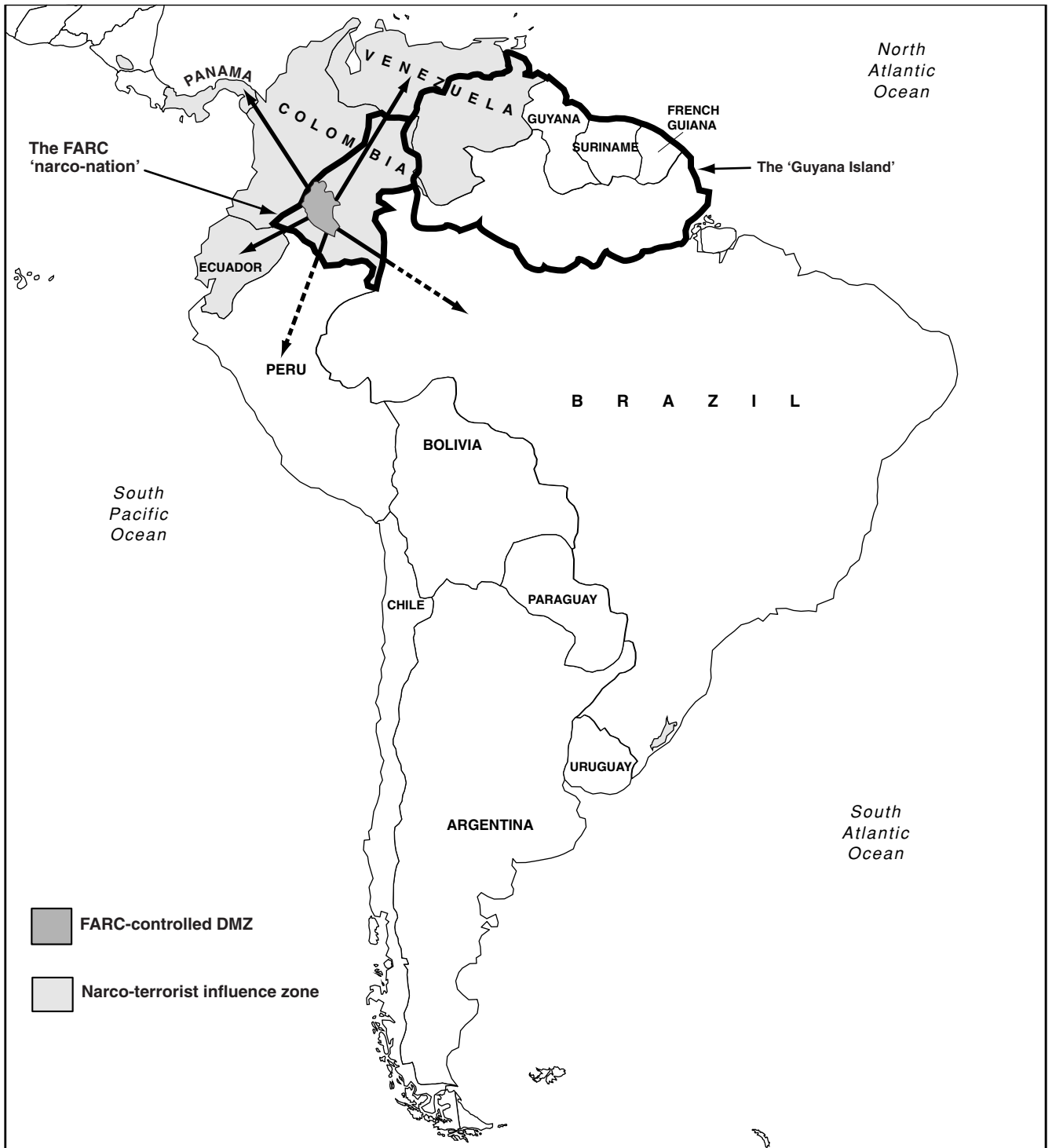
How big a narco-nation are we talking about? Consider the following elementary facts. One often hears that the DMZ that the FARC was handed by the Colombian government is a “Switzerland-sized area” in the jungles of the country. That is accurate. It is an area larger than the U.S. states of Massachusetts and Connecticut combined.

But the FARC’s de facto control extends, already, to the entire southern half of Colombia, which is an area the size, not of Sweden, but of France. (Or, for the U.S. reader, it is the equivalent of the entire Northeastern seaboard of the United States, stretching from New England, through New York, New Jersey, Pennsylvania, Maryland, Delaware, and clear through Virginia.)

But that is not the full story. The broader zone of direct influence of the FARC-Chávez narco alliance, which extends throughout four countries (Colombia, Venezuela, Ecuador, and Panama), is a truly giant swath of territory. It is almost 1 million square miles, which is one-quarter the land area of the United States. In Europe, this area would be larger than Spain, France, Germany, Italy, Sweden, and the United Kingdom combined. About 80 million people live in that emerging narco-zone of South America today. They are hostages in their own land.

This area is also one of enormous raw material wealth —

FIGURE 1
London's expanding 'narco-nations' of South America



which, along with its drug output, explains the overriding interest that the British nation-smashers have in it. Venezuela is the largest supplier of oil to the United States; Ecuador is also a major oil producer and member of the Organization of Petroleum Exporting Countries; Colombia has sizable oil deposits as well.

Most revealing, however, is a report published in the December 1999 edition of the Colombian Armed Forces magazine, written by Army Majors Jorge Segura Manonegra, Jairo Cerón Castro, and Otto Quiñones Arboleda. They write that the area presently in the FARC's hands has been proven by geologists to be rich in oil, diamonds, uranium, and plutonium, among other minerals, and that in this regard it is very similar to the Guyanas region of South America.

They ask: "Are there interests in other countries who covet these resources? Foreign countries have already made contact" with the FARC. They then point to the "strange meeting of Grasso with the FARC," which had the following objectives: "First, channeling the vast sums of money in the FARC's hands into investment in the United States. Secondly, to reach an agreement whereby part of these investments are allocated to the exploitation of the strategic resources. . . . And third, to seek agreements whereby the rest of the money is invested in the New York Stock Exchange."

Piracy, by any other name

The reference to the Guyanas is of note. The full picture of today's British plan for this area only comes into focus once we place these emerging narco-nations of the twenty-first century side by side, in our mind's eye, with the nineteenth-century British plot to split off a northern chunk of South America, known as the Guyana Island, or Guyana Shield (see Figure 1)—a project which is still alive and well today.

As *EIR*'s Rio de Janeiro correspondents Nilder Costa and Lorenzo Carrasco document in the Dec. 10, 1999 issue of *EIR*, there is today a "Guyana Shield Initiative," financed and controlled by Prince Philip's World Wildlife Fund and its sister organization, the International Union for the Conservation of Nature, as well as other non-governmental organizations. Its alleged objective is to protect the flora and fauna of the Shield. However, its actual goal is to, first, remove these territories from any economic integration with their respective nations (for example, 44% of the Brazilian state of Roraima, which falls within the Guyana Shield region, has already been segregated into either Indian reserves or nature conservation areas); and, second, split the area off entirely from their nations—East Timor style.

This is not a new strategy for the British. As *EIR*'s Nilder Costa reported: "Recent research by *EIR* in Brazil has uncovered that the so-called 'Indian card' had already been astutely used by colonial British military intelligence, and before that, by the British West Indies Company whose agent was that famous pirate, Sir Walter Raleigh. Raleigh was a leading pro-

ponent of the idea that the area later known as the 'Guyana Island' was the paradise of El Dorado.

"British intelligence operations during the last century to conquer the 'Guyana Island' led to the loss of Brazilian territory, to what became the Crown Colony of British Guyana. That operation was planned and run by Lord Palmerston, who, in 1837, deployed his agent, Robert Schomburgk, to Guyana, under the auspices of the Royal Geographic Society, a body created and run by British military intelligence. Schomburgk did the field work so that the territories inhabited by 'independent tribes' could first be 'neutralized,' and then 'assimilated.' Schomburgk's work provides a thoroughly documented historical precedent for what is happening today. As a consequence, Brazil lost 15,000 square kilometers of territory, to England's benefit, fulfilling, in part, the dream of the pirate Raleigh. Raleigh and the German Schomburgk were knighted for their services to the British Crown."

Such is the pedigree of those who are attempting to disintegrate the nation-state today.

Ecuador is turned into a concentration camp

by Gretchen Small

When Ecuador's government fell on Jan. 21, 2000, brought down by mass protests led by the the Confederation of Indigenous Nationalities of Ecuador (Conaie) and a revolt by sections of the Armed Forces, a shock went through Ibero-America. Here, they saw one of their neighbors pass from financial disintegration, to disintegration of its government, and heading straight for civil war and territorial disintegration. Sober people in every Ibero-American country asked, not if such a process could be repeated in their nations, but only why it had not occurred yet.

What is driving the disintegration of Ecuador is that it is bankrupt. In January 2000, central bank officials estimated that public and private obligations due in 2000, were \$7.4 billion more than the total public and private means available to meet those payments.

In the process of attempting to pay, the value of the currency has been destroyed (the sucre fell from 7,000 to the dollar in March 1999, to 25,000 when President Jamil Mahuad was overthrown). This, in turn, paralyzed imports and exports. Vital items such as medicines (largely imported) are no longer available. Productive capacity plunged by at least 40% in 1999, in a country where over 70% of the population is officially underemployed or unemployed. Hyperinflation exploded in January, sending the cost of basic foods up by 20%

on average that month alone. The official statistical agency reported on Feb. 1, that its basic food basket costs 250% more than one year ago, a cost which more than 45% of Ecuadorean families cannot afford.

Under the gun of international financial bodies and foreign governments, the government of President Mahuad attempted to make good on foreign speculators' claims on paper owed, no matter the cost. The policy has been continued by his vice president, Gustavo Noboa, who assumed the office of President in the wake of the Jan. 21 revolt. The U.S. dollar is being adopted as the official currency of Ecuador, while the national currency, the sucre, will be relegated to coins with which to buy candies on the street. Private bank deposits confiscated in March 1999 in a desperate attempt to get cash, remain largely frozen, leaving many pensioners, households, and businesses penniless. Plans are proceeding to raise prices of state services and goods (telecommunications, energy, water, oil, etc.) to international levels, while labor laws are being amended so as to lower wages and "recycle" labor. State sector companies are being readied for a huge fire sale to foreigners this year, all for a bit of cash. So, too, it is proposed, that rights to future oil revenues be handed over to foreign creditors, as collateral for a piddling loan.

The policy has been, in sum, to "put paper first," precisely the opposite of the kind of national bankruptcy reorganization which Lyndon LaRouche outlined in his document, "People First!" (*EIR*, Oct. 16, 1998). It is this policy, as inhuman as it is insane, which is systematically destroying the fundamentals of the nation. The national currency has been abandoned, and with it, any power to protect and advance the national economy. All branches of government have been discredited, as the revolt exposed. Conaie is now collecting petition signatures for a referendum to declare current members of the Congress and the Supreme Court illegitimate and to convoke new elections, and its leaders warn of civil war, if profound policy changes are not made within three to six months. The only remaining bulwark of defense for national existence, the Armed Forces, survived the Jan. 21 revolt intact, but the fact that some 300 military officers participated, reveals how profoundly divided that institution is, too.

Beyond apartheid, to genocide

Faced with genocidal policies, human beings will revolt. The key, from the standpoint of the oligarchy's strategy today, is to ensure that those revolts turn against the nation-state, and thereby destroy the very means by which the people could defend themselves. Just so, Ecuador's Jan. 21 revolt was shaped by one of the oldest oligarchical instruments deployed against the nation-state, the racist politics of "indigenous insurgency," with the broader objective of sparking similar such uprisings throughout the continent.

The *Washington Post* hailed Conaie on Jan. 27 as the first Native American group to organize a coup. Mirko Lauer, a Peruvian ideologue of the Cuban-run São Paulo Forum,

FIGURE 1
Canada — 'indigenous' land claims



The areas outlined in bold show territory over which "indigenous" claims have been granted or where agreements in principle for such claims exist. In addition to the Inuits' control over Nunavut, these include claims by the Dene, Metis, Cree, and Inuvialuit, among others. By the same 1973 Supreme Court decision that made the creation of Nunavut possible, the entire state of British Columbia is up for claim, as is much of Quebec.

elaborated on this continental game, in a Jan. 28 column in Peru's *La República* newspaper:

"What is really new in the coup in Quito [Ecuador] . . . is the active participation of the Conaie. . . . The success in the overthrow of Mahuad is the most recent advance of the autochthonous peoples as a new American political actor, from the polar Arctic Circle to Tierra del Fuego," at the tip of South America. Indians have used globalization to position themselves to gain autonomy, Lauer wrote. Major advances toward this were made in the last decade, beginning with Venezuelan President Carlos Andrés Pérez's granting of extensive autonomy to the Yanomami Indians (June 1991), but the most important step down this road, was the establishment of Nunavut in 1999, "an autonomous territory for the Inuit (known as Eskimos) in the north of Canada. More or less what the Zapatistas of Chiapas are demanding from the government of Mexico."

What Lauer notes favorably has repeatedly been documented by *EIR* to be British imperial policy, beginning with a July 20, 1982 exposé, "Nazi Anthropologists Incite New Ethnic Terrorism," which warned that foreign anthropologists were building a separatist project with an indigenous

FIGURE 2

'31 Nations' of the Americas



FIGURE 3

'Ethno-linguistic regions' of Ibero-America



profile in Chiapas, Mexico.¹

Nunavit, a purely geopolitical construct without viability as any form of “government,” typifies the project. This so-called “self-governing Indian territory” covers one-fifth of Canada’s territory (see **Figure 1**), for a total of 17,500 people of Inuit descent. Many of the Inuits who live there do so only because previous Canadian governments forcibly relocated their families back to the frigid North Arctic, from which they had tried to escape. A 1994 report by Canada’s Royal Commission on Aboriginal Peoples baldly admitted that its Inuit bantustan policy is genocidal, but declared that “periodic famine and starvation . . . was considered the natural state for the Inuit. The goal of the relocation was to restore the Inuit to what was considered their proper state.”

The government of Canada, whose head of state is Queen Elizabeth II, is at the forefront of the effort to create “Nunavits” around the globe. It funds and runs outright numerous so-called “indigenous” groups. In 1996, it became the first major nation to endorse the “self-determination” articles in the United Nations Draft Declaration on the Rights of Indigenous Peoples.

The aim of that Draft Declaration is to codify into international law the right of whosoever should be so categorized as an “indigenous people,” to sovereignty, and to international “protection,” should the state or states within which they are located object. It mandates the creation of a world body to enforce those provisions. The Declaration is, in fact, an attack against the very conception of the human race. It designates millions of people as *outside* the human race, as separate species which, under international law, are to be deprived of their hitherto universally recognized inalienable rights as human beings. Using the sophistry of invented “collective rights,” those human beings designated “indigenous peoples” would be forced, at gunpoint if required, to live in the most primitive of conditions, denied the right to exercise their God-given powers of cognition and participate in universal history.

Bankers’ boys

Conaie, one of the most influential and largest of South America’s indigenous movements, has played a central role in this separatist project since its founding, in 1986, by several indigenous associations of Ecuador. Its domestic goal is the break-up of Ecuador into a “pluri-national state,” composed of autonomous regions.

In this, Conaie’s program is in full agreement with the “right-wing” neo-liberals whom they claim to oppose. The

1. Some of *EIR*’s major exposés on indigenism include: “Nazi Anthropologists Incite New Ethnic Terrorism,” July 20, 1982; “The Coming Fall of the House of Windsor,” Oct. 28, 1994; “Royal Family Uses Indigenism To Cull the Human Flock,” Nov. 11, 1994; “Action Anthropologists Train the ‘Indigenous’ Shock-Troops,” March 31, 1995; “Prince Philip’s Indigenist Plot To Carve Up Australia,” April 28, 1995; “British Indigenism Spawned the MRTA and Shining Path,” Jan. 31, 1997.

only difference is that, while the business class of the relatively rich (for Ecuador) province of Guayas demands the right to keep “their” money for themselves, Conaie demands as its “right,” that Ecuador’s Indians live in pristine conditions of starvation! As reaffirmed in their November 1999 National Congress, Conaie demands that no development be allowed: No oil, forestry, pharmaceutical, mining, or agroindustrial companies are to enter Indian lands, nor shall the Army be allowed to enter, even “under the pretext of carrying out social, educational, and national security projects.”

Or, as they stated more bluntly in 1993: They want *sovereignty*.

From its outset, Conaie took the lead in organizing a continentwide network, seeking to redraw the map of the nations of the hemisphere entirely into a myriad of ethnic entities (**Figures 2 and 3**). Conaie led the organizing for mass mobilizations in 1992 against the celebrations planned for the 500th anniversary of the Evangelization of the Americas, forming a coordinated continentwide apparatus in the process. In July 1990, Conaie hosted the “First Continental Conference of First Nations and Organizations.”

Conaie has played a leading role in the Coordinating Committee of Indigenous Organizations of the Amazon Basin (COICA), which seeks to gain international recognition for the Amazon basin as “a global unit,” that is, as de facto a separate nation. COICA became a player on the world stage, organizing the World Conference of Indigenous Peoples on Territory, Environment, and Development in 1992, which brought several hundred “indigenous” activists from Asia, Africa, Australia, Europe, the United States, Canada, the Pacific islands, and Ibero-America to Rio de Janeiro, Brazil, preparatory to the UN’s Rio de Janeiro Eco-92 summit.

Conaie is also distinguished as one of the leading indigenous groups to first forge a tight alliance with the international environmentalist movement, particularly Prince Philip’s personal environmentalist movement, the World Wildlife Fund. The WWF closely coordinates strategy for the region with COICA, as well as with Conaie directly within Ecuador. In 1994, London’s *Latin American Newsletter* hailed Conaie’s alliance with the global ecology movement as “the shape of things to come”—an allusion to the futurist tract by British intelligence operative H.G. Wells.

Within the Americas, Conaie shows up in every imaginable bankers’ project fomenting indigenous separatism. When the Inter-American Development Bank (IADB) set up an Indigenous Peoples Fund (IPF) in 1992, in order to channel resources into the indigenous movement for the express purpose of achieving indigenous autonomy, Conaie was there. Likewise, when the Anglo-American establishment’s hit-squad against the Americas, the Inter-American Dialogue, set up an “Ethnic Divisions Project,” representatives of Conaie provided the requisite “native” color to the

appropriately named project, by serving on its advisory board.

The founding director of the IAD's project, Peru specialist Donna Lee Van Cott, summed up the goal of the project in a Nov. 4, 1992 column in the *Christian Science Monitor*: "In virtually every country in Latin America, indigenous cultures are challenging the legitimacy of nation-states. . . . They challenge not just the state's disposition of their lands, languages, resources, and heritage, but the very concept of national identity and national culture."

Argentina stands on the edge of the abyss

by Cynthia R. Rush

At the end of 1999, news began to trickle out in Argentina that a significant number of national companies had left the country and transferred their operations to Brazil. By late January, the specific numbers emerged. A confidential report prepared by the Argentine Industrial Union (UIA) revealed that 100 firms had relocated to Brazil, causing the loss of at least 10,000 jobs in the affected industries—auto, textiles, agro-industry, shoes and other leather goods, and food processing, to name only a few. The transfer began during the last year of the Carlos Menem administration in Argentina, following the January 1999 devaluation of Brazil's currency, the real, which overnight jacked up the prices of Argentine exports to Brazil, while cheapening Brazilian imports. Thirty percent of Argentina's exports go to Brazil, its most important trading partner, and one of the four members of the Common Market of the South (Mercosur), which also includes Uruguay and Paraguay.

Reeling, like the rest of Ibero-America, from the unraveling of the world economy which hit in 1997-98, in January 1999 the Brazilian government both devalued the real and imposed a package of draconian austerity, as demanded by the International Monetary Fund (IMF) and allied financial oligarchs. There is a certain irony, therefore, in the fact that Brazil's crisis has played out so dramatically in Argentina. Even while its own industry and productive capacities have suffered under the regime of Fernando Henrique Cardoso, Brazil has been able to entice Argentine businessmen with incentives such as 50% lower labor costs, tax exemptions, lower tariffs for import of industrial inputs, and land grants. "As incredible as it seems," said auto producer Jorge Aguado, "Argentine businessmen feel more protected in Brazil than in their own country."

Some analysts correctly asked whether the flight of in-

dustries to Brazil meant that Argentina was being relegated to the role of a raw materials producer, which the British Empire had always envisioned for it, while Brazil would be allowed to have some industry. A panicked UIA president Oscar Rial warned that Argentina "must immediately take measures to protect its industry." Officials of the Alianza government of Fernando de la Rúa, which took over from Menem on Dec. 10, 1999, quickly announced they had a "plan"—no details given—to promote national industry and keep businesses at home.

But the exodus of companies to Brazil is only one of the more visible aspects of the Argentine crisis. Unless the de la Rúa government scraps the free-market and globalization policies of the last 15 years, instead of presiding over the economic "recovery" it claims is just around the corner, it will take credit for the economic, and territorial, shattering of the Argentine nation-state.

Provincial crisis is a powderkeg

Nowhere is the danger of Argentina's dismemberment more evident than in the provincial crisis. In the nineteenth century, the separatism and armed conflict encouraged by British geopolitics threatened the territorial integrity of Argentina, and many other Ibero-American nations. Today, the IMF is doing the same job, at London's behest.

For ten years, Argentina has been under the gun of "convertibility," the same currency-board system which the British Empire imposed on its colonies. It has locked Argentina into the bankrupt U.S. Federal Reserve System, and, by law, pegged the peso to the dollar in a 1:1 parity. The imposition of deep austerity, total trade and financial liberalization, mass privatizations, and ever-increasing foreign indebtedness have ruined industry and agriculture, gutted the labor force and living standards, and made the country a lucrative site for drug trafficking, money-laundering, and all manner of contraband and illicit activity.

Argentina's provinces are economically wrecked, unable to generate tax revenue, pay debt, or cover essential expenditures such as salaries. Many provinces have debts which are higher than their total annual income, and creditors have taken to confiscating up to 100% of the revenue-sharing funds which by law provinces must receive from the federal government. Amid rising unemployment—the provincial unemployment rate is estimated to be at least 30%—the likelihood of social explosions and violence in several provinces is great. The riots that erupted in Corrientes last December, sparked by workers who hadn't been paid in eight months, augurs what can be expected should the current policy remain unchanged.

In negotiations for a \$7.4 billion standby loan that was announced on Jan. 28, the IMF repeatedly demanded that the provinces be included in the calculation of Argentina's global fiscal targets, despite the fact that Argentina's federal

system prohibits the central government from dictating budgetary and fiscal policy to the provinces. Many governors have already imposed harsh austerity on their own. But the ruling Alianza party government intends to comply with the IMF, by blackmailing the governors. If they don't impose deeper austerity, they won't get investment of *federal* funds for badly needed infrastructure projects.

In the past, their pleas ignored by the federal government, some desperate provincial governments resorted to creating their own currencies, or paying workers with IOUs, food, or other goods, to keep themselves afloat. It's not inconceivable that, under present deteriorating conditions, individual provinces or groups of provinces might opt to declare themselves "independent" from the Buenos Aires government, just as some indigenous regions of crisis-wracked Ecuador are demanding "autonomy" from their central government. The nation-state will cease to exist.

Disaster looms large

Argentina is so vulnerable to this economic and physical disintegration because the sovereign institutions needed to protect it from such a fate have been smashed. Since the 1983 "return of democracy" which followed the 1982 Malvinas War with Great Britain, first the Raúl Alfonsín and then the Menem government set out to deliberately destroy the country's Armed Forces, at the behest of the "Bush Manual" crowd whose nation-wrecking strategy *EIR* exposed in its 1993 book *The Plot to Annihilate the Armed Forces and the Nations of Ibero-America*. The Alianza government is no different. Many of its officials, starting with Vice President Carlos "Chacho" Alvarez of the São Paulo Forum's Frepaso coalition, are eager to let Spanish Judge Baltazar Garzón, an agent of Transparency International, finish the job of dismantling Argentina's Armed Forces, using the pretext of "defending human rights."

Exemplary of this offensive is the vendetta launched against Lyndon LaRouche's friend and Malvinas war hero, Col. Mohamed Alí Seineldín. Seineldín was sentenced to life in prison in 1991, because he defied the globalists' plans to change the mission of the Armed Forces, from "the military arm of the Fatherland," entrusted with defending sovereignty, into a small, "high-tech" police force whose mission and deployment would be defined by the supranationalists at the United Nations or NATO.

With its 1991 adoption of convertibility, Argentina also abdicated any sovereign control over its banking and credit system. The system handed foreign, largely British banks, control over 53% of the banking system. This fact hasn't escaped the notice of some Brazilian patriots, who see Argentina as their future, should the Cardoso government be allowed to privatize all state-owned banks and companies. A nationalist coalition has just been formed to halt the privatization of the São Paulo state bank, Banespa, under the slogan "Banespa is ours!"

Many businessmen and trade unionists are now desperately calling for an end to convertibility, and a devaluation of the peso to make Argentine exports "more competitive" in relation to Brazil, for example. But even if this were to be done, it wouldn't change the devastating effects which ten years of this British colonial policy has had on Argentina's economy. A study just released by the Equis consulting firm reports that more than 2 million Argentines, one-third of them children, live on less than one dollar a day. The government's Secretary of Employment also just reported that 145,000 jobs were lost in the country between October 1994 and October 1999—and this is probably an underestimate.

So what does Fernando de la Rúa propose to do? Even before winning the October 1999 election, he and Alvarez promised that they would keep convertibility intact. Less than a month after taking office on Dec. 10, the government announced a tax reform, budget cuts, labor reform, and declaration of a "fiscal emergency," through which to further gouge living standards in obedience to the IMF's demand that the gaping fiscal deficit—\$10 billion in 1999—be rapidly plugged. Nothing is inviolable here, *except* the \$9 billion in foreign debt service needed this year. Wages, pensions, medical benefits, and funds allocated for the provinces are all fair game. Moreover, the fiscal year 2000 budget mandates \$1.4 billion in cuts, which de la Rúa boasts are "unprecedented" in Argentine history. The jobs of tens of thousands of state and provincial employees are on the chopping block.

The tax reform is vicious. Since convertibility has dramatically shrunk the tax base, and therefore the revenue it can generate, the government will try to squeeze funds out of the middle and lower classes' already reduced consumption. The reform removes many existing exemptions, especially for lower-income or self-employed brackets, increases the personal income tax, expands the Value Added Tax, but *does not* tax financial transactions, income from stock market investment, or funds sent abroad, for example.

Tax collection is key to the government's "anti-corruption" drive. Particularly scandalous is the government's public partnership with Transparency International, the IMF and World Bank appendage which uses the pretext of "combating corruption" to wage warfare on nation-states. De la Rúa and Alvarez have already begun to set up their own version of the "Clean Hands" gestapo which destroyed many of Italy's pro-industry political leaders and nearly all of its institutions. Transparency International's president for Latin America and the Caribbean, Luis Moreno Ocampo, the former prosecutor and founder of the "Citizen Power" non-governmental organization, is deeply involved, as are a gaggle of like-minded New Age criminologists and sociologists, in directing the government's campaign. Argentina is in economic trouble, they say, *not* because of the IMF's criminal policies, but, in Moreno Ocampo's words, because "of the illegality and hyper-corruption which for decades has distorted the country's economy and politics."

'Clean Hands,' but dirty tricks vs. Europe

by Jeffrey Steinberg

In a Jan. 27 interview with the Italian Catholic daily *Avvenire*, Italian Senator and former Prime Minister Giulio Andreotti called for a parliamentary investigation into the so-called "Clean Hands" investigations, and blasted the ongoing smear campaign against Germany's former Chancellor, Helmut Kohl. "Are they trying to destroy the Christian Democracy in Europe?" he asked. "The Clean Hands scandals in Italy and Germany aim at destroying the Christian Democracy. . . . Magistrates should learn to respect institutions."

Former Prime Minister Andreotti should know. Last year, he was acquitted of vague charges that he was in the pocket of the Sicilian Mafia, after a seven-year campaign of smears and allegations, coming primarily from "ex"-mafiosi who were under Federal Witness Protection from the FBI and the U.S. Department of Justice. Prosecutors had sought a 30-year jail sentence for the leader of Italy's postwar Christian Democratic Party, and had conducted a similar campaign to decimate the Socialist Party, whose longtime leader, Bettino Craxi, was also framed up.

Craxi died on Jan. 19, 2000, in self-exile in Tunisia. His daughter told the media, "He was killed by the judges." This was a direct reference to the "Clean Hands" Jacobin magistrates who, under the banner of "anti-corruption," have turned continental Europe's political landscape into a killing field—much to the advantage of the financial oligarchs who have rammed through the European Monetary Union, better named the "Europe of the Bankers and Speculators."

The leading front-group for the assault on the political institutions and leaders of continental Europe is Transparency International, which was hatched as an in-house project of the World Bank, to root out "political corruption," and to impose a new set of "good governance" conditionalities on regimes around the world. Under the rules of "good governance" peddled by Transparency International, any government that attempts to defend its sovereignty against the onslaught of speculators, or attempts to maintain its military institutions intact, or rebuffs the International Monetary Fund, is *prima facie* guilty of corruption.

Murder by decree

Craxi's daughter Stefania told Italian television, in an interview from Tunisia, "He was killed by judges who handed down infamous sentences that were full of lies, by friends who turned their backs on him and did not intervene to stop

injustices. . . . The political leadership of the country was wiped out in a matter of months under the 'corruption' scandal triggered and run by the Milan Tribunal special team known as Clean Hands."

The "Andreotti Affair," the first of the "Clean Hands" outrages, was launched in early 1992—when Andreotti was serving his seventh term as Prime Minister, and was one of the most senior statesmen on the continent. It was launched against the backdrop of the drive by British Prime Minister Margaret Thatcher and French President François Mitterrand to shove a suicidal Maastricht Treaty down the throat of German Chancellor Kohl—a precondition for allowing Germany to reunify.

Now that continental Europe is under the Maastricht "euro" regime, the process of political demolition that began with the assault against the Italian political parties has been retargetted against France and Germany—the two other pillars of the continent, and the two countries that must be brought to their knees to allow Prime Minister Tony Blair's Britain to tear up continental unity, and hence to dominate.

Not coincidentally, the onslaught against Kohl was launched in November 1999—at a moment when resistance was bubbling to the surface in both Germany and France to the "Third Way" insanity of Blair, and to efforts by the European Union Commission bureaucracy in Brussels to accelerate the deindustrialization of the continent. It also coincided with a strong reaction against the efforts by the British telecommunications firm, Vodafone-Airtouch, to launch a hostile takeover of the German industrial conglomerate, Mannesmann. In large part due to the political chaos set off by the "Kohlgate" party finance scandals, that takeover succeeded.

Asked during an international press conference in late January to comment on the "Kohlgate" scandals in Germany, Democratic Presidential pre-candidate Lyndon LaRouche was blunt:

"I think that the world has to wake up, awaken to reality. Do we want responsible sovereign government, or do we want the things that were done on the dark side, by agreement among governments, by agreements among parties—things that were actually matters of national policy and national security—do we want these things to be used as a pretext for destroying the very institution of sovereign government itself?"

"I think that the line has to be drawn. The first thing is, we cannot have party organizations, or governments, destabilized by these kinds of operations. . . . That should not be done. This whole Clean Hands operation should be shut down, by agreement among nation-states. It shouldn't go on. If somebody actually took something for personal profit, which was improper, or used money for some political purposes in an improper way, they should be spanked for it, and exposed for it. But we should also say, we must refrain from prosecuting people, and destroying governments, for the sake of the smell of scandal."

Oligarchy's assault is destroying Africa

by Linda de Hoyos

In general, African countries experienced in the mid-1980s the onslaught of fiscal austerity and economic destruction that has been wreaking havoc in Asia and eastern Europe and Russia in the mid-1990s.

In the mid-1980s, African countries were hit with a double blow. On the one side, the International Monetary Fund (IMF) imposed the Structural Adjustment Program, which forced most countries to enforce levels of austerity that in all cases brought down per-capita income, destroyed agricultural production through the elimination of subsidies, and rendered hundreds of thousands unemployed. The AIDS epidemic which swept through East Africa in the mid-1980s and is now devastating southern Africa, is a marker for the destruction of the continent's health systems, and the general physical depletion of the population. Throughout the decade of the 1990s, life expectancies fell—for the first time since the end of colonialism.

The other blow was a campaign for "democracy," coming from the Western countries. In the context of the collapse of the nations' economies, the drive for democracy more often than not resulted in destabilization of the country, civil and community strife, and the general weakening of all national institutions.

Thus, the African countries emerged from the decade of the 1990s in the weakest positions they had been in since the 1960s era of independence. The IMF rule brought no prosperity or financial stability, but only desperate poverty and an upsurge in death rates. The democracy campaign produced destabilization, which tended to result in the continent's militaries emerging as the most powerful institution—the only institution left standing.

Rwanda shows the results of these policies in the most extreme case. A relatively stable government was overthrown by a combination of IMF austerity and invasion backed by a neighboring dictator, in the context of growing ethnic tensions that exploded into a winner-takes-all, loser-loses-all endgame that resulted in the deaths of more than 1 million people.

War has been the end-result of the policies imposed on Africa since the 1980s. Within the last decade, war has destroyed the nation-states of **Rwanda, the Democratic Republic of Congo, Rwanda, Liberia, Angola, Republic of the Congo (Brazzaville), Burundi, Somalia, Guinea-**

Bissau, and Sierra Leone. Niger, which underwent a military coup in 1999, has effectively been emptied by extreme poverty and its government put in the hands of the military. Somalia has been without a government for the last ten years, with no representation at the United Nations, without embassies anywhere in the world. The country of 8 million people has been carved up, with a new enclave called Somaliland, but not recognized, in power in the north, and the rest of the country divided among murderous warlords, whose chief source of income appears to be stealing the relief food that is sent to feed the population which is in a state of semi-permanent famine. That is where the IMF and the democracy campaign against former President Siad Barre got Somalia.

In West Africa, Sierra Leone and Liberia are in total ruins. The government of Sierra Leone has lost all sovereignty over its rich diamond and gold fields, first to the British mercenary force Executive Outcomes, and now to the Revolutionary United Front, an insurgent group backed by Liberia's Charles Taylor, which recruits through the kidnapping of children, and deploys them on heavy doses of drugs—the dosage "dependent on the mission," as one RUF soldier explained. The country has been held hostage by this criminal gang, which still hold preponderant military power.

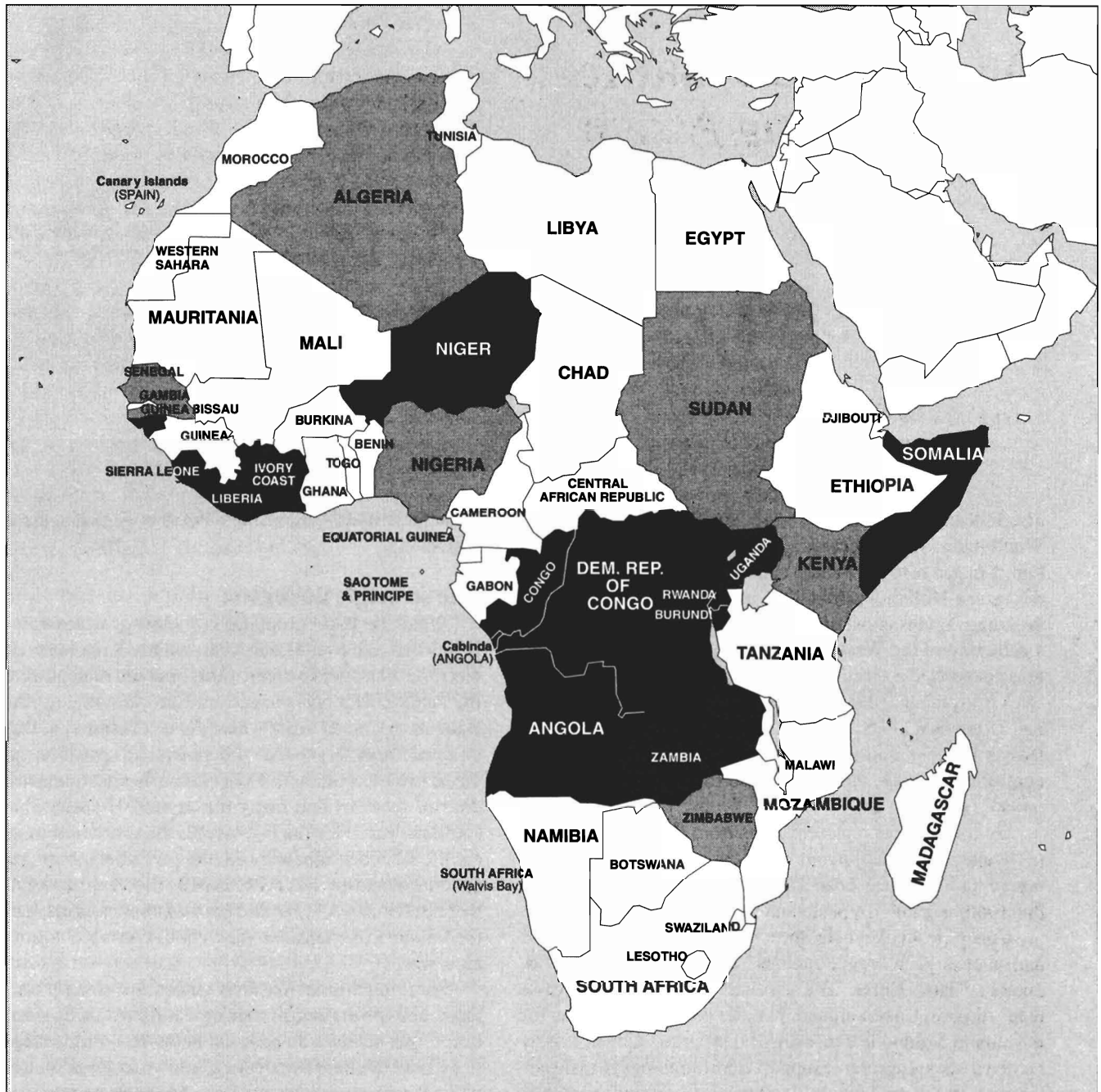
Bankrupt and shattered

The countries of **Zambia, the Ivory Coast, Algeria, and Uganda** do not today stand in the same status as their disintegrated neighbors. However, their economies are so weakened that they are now in a state of permanent strife. Throughout the 1980s and 1990s, Algeria paid debt at the rate of 75% of its export earnings, resulting in protracted civil war.

Zambia has lost sovereignty over its copper fields, and the country has been devastated by a 15-year-long siege from the IMF and the "donor community" to force the 1999 sell-off of the Zambia state mining company to London's Anglo American. Assaulted by wars on its Angola and Democratic Republic of the Congo border, and its 9 million-person population devastated by AIDS, Zambia is being brought to a state of internal collapse. Sell-off of the mines has not resulted in a decrease in pressure, but its escalation from the donor community, led by Britain. The new military regime in Ivory Coast, which came to power in late 1999, initially pledged to pay the debt, but now has discovered that there is no money—the country is bankrupt. One-third of Uganda is under siege by insurgents. Under the Presidency of Yoweri Museveni since 1986, Uganda represents a positioning point for mercenary operations against its neighbors on behalf of foreign mining companies—it is no longer a nation.

Sudan, Zimbabwe, Nigeria, Kenya, and Senegal are countries now being heavily targeted by the Western powers, particularly by the IMF or by civil strife and war. Their survival as nations is crucial—their destruction would gravely reduce the ability to reverse the trend toward utter devastation on the continent.

Africa is disintegrating



■	1. Collapsing/ prime targets	■	2. Bankrupt/ shattering	■	3. Dollarized/ shattered
	Algeria		Ivory Coast		Angola
	Kenya		Uganda		Burundi
	Nigeria		Zambia		Democratic Republic of Congo
	Senegal				Guinea Bissau
	Sudan				Liberia
	Zimbabwe				Niger
					Republic of Congo/Brazzaville
					Rwanda
					Sierra Leone
					Somalia

Cohen and Hoon pursue policy of strategic confrontation

by Rainer Apel

The 36th annual Conference on Security Policy, known as the Wehrkunde conference, was held in Munich, Germany on Feb. 5-6, and featured a sharp contrast between the outlook of the insane British-American-Commonwealth (BAC) policy grouping, against most of the rest of the world. Traditionally a gathering of the Western military-industrial sector and defense experts, the meeting this year also included representatives from Japan, Russia, China, and India. Speaking on behalf of the BAC, U.S. Defense Secretary William Cohen and British Defense Secretary Geoffrey Hoon beat the drums for confrontation with what they chose to brand as “rogue nations.”

By contrast, the representatives from China and India, in particular, addressed urgent concerns about the world economic and financial crisis, and the need for changing the “rules of the game” by which international politics is played.

Cohen, in his keynote speech to the conference, rattled his saber at such “rogue nations” as Iraq, Iran, Libya and, notably, North Korea. The assumed missile “threat” from these nations, Cohen argued, justifies current U.S. plans for a National Missile Defense (NMD) program. Cohen’s view received open, aggressive support from numerous British participants in the conference, against a more reserved attitude by other participants from the European continent.

Cohen’s speech continues the theme he struck in his keynote address to the conference last year, which dealt prominently with Serbia and its Milosevic regime. A few days later, U.S. Secretary of State Madeleine Albright made sure that the Rambouillet talks on Kosovo collapsed, providing the needed pretext for the 11-week air war of NATO against Serbia.

It is quite clear, however, that the so-called “rogue” nations are not the real issue, but the sovereignty of Russia,

China, and India—the rising powers of Asia and the Pacific region—is.

The strategic tinderbox

What the BAC grouping is pursuing, is the very same policy that has, over the last year, spawned a series of dangerous little wars, which could easily spin out of control. One of the major cockpits is the eastern European region, from the Balkans to Central Asia, where the combination of the International Monetary Fund “liberalization” policies, and the thrust toward continued NATO expansion, has created a cauldron of tensions that many are saying will erupt into new conflicts. Just over the last weeks, the revelation of support for the Chechen rebels by Polish parliamentarians, and the announcement by NATO Secretary General Lord Geoffrey Robinson that NATO would train Ukrainian forces, have further inflamed the tensions which NATO created with the Kosovo war.

Some high-level Western circles are already sounding alarm bells on the dangers accumulating on this Eastern “fault line.” This includes an editorial in the *Times* of London Feb. 7, by Lord William Rees-Mogg, known to speak for a faction of the British establishment. Rees-Mogg warned that “NATO must beware of repeating the Vietnam catastrophe,” which could occur if NATO overextends itself in pursuit of a new “Great Game” into the Caspian and Central Asian regions.

But, there was no such sense of caution reflected by the leading British and American speakers at Wehrkunde.

Portents of conflict

Gen. Leonid Ivashov, of the Russian General Staff, responded angrily to Cohen’s remarks on “rogue” nations, saying with some irony that people in the West seem to neglect



U.S. Secretary of Defense William Cohen (left) with British Secretary of State for Defense Geoffrey Hoon, at the Pentagon on Jan. 26. In their speeches to the Wehrkunde meeting in Munich, they raved about “rogue nations” and the alleged “success” of the NATO war against Serbia, while ignoring the vital issues raised by other conference participants.

the simple fact that in order to develop a real threatening potential of intercontinental ballistic missiles, one needs a specific level of economic development. North Korea, for sure, does not have that kind of economy, Ivashov said, adding that the only conclusion to be drawn is that Cohen’s warnings are actually aimed against Russia and China.

Another bone of contention was the Taiwan issue, which was discussed as a potential point of conflict between the United States and China.

Zbigniew Brzezinski, the former U.S. National Security Adviser under President Jimmy Carter, who is still devoting his energies to geopolitical schemes to carve up Russia, raised the question of Taiwan in his presentation to the conference. Brzezinski, who is always playing one “card” against another, chose in this instance to present himself as a defender of U.S.-Chinese friendship. He said that he “fears” the Taiwan issue will become a hot foreign policy item in this year’s U.S. Presidential election campaign, and that populist excesses in the United States as a result of that would be detrimental to U.S.-Chinese relations.

Wang Guangyan, China’s Deputy Foreign Minister, responded to that by stating that leaders in Beijing are well aware of that danger, but that China, for its part, is committed to do its very best not to allow such a development to cause any lasting damage to relations with the United States. As long as America and Taiwan respect the One China policy, every problem can be solved peacefully, in the course of time, he said; but if American weapons are shipped to Taiwan as part of a provocation scenario against mainland China, things would turn complicated, Wang warned. He added that he

hopes that reason will prevail on the American side during the Presidential election campaign.

The toll of war

The morning session on the first day was dominated by Cohen’s assessment (which must be the product of delusion, or an outright lie) that the Kosovo War had been a very successful one for NATO and the West. The British representatives wanted Cohen to go further, however, and voiced their anger about the fact that the Americans had made too many concessions to their continental European allies.

Cohen was not very enthusiastic about these complaints from the British, but he also disliked an intervention by Indian Gen. Satish Nambiar, who served as the first commander of the United Nations Protection Force (Unprofor) in Bosnia (1995-96). Nambiar said that he knows from the inside, during the Dayton talks on Bosnia, the Kosovo issue was separated out, which laid the seeds for future conflict, and that everybody in his right mind should have known that. War in Kosovo could have been prevented, but it wasn’t, and appropriate lessons should be drawn. The “sophisticated” air force and its technology, which Cohen had praised in his keynote address, did, after all, kill many innocent civilians, and destroyed a great deal of civilian infrastructure in Serbia and Kosovo, Nambiar charged.

The concerns expressed by Nambiar were also reflected in the speech given by Brajeesh Mishra, India’s National Security Adviser, who said that politics in the 21st century should not be a continuation of the politics which, in the 20th century, caused many wars, particularly at the cost of civilian

lives. While during the first 50 years of the 20th century, 50% of all wartime casualties were civilians, during the last decade of the century (the Kosovo War included), civilians accounted for fully 80% of all casualties, Mishra said.

Mishra continued: "The fact that Russia, China, and India have each expressed disquiet over certain U.S. policies, has led Cold War theorists to visualize a strategic alliance among these nations. Such perceptions reflect arcane thinking. Concerns of Russia, China, and India relate primarily to apprehensions that the post-Cold War period is witnessing a sense of triumphalism and disdain for rules and norms of international behavior. Such concerns have been echoed in Europe, too, including in France and Germany. For China and Russia, these apprehensions are further aggravated by the expansion of NATO and unilateral pursuit by the U.S.A. of its antiballistic-missile capabilities."

The economic crisis is a threat to peace

China's Wang Guangyan, in his speech, had voiced concerns similar to those of India and Russia. He also addressed the need for a profound reform of the existing world economic and financial structures: "Today, the global economy is increasingly becoming a closely linked and inseparable whole. However, at the same time, the gap between the North and South is widening, as is the disparity in wealth. This not only does disservice to developing countries, but also impairs international peace and security.

"China stands for the reform of the existing international economic and financial systems in such a manner as to fully reflect the legitimate concerns and reasonable demands of the developing countries and effectively safeguard their rights and interests. The developing countries should have the right to participate as equal players in the global economic decision-making and in the formulation of the relevant game rules, while developed countries should undertake greater obligations.

"No country should be allowed to undermine the economic security and development of other countries by virtue of its economic, technological, and financial superiority. True global prosperity and stability won't be possible unless the developed and developing countries attain sustainable development together."

Wang's remarks were backed by India's Mishra, who said that in spite of widespread awareness of the problems that became evident in the Asian financial crisis of 1997, solutions are still "elusive" today.

None of the Western participants took up these interventions from China and India for serious debate. It seems that decadent Western strategists are so absorbed by the search for "rogues," that they have no energy left to take a look at the internal problems of their own globalized economic-financial system. The credit for addressing those problems, goes to the Chinese and Indians, but, without the Western nations coming to their senses, the fuse to further conflict is lit.

LaRouche's ideas are scrutinized in Russia

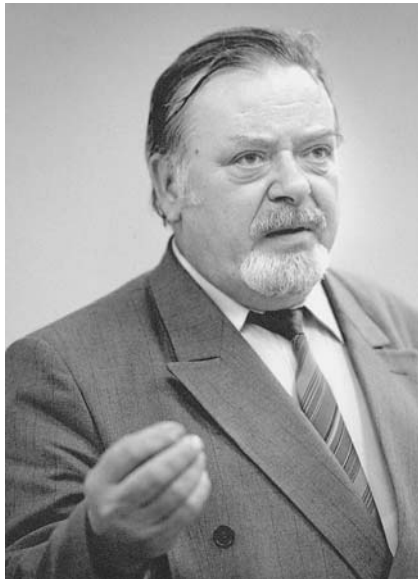
Democratic Presidential pre-candidate Lyndon LaRouche's ideas continue to receive prominent attention in Russia. In a seminar in Moscow in early February, and in an interview reprinted in the Moscow weekly *Ekonomicheskaya Gazeta* of Feb. 3, LaRouche's ideas were discussed in detail. The coverage came as a number of prominent Russians endorsed LaRouche's Presidential campaign (see *National*, p. 53).

"The Social and Political Situation in Russia" was the theme of a three-hour methodological seminar held during the first week of February at the Institute of Physics of the Russian Academy of Sciences. More than 100 scientists and staff members from institutes of the Academy and independent, public institutes, including the Schiller Institute for Science and Culture, participated in the event.

There were three keynote reports: "The Results of the Dec. 19 State Duma Elections and Subsequent Political Decisions," by Prof. Dmitri S. Chernavsky; "The Wrong Orientation Toward Globalization and 'Liberal Values,'" by Prof. Taras V. Muranivsky; and "The Importance of the Ideas of American Economist and Political Figure Lyndon LaRouche for an Evaluation of the Situation in Russia," by Karl-Michael Vitt, a leader of the Schiller Institute in Germany.

Professor Chernavsky assessed the resignation of Boris Yeltsin as President of Russia, the appointment of Vladimir Putin as Acting President, the conflict in the State Duma (lower house of parliament), and related events, as simply the consequences of the impressive results achieved by the "Unity" bloc in the Dec. 19 State Duma elections. Ten million voters cast their ballots for a bloc which has no clear program, and calls for neither capitalism nor communism, nor private property, nor democracy. The leaders of "Unity" campaigned on slogans for a "Great Russia," for conducting relations with the West "from a position of strength," for bringing order to the country, for defeating corruption, and so forth. Chernavsky called the alliance of "Unity" and the Communist Party of the Russian Federation in the State Duma, "a patriotic bloc." Their slogans coincide, and together they represent a sort of "national idea," whose leader and purveyor is Putin. Chernavsky considers a stronger role for the state in domestic and foreign policy to be good, but doubts that it will be possible to defeat corruption and other evils in a short period of time. It is evident that far from democratic methods of struggle lie ahead.

Professor Muranivsky, who is president of the Schiller Institute for Science and Culture (Moscow), harshly criticized



Prof. Taras Muranivsky addressed the Moscow seminar on "The Wrong Orientation Toward Globalization and 'Liberal Values.'" "

those scientists and politicians, who support the ideology of globalism and advocate so-called "liberal values." Using specific examples, he showed that not only the developing countries, but also a group of countries in western Europe have come out against "free trade," as the Maastricht agreements end in fiasco and the exchange rate of the single European currency, the euro, collapses. With examples from Ibero-America, especially the latest events in Ecuador, Muranivsky showed how dollarization ruins the economy and the finances of a sovereign nation-state. These and other negative processes are occurring under conditions of a world financial crisis, the inevitability and the consequences of which have been forecast by American economist Lyndon LaRouche, who is now campaigning for the Democratic Presidential nomination. Russia ought to study closely the practical experience of such countries as Malaysia, which rejected International Monetary Fund "assistance" and established a system of currency controls.

Vitt reported on the campaign speeches and interviews of LaRouche, in which he has characterized the situation in the world financial system and the related military-political provocations, into which Russia has been dragged. He also summarized LaRouche's recommendations for overcoming the world crisis, including in Russia, and his initiative for a New Bretton Woods system. Vitt showed excerpts from *EIR*'s video featuring LaRouche, "Storm over Asia."

An intense discussion followed the formal presentations, in which 15 people took part. Among them was Prof. Leonid A. Shepin, of the Institute of Physics of the Russian Academy of Sciences, who chaired the seminar. Shepin fundamentally agreed with LaRouche's evaluation of the role of international terrorism in fanning tension in the Caucasus region, and said that the United States is out to break up Russia, a view that was widely held by seminar participants.

Yuri S. Krylov noted the damage done to Russia by liberalism and the open market, which has led to a steep demographic decline.

LaRouche interview reprinted

On Feb. 3, an interview with LaRouche by the New York-based Russian-language paper *Ekspress* was excerpted in the Moscow weekly *Ekonomicheskaya Gazeta*. The headline, borrowed from the *Ekspress* interviewer's introduction, was "Seven Swims against the Current," which refers to LaRouche's Presidential campaigns since 1976.

The excerpts were introduced by Professor Muranivsky, who explained for Russian readers the volatile and sometimes bizarre practices of American "primaries." He provided concise and pungent identification of the candidates: "Bush, Jr. (political ignoramus, racist), McCain (ex-POW, flaming conservative, gives raving speeches against Russia), Forbes (Wall Street), Sen. Orrin Hatch (Mormon from Utah), Bauer (former Reagan administration functionary), and Keynes (little-known black Republican)," and, on the Democratic side, "Gore (Vice-President, who in his racist, monetarist, and other views is close to the Republican Bush), Bradley (former Senator, who sharply criticizes Gore and Bush), and LaRouche (economist and politician, distinguished by his constructive strategic thinking)."

"Of all these candidates," wrote Muranivsky, "the Democrat LaRouche is of the greatest interest for Russia. . . . He knows Russia well and has ongoing contacts with Russian scientists and politicians. He advocates Russia's territorial integrity, and harshly criticizes both the advocates in the West of colonizing Russia, and Russian politicians who have committed errors and miscalculations."

Muranivsky's introduction described the contortions of the Democratic Party to avoid "polemics with him on matters of principle," and the "pseudo-democratic games" that attend these elections, wherein state party organizations cancel their primaries at will, and the media decline to report to voters on LaRouche's candidacy. At the same time, however, "the broad publicization of the ideas, viewpoints, and practical recommendations of LaRouche, during the campaign, has a certain influence on politicians and elected officials. Last year, President Clinton proposed to take up questions of reorganizing the world financial system, approximately as LaRouche had proposed earlier. His attacks on the ideology of globalism and 'free trade' were widely echoed in the population, abroad, and within international financial organizations."

Concluding his introduction, Professor Muranivsky wrote, "Democratic Presidential candidate Lyndon LaRouche is distinguished from his rivals by the clarity of the programmatic tasks he poses, and his choice of honest and effective means to realize them. His press conferences and interviews take up the most important American and international problems, including Russian-American relations."

Austria bludgeoned by European Union

The Haider case: Who stands to gain from the EU overreaction to the center-right Austrian coalition government? Anno Hellenbroich reports.

The diplomatic isolation imposed by European Union (EU) heads of state, under the leadership of the head of the Socialist International and EU Council president, Portuguese Prime Minister Antonio Guterres, against Austria on Feb. 3, in response to the formation of the center-right government coalition of the Austrian People's Party (ÖVP) and the Freedom Party of Austria (FPÖ), is an outrageous assault against the sovereignty of a European nation. Clearly, certain political circles intend to create a precedent with this bludgeon, swung with ideological venom against the alleged danger of having Jörg Haider and his FPÖ in the government.

The torrents of verbiage have already achieved something, in any case: Bogey-man Haider can now claim he is the hero. Far more than the 30% of the Austrian electorate who voted for Haider, as a protest against the miserable stagnation of the grand coalition, would now vote for Haider in a new round of early elections.

It is claimed that Austria's President, Thomas Klestil, spoke with French President Jacques Chirac and representatives of the Socialist Party of Austria (SPÖ) during the Holocaust conference in Stockholm, and that he there asked his Social Democratic friends for "action" to thwart the looming center-right coalition. What sort of gambit of "wished-for interference in the internal affairs" of a country is that supposed to play out? Is it the case that, as some cynics assert, Vienna is supposed to be made into a new Belgrade? What other European nation will the EU bureaucracy next target with political sanctions?

Haider the populist

To be sure, Haider is a populist who cleverly juggles "hot potatoes." As his several political twists and turns attest (sometimes against the EU, sometimes for), he is often an insufferable opportunist. But is not the chairman of the Jewish Council in Germany, Paul Spiegel, shooting a bit over the target when he claims in an interview, "Whoever takes the saying seriously, 'Nip it in the bud,' has to stop these developments in Austria before they get out of hand. Haider is a wolf in sheep's clothing, but Adolf Hitler also began small." However, Simon Wiesenthal warned against playing

up Haider too much. "As a direct danger, Haider is overestimated," Wiesenthal, the director of the Jewish Documentation Center in Vienna, told the Feb. 2 *Frankfurter Allgemeine Zeitung*. Haider, according to Wiesenthal, is not a neo-Nazi, but rather a right-wing populist. Wiesenthal noted that Haider has never said anything openly against Jews or against Israel.

In an interview with the Spanish daily *El País*, Haider claimed that there was a rethinking going on at U.S. Secretary of State Madeleine Albright's State Department, despite the attempts of mostly socialist circles in Stockholm and certain circles in Vienna to smear him.

Do some of the "defenders of human rights" who are hammering away at Austria have something entirely different up their sleeves, something which ultimately coincides with the destabilization scandals against Germany involving a Karlheinz Schreiber: namely, to forge a new political instrument for interfering in the affairs of EU nations, and thereby crush the resistance to the globalization fanatics and monetarists, and to test out this instrument on the relatively harmless Haider in a small country with 8 million inhabitants?

One week prior to the developments in Austria, President Bill Clinton and British Prime Minister Tony Blair were singing hallelujahs to globalization, and intoned that there should be no additional barriers erected against its inevitable process. There was talk about the end of those principles which were the foundation of the Peace of Westphalia (which ended the Thirty Years' War, 1618-48), including the end of the prohibition against interference in the internal affairs of sovereign nations.

The Austrian International Progress Organization (IPO), a UN non-governmental organization, correctly sees the proclamation of the EU heads of state as a violation of the Treaty of Amsterdam. It terms the assault against Austria "hypocritical," because there has been no response to the problems in other states with ethnic minorities—e.g., France, Spain, and England. To threaten Austria with sanctions for violations which have not even occurred yet, violates the spirit of the Treaty of Amsterdam.

Wall Street, U.S. Republicans, and Haider

Some of Haider's political friends, who do not necessarily agree with his liberal economic policy (e.g., his support for privatization), speak about Haider "kow-towing to Wall Street, and reaping nothing in return." Be that as it may, political observers point to Haider's close connections to circles in the U.S. Republican Party, connections which are rather covertly cultivated.

One of the contact people to these American circles is FPÖ Member of the European Parliament (and former leading candidate of his party) Peter Sichrovsky, who has a house in Hollywood, and who flew to the United States from Brussels just before the Vienna coalition took shape on Feb. 3. In 1996, Sichrovsky drew attention to himself through his work on the autobiography of the head of Frankfurt, Germany's Jewish community, the late Ignatz Bubis, when that collaboration apparently led to some friction with Bubis. Last year, he campaigned among other MEPs—as a Jew—for the establishment of an Orthodox Jewish association in Berlin, which also led to conflict. And, following Haider's electoral success in Kärnten, he organized four rabbis to sign a declaration certifying Haider's politically correct bill of health.

Haider—whose economic policy is rather close to that of former British Prime Minister Lady Margaret Thatcher—looks more like an "allied project" of the Conservative Revolution of a Newt Gingrich (whose role models are Robespierre and the Jacobins) than the much-touted "danger from the right." After all, the predecessor of the FPÖ, the Association of Independents, a collection pot for Nazi sympathizers, was set up by the "allies" in the 1950s and '60s (similar to the German NPD) in the context of the postwar arrangements.

So, what gambit are German Foreign Minister Joschka Fischer, Irish MEP Patrick Cox, and French MEP Daniel Cohn-Bendit really playing when they fire their cannonades of verbiage (which cost them nothing) against Austria? These "great democrats" and "Europeans," who were so eager to have a war over Kosovo, have accomplished nothing to reconstruct the devastated Balkan region. Austria would surely play a crucial role in such a reconstruction, just as the country was active in the past in difficult situations as a diplomatic bridgehead between East and West, and North and South.

The European Union bludgeon has wreaked immense damage.

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Book Reviews

Fighting like hell to live till tomorrow

by Gail G. Billington

First They Killed My Father: A Daughter of Cambodia Remembers

by Loung Ung

New York: HarperCollins, 2000

256 pages, hardbound, \$23

April 17, 2000 marks the 25th anniversary of a major event, one that will not likely be celebrated by Cambodians. April 17, 1975 was the day the Khmer Rouge seized power in Phnom Penh, Day One of Year Zero, the beginning of a reign of radical ideology-driven terror that would lead to the deaths of perhaps more than one in five Cambodians until the combined forces of Cambodian nationals and Vietnamese soldiers drove the Khmer Rouge from power in 1979. The nightmare did not end then, as Cold War geopolitical maneuvering among the great powers on the UN Security Council continued to insist that the Khmer Rouge have a seat in peace talks up until the 1993 UN-sponsored election. And even afterward, political maneuvering preserved the Khmer Rouge as the crucial "wild card" that continued to threaten progress toward stability until the end of 1998, when the last surviving senior leaders surrendered. Many believe that the Khmer Rouge is still a threat.

Loung Ung's book is a memoir of the members of her family's lives, and deaths, during the Khmer Rouge years. It is also a tribute to who she has become. She is the national spokesperson for the Vietnam Veterans of America Foundation's Campaign for a Landmine-Free World. In an interview with the Feb. 3 *USA Today*, Loung Ung said of her book: "I hope that people will take away from it that it's more than a war story, that it's more a story of love and family and hope and just fighting like hell to live until the next day."

This is not an easy book to read, but it compels the reader to keep going. Every Cambodian has a story, every family was affected by this reign of terror, but there is always a hesitation: Are *you* prepared to hear that story? Are *they* prepared to tell it?

This is a child's relived story of that time, of that war. Repeatedly, throughout the book, the reader is caught up short, with a gasp, by a reminder that Loung, the storyteller, was five years old when her family's odyssey began on April 17, 1975, and nine years old when she embarked on a new odyssey that would bring her to America, as one of the thousands of "boat people" escaping the Indochina wars.

Loung Ung was the sixth of seven children born to Ung Seng Im and Ung Ay Choung. The father, Ung Seng Im, was part-Chinese; his wife, Ung Ay Choung, was all Chinese, tall for a woman and very fair-skinned. After marriage, the father became a Phnom Penh policeman, and was subsequently promoted to the Cambodian Royal Secret Service. After a brief foray into private business, he was conscripted back into government service with the rank of major, under the Lon Nol government, which overthrew Prince Norodom Sihanouk in 1970. Ung Seng Im accepted the commission reluctantly, knowing that if he did not accept, "he would risk being persecuted, branded a traitor, and perhaps even killed." A clear "damned if you do, damned if you don't" situation.

Loung asks him, "Why? Is it like this in other places?"

"In many countries, it's not that way," he says. "In a country called America it is not that way."

"Where is America?"

"It's a place far, far away from here, across many oceans."

"And in America, Pa, you would not be forced to join the army?"

"No, there, two parties run the country. . . ."

'New people'

Loung's family lived comfortably in Phnom Penh; she was aware that her family was better off than some of her friends. The children were all multilingual, studying Khmer, French, and Chinese. The eldest son, Meng, 18 in 1975, had planned to leave for studies in France on April 14, but because April 13 was New Year's, he delayed his departure, a departure that never came.

The father's job, the family's Chinese background, middle-class status, and educational accomplishments marked them for extermination when the Khmer Rouge took control in Phnom Penh, and began the forced evacuation of the city, whose population had more than doubled as refugees flooded the capital to escape the U.S. carpet bombings along the border with Vietnam.

In answer to the children's questions—Who are the



The author, Loung Ung, and a little girl selling goods on the street at Angkor Wat, as published in First They Killed My Father.

Khmer Rouge? What do they want from us? Why are they so mean?—the father replied, "They are the destroyers of all things."

To survive, the family had to hide their background; a curtain of silence fell over the family that the children, aged 18 to 3, had to keep on pain of death. On April 17, 1975, this family became "new people," the Khmer Rouge's name for city people, all of whom were considered corrupt and a potential threat. They joined the wandering masses of Cambodians driven into the countryside, where the Khmer Rouge relied on "the base people," illiterate peasant farmers who had never left their village.

Loung's family started their exile from Phnom Penh in an old truck, which they drove until it ran out of gas. Then began the endless walk, carrying as much food as they could and what few possessions they could manage besides. But no matter how much food they carried, it quickly became clear that there was never enough, and the threat of starvation became an ever-present painful goad to keep going.

The first night on the road, Loung's mother handed her wads of money to use as toilet paper—after all, the Khmer Rouge had blown up the central bank and currency was abolished—but five-year-old Loung protests, "But, Ma! It's money!"

Four days of walking later, the family reached their first Khmer Rouge checkpoint, and their introduction to "Angkar," literally, the organization, the new name for the Khmer Rouge government. Soldiers screamed, "If you lie to Angkar, we will find out! The Angkar is all-knowing and has eyes and ears everywhere!" Refugees with ties to the former Lon Nol government were begged to help "Angkar" build this new

regime. In the morning, Loung's brother Meng whispered to his father that the soldiers had gunned down all those who had signed up. On April 25, eight days' walk from Phnom Penh, the family reached the village of Loung's maternal uncles. Loung's family of nine would share a one-room thatched hut with their uncle's family of eight.

A threat to 'Angkar'

So began this family's struggle to survive. As new refugees arrived, they were forced to move on, out of fear that some of the arriving refugees would betray the family's past in Phnom Penh, and they would all be killed. In July 1975, the family moved to the village of Anlungthmor. Only a few months later, at the end of the rainy season, when the village was in panic for lack of food, Loung's father told the family: "We have to leave. People are discontented. They are hungry. The native villagers are suspicious of everybody, and they are asking too many questions. We are different, your Ma speaks Khmer with a Chinese accent, you kids have lighter skin, and, besides me, this family does not know much about farming, so the villagers will make us the first scapegoats for their problems." In the morning, they left with only the clothes on their backs. The father told the older sons, "The killings have started. The Khmer Rouge are executing people perceived to be a threat against the Angkar. This new country has no law or order. City people are killed for no reason. Anyone can be viewed as a threat to the Angkar—former civil servants, monks, doctors, nurses, artists, teachers, students—even people who wear glasses, as the soldiers view this as a sign of intelligence. Anyone the Khmer Rouge believes has the power to lead a rebellion will be killed. We have to be extremely careful, but if we keep moving to different villages, we may stay safe." Oldest son Meng reported that in the five months the family stayed in Anlungthmor, more than 200 of the 300 new people who had arrived, had died of starvation, food poisoning, and malaria. The youngest child, Geak, age three, her growth already hopelessly stunted, cried out, "Hungry, belly, hurts."

To Angkar, hard work was loyalty, while education cluttered children's brains "with useless information." Everyone worked hard. Loung's father worked harder than others to combat the risk of any suspicion of his background. Briefly, son Kim, age 10, worked in the household of the village headman, who allowed Kim to take home the scraps from his table, on which Kim's family feasted. But, for this life-saving bonus, Kim endured daily beatings from the headman's sons.

Beginning in January 1976, the family was split up. The Khmer Rouge were conscripting able-bodied refugees into their army. By mutual agreement of the parents, second son Khouy, 16, was married to Laine, out of concern to keep them both alive, not love. The Khmer Rouge ordered oldest son Meng to join the young couple in a labor camp. A few months later, eldest daughter Keav, 14, was ordered to a teen work camp.

On the first anniversary of the Khmer Rouge's victory, starvation and disease dominated. A man in Loung's village killed a mangy, emaciated stray dog, and ate it. The Khmer Rouge killed him, because he did not share the dog with the village. A neighbor, Chong, went insane, watching her children die of starvation, and food poisoning. But Chong confided to Loung's mother that she had found the perfect food—earthworms!

In August 1976, daughter Keav died a horrible death from starvation and food poisoning; she died before any family member could reach her. In December 1976, Loung's father whispered to her mother that the Khmer Rouge had learned of his past, and they must prepare to send son Kim, 11, daughter Chou, 9, and Loung, 6, to an orphanage camp. In the morning, two Khmer Rouge soldiers appeared at the door, requesting the father follow them, never to return.

Loung's rage at the murders of her sister and father drove her determination to live until she could avenge their deaths, by killing the name that had replaced the ubiquitous "Angkar," the name, Pol Pot.

Shortly after the second anniversary of the Khmer Rouge's victory, in May 1977, Loung's mother acted on her husband's advice, ordering Kim, 12, Chou, 10, and Loung 7, to leave, each in a different direction, until they reached a camp, where they should declare themselves orphans. The girls stayed together until Loung got into a fight with another girl, who denounced Loung as a "stupid Chinese-Yuon," an extremely derogatory epithet the Khmer Rouge still use for Vietnamese. Loung was transferred to a camp to be trained as a child soldier, at age 7, but not before she told her sister, "Chou, I dream of the day when we have power again. I will come back for them. I will get them back and beat them until I am tired. I won't forget, not ever."

Chou replied, "Why would you want to remember? I dream of the day when things are nice again, and I can leave all this behind."

In the child-soldier camp, Loung was subjected to intensive indoctrination and trained, with others, to use ordinary tools as instruments of death, a scythe to slice off heads, a hammer to smash skulls. She was drafted into a dance troupe, which sang songs about killing "Yuon." But, hearing music, any music, was a relief. Her teacher told these soldiers: "Children must be taught to follow orders without hesitation, without question, and to shoot and kill even their traitor parents. That is the first step of training." Loung, seven years old, did guard duty, holding a rifle, which she had to cradle against her chest because her fingers were not long enough to wrap around the stock.

In May 1978, the surviving members of the family were reunited in an infirmary, the only one in the area, all suffering symptoms of starvation. There was no medicine, no doctors, no hygiene, no care.

In November 1978, Loung awoke in a panic, in agony from hunger, enraged by the endless indoctrination and prac-



Photos from *First They Killed My Father* (from left to right): author Loung Ung today; author (right) and sister Chou, 1975; Kim, Loung's mother, Geak (the only surviving picture of her), the author, Chou, and Khouy.

tice killing sessions. She disappeared for three days to see her mother. But mother and youngest daughter Geak, now five, were nowhere to be found; they had been escorted away by soldiers.

In January 1979, combined Cambodian and Vietnamese forces invaded Cambodia—the hated “Yvon” to the Khmer Rouge. Pandemonium took over. A new mass exodus swept the camps. Kim, Chou, and Loung were reunited, and survived by living with a succession of foster families, but not without new horrors, including an attempted rape of Loung, a Khmer Rouge assault on shelters, and dodging bullets. In February, the three were reunited with older brothers Meng and Khouy, and eventually, the children met up with their maternal uncles. Meng, his wife, and Loung travelled to Vietnam, where they joined the exodus of “boat people” coming to the United States.

While waiting in the Lam Sing refugee camp in Thailand, Loung dreamed she was with her father and whispered to him:

“Pa, I’m leaving for America tomorrow. Eldest brother said America is very far from Cambodia, very far from you. . . .”

“Don’t worry. Wherever you go, I will find you,” Pa replied.

A new chapter

The release of Loung Ung’s book is well timed. Work is nearly complete on a draft law, laying out the mechanics for a tribunal to put senior surviving Khmer Rouge leaders on trial. Cambodian Prime Minister Samdech Hun Sen has said that he would like to see a tribunal convened by March,

which would mean that the 25th anniversary of the Khmer Rouge victory would be marked by seeing these senior leaders on trial. It is unlikely that that deadline will be met, as it would require an extraordinary session of the National Assembly to pass the draft law governing the tribunal. The spring session is not now slated to open until after the April 17 anniversary. Conflicts also persist in whether or not the United Nations will cooperate with the framework defined by Cambodia.

In spite of this situation, an important process is under way in Cambodia. On Jan. 27, in the city of Battambang, the first in a series of three forums on “National Reconciliation and the Khmer Rouge,” sponsored by the Center for Social Development, brought Khmer Rouge leaders face to face with their victims for the first time in 25 years. Among the 120 participants was a large contingent of former Khmer Rouge cadre, including intellectuals and one general. The *Phnom Penh Post* reported in its Feb. 4-17 issue that, even though a majority of speeches came out against a tribunal, in a secret ballot, the participants voted overwhelmingly for a tribunal. The sponsor of the forum series and other analysts agree that a trial alone will not put to rest the trauma of the Khmer Rouge period.

Author Loung Ung approached the problem in her Feb. 3 *USA Today* interview: “There are still times now when I wish I didn’t remember what happened. But when I dissect it, when you look at it, when you search around in it, when you name it, when you put your fingers and face and heart into it, it loses that unimaginable power over you.”

Thank you, Loung Ung, for this book.

Lunatics plot new war

British agents are scheming for Australia to join the United States in a war against China.

The British monarchy is presently deploying its assets in the United States, Japan, and Taiwan for a war against China, as Democratic Party Presidential pre-candidate Lyndon LaRouche warned in “Puppet Emperor Lee Teng-hui” (*EIR*, Jan. 21, 2000). As one might expect, British assets in Her Majesty’s colony of Australia are setting up a bullfrogs’ chorus for war, as well.

The chief croaker downunder is Phil Scanlan, CEO of the Melbourne-based Bonlac Foods, and his Australian American Leadership Dialogue—better named the “Australian American British Agents Dialogue,” given that its American members are all associates of Sir George Bush (who was knighted by the Queen for launching the war against Iraq in 1991, among other service to the Crown), and that its chief Australian member, Paul Dibb, is a Briton who was parachuted into key positions in Australia’s defense establishment some years ago.

Scanlan’s “Dialogue” is now engaged in an “unofficial strategic review” of the U.S.-Australian defense relationship, co-chaired by Dibb and Harvard Kennedy School of Government’s Prof. Bob Blackwill. Though its final report has not yet been published, its conclusions were summarized in the *Australian Financial Review* of Jan. 24-25. Australia’s foreign policy for the next 15 years is based on “four ‘core relationships’ ” (with the United States, Japan, Indonesia, and China), the *Financial Review* said. “Under Blackwill’s analysis, Australia would be siding with the first two to win help with the third and to take sides against the fourth.”

The *Financial Review* also reported the implied threats to Australia by Dialogue member Richard Armitage, former U.S. Undersecretary of Defense under Bush. “If we were taking casualties in a conflict with China in the Taiwan Straits, we would not want our allies to stand by. You can bet the Commander-in-Chief of the Pacific would be down here in a heartbeat,” Armitage said, concluding that the United States “would expect Australia to contribute to the hard, dirty, and dangerous work” of committing forces against China.

Such an insane prospect is ringing alarm bells in Australia. On Jan. 20, former Prime Minister Malcolm Fraser, a longtime U.S. ally, warned, “If there is a war at some point in the future between China and the U.S. over the status of Taiwan, and if we were to support the U.S., Australia would not emerge from that conflict intact.” Stung by this attack on his disastrous strategy, Dibb professed to be “absolutely astounded” at Fraser’s remarks, sneering, “In many ways I have to say he was a lickspittle of the Americans in defence policy terms.”

Dibb, who now claims to be so “pro-American,” sang a different tune in 1986, when he chaired a study to decide Australia’s official defense strategy for the next decade. Dibb’s “Fortress Australia” policy downgraded Australia’s defense relations with the United States, while the Soviets were expanding their influence in the southwest Pacific, and was sharply criticized by U.S. defense officials. Perfidious Albion was then angling for a weakening of the U.S.-Australia relationship. The disastrous implica-

tions of Dibb’s “go-it-alone” strategy were clear to many Australians, such that the June 4, 1986 *Australian* observed, “In the shadowy world of strategic studies, those addicted to the conspiracy theory of history might therefore see him as one of Smiley’s People, given that his preoccupations . . . [were to analyze] Australia’s strategic environment, defense policy generally, and the global strategic situation.”

“Smiley’s People” refers to employees of John LeCarré’s fictional character, George Smiley, the head of Britain’s MI6.

The U.S. end of the Dialogue is centered in Harvard University’s Kennedy School of Government (where Scanlan once studied, in addition to Oxford University). There, Dialogue review co-chairman Blackwill is a subaltern of Kennedy School head Dr. Joseph S. Nye, Jr. As Assistant Secretary of Defense for International Security Affairs at the Pentagon in 1994-95, Nye authored a report which stressed that China is a “military threat” to the United States. In a recent interview with *EIR*, veteran U.S. Asia scholar Prof. Chalmers Johnson identified prominent lobbyists for a U.S.-China war as Harvard and Georgetown University’s Center for Strategic and International Studies. “They decide first that the policy should be war, and then they look for the reasons,” he explained. “The Harvard-CSIS axis consists of current DOD people, such as Kurt Campbell and his mentor and predecessor, Joseph Nye, and that whole nexus at Harvard, and Bush CSIS people, such as Paul Wolfowitz and Richard Armitage.”

Wolfowitz and Armitage were DOD officials under President Bush, and Armitage is an adviser to GOP Presidential candidate George W. Bush. It looks as if Sir George is continuing to earn his knighthood.

International Intelligence

London firms raise millions for terrorists

Terrorist leaders Mustafa Bakri, of Al-Muhajiroun, and Mustafa Kamil (alias Abu Hamza Al-Misri) of Ansar-ul-Sharia, detailed how various Islamic groups, including those with charitable organization status, have raised as much as \$50 million for so-called *jihads*, in interviews in the Jan. 22 issue of the London-based Arabic daily *Asharq Al-Awsat*. Moreover, they said, there are a large number of small businesses, such as restaurants and used-car dealerships, that dedicate their income to the terrorist causes.

Many of the terrorist organizations listed by the U.S. Department of State are based or have significant front operations in Britain, and some dozen countries have made official complaints to London about the fact that the U.K. has harbored groups and individuals who organize and/or commit terrorist crimes overseas. Last year, Britain finally passed an anemic anti-terror law. Bakri admitted that the new law has many loopholes that allow individuals to transfer money to *jihadis* overseas.

A recent British police investigation, he said, "was due to Russian complaints that Al-Muhajiroun has been sending financial support to the fighters in Chechnya and sending youth to fight in the legitimate war zones in the Caucasus. Russian forces have also found leaflets signed by Al-Muhajiroun and Hizbul-Tahrir [another of Bakri's groups very active in the Caucasus and Central Asia] in Grozny calling on Muslims in the Caucasus to revolt against the Russians."

Abu Hamza offered the information that "retired British army officers are training these young Islamists in Britain voluntarily."

According to the Jan. 16 *Sunday Telegraph*, Labour Member of Parliament Andrew Dismore will ask the Department of Trade and Industry to investigate what he said was a "blatant abuse of company law," adding that he plans to bring official questions in the House of Commons "as a matter of urgency." One such company is located at Lee Valley Techno-park, run by the local Haringey council in north London. The firm, a front for Al-Muhajiroun, with branches in

Birmingham, Manchester, Crawley, and Leicester, has the use of the business park's conference facilities and 24-hour security.

Faris Nanic presents new book in Croatia

Faris Nanic, who heads the Party of Democratic Action (SDA) in Croatia and is the former chief of cabinet for Bosnian President Alija Izetbegovic, presented his new book in Zagreb on Feb. 3. The book, which contains many direct references to Nanic's friend Lyndon LaRouche, is comprised of selected articles that he wrote during the decade since the old Yugoslavia broke up in 1989. In their introductions both Nanic and his publisher emphasized the importance of looking at Bosnia and Croatia, home to all three Abrahamic religions, as potential models of a dialogue of civilizations, in opposition to the Zbigniew Brzezinski/Samuel Huntington "clash of civilizations." They also made a point in attacking the "New Age" ideology, which is quite dominant among some leading '68ers in the new Zagreb government.

Echoing LaRouche's ideas, the book cover contrasts those figures in history who fought for the highest ideal of man—Plato, Cusa, Ibn Sina, Leibniz, LaRouche, Roosevelt, and Kennedy—against those who considered humans another beast—Aristotle, Newton, Locke, Kissinger. The six chapters include one on the economic collapse, with discussions of LaRouche's analyses and proposals for a New Bretton Woods, Eurasian Land-Bridge, and new Marshall Plan; Bosnia 1990-98; the Croatian *nocturno* 1989-98, with a critical analysis of domestic and social policies; Bosniacs and their renaissance; the Islamic world in times of change; and international strategic policies.

LaRouche in telecast to Peru economists

LaRouche's Committee for a New Bretton Woods announced on Feb. 4 that Lyndon LaRouche will deliver the keynote address via satellite broadcast to a conference on "International Finances and Economic De-

velopment for the Americas," in Lima, Peru, on Feb. 25, at 7 p.m., Eastern Time. The conference is sponsored by Lima's prestigious Association of Public Accountants. Following his remarks, LaRouche will answer questions from a panel of experts. The whole world will be able to see or hear the interactive telecast live, which will be carried, simultaneously in English and Spanish, on the candidate's campaign website.

LaRouche is highly esteemed throughout Ibero-America for his proposals to solve the continent's debt problem and for his untiring defense of the nation-state. On Jan. 23, LaRouche recalled that he first detailed these proposals in August 1982: "My policy for the Americas is essentially summarized in that paper, in 'Operation Juárez,'" LaRouche told some 300 participants at 52 Democratic Party delegate caucuses in California. "I wrote that as a cooperative effort—it was all my writing and my responsibility—but as a cooperative effort with the government of Mexico, the President of Mexico [José] López Portillo, and other leaders of Ibero-America." Former President López Portillo has also endorsed LaRouche's candidacy. LaRouche also blasted "the United States government supporting the imposition of slavery, so-called dollarization, upon Ecuador."

Hans Blix outlines UN Iraq inspections policy

Hans Blix, the newly appointed UN chief weapons inspector for Iraq, told reporters on Feb. 4 that his inspections teams "will not force their way" into sites they have to inspect, and that they will work closely within the UN structures. He also said that he will not allow staff members "to take instructions from any government." The remarks unfavorably reflect on the predecessor inspection operation, UNSCOM, which was run by Australia's Richard Butler, and former U.S. Marine Scott Ritter, who abused their positions to act as operatives for, at least, British, Israeli, and U.S. intelligence agencies.

After numerous provocations by UNSCOM, Iraq finally expelled them, which was

YEVGENI PRIMAKOV, the former Russian Prime Minister, announced on Feb. 4 that he was withdrawing from Russia's Presidential race, after acting President Vladimir Putin struck a deal with the Communist Party in the Duma (parliament) which froze out opposition groups. "During the elections, and at the start of my work in the State Duma, I understood how far our society is from . . . true democracy," he said. "I do not think that this situation can, at its root, be changed in just a few months."

SINN FEIN and the Irish Republican Army both on Feb. 8 condemned the bombing of a Northern Ireland hotel and the threat of more bombings by the so-called "Continuity IRA," which some refer to as "the Royal IRA." The convenience of the renewed violence plays into the hands of the oligarchs who wish to dissolve the Northern Ireland Assembly and return direct rule to London.

SERBIAN Defense Minister Pavle Bulatovic was gunned down on Feb. 7 at a Belgrade restaurant. He had been Defense Minister since 1994. This is the second shocking assassination in Belgrade in recent weeks, the first being the murder of militia warlord Zeljko "Arkan" Raznatovic.

FRENCH Foreign Minister Hubert Védrine left for Moscow on Feb. 2, where he was to meet with Russian Foreign Minister Igor Ivanov. On the agenda was long-term cooperation between Europe and Russia, as well as the crisis in Chechnya. This is the highest-level visit to Russia by a French official since Vladimir Putin became acting President.

TONY BLAIR'S "New Labour" suffered big losses in Wales in the first by-election for the House of Commons on Feb. 4: The Labour candidate came in last in a field of four in Ceredigion, which race was won by Simon Thomas of the Welsh nationalist Plaid Cymru. Voters in this rural district didn't take kindly to Blair's bias against agriculture.

then used as a pretext in late 1998 by the British and U.S. circles around Vice President Al Gore to resume unilateral bombing raids against Iraq, which continued up to the end of last year.

Blix, who is going to take charge of the inspection agency on March 1, had been head of the UN's International Atomic Energy Agency, during 1983-99. In April 1999, while attending an event at the Leesburg, Virginia George Marshall Center, Dr. Blix answered questions from *EIR*, in which he criticized the unilateral British-U.S. actions that led to withdrawal of the UN inspection teams, and the bombing of Iraq, (see *EIR*, May 7, 1999.)

Mexican 'leftie' backs PAN Presidential bid

Teresa Jardí, a human rights activist tied to mega-speculator George Soros, and prominent in Liberation Theology circles that back the Zapatista "indigenist" terrorists, has endorsed the right-wing Presidential campaign of the National Action Party's (PAN) Vicente Fox. In her regular column in the Jan. 24 issue of *Crónica*, Jardí wrote that Fox is "the only one who, having the possibility to win, can break the set-up in the Mexican political system. . . . The PAN is the right wing? Yes, I have said so a thousand times. But let us reflect: What other option do we have for things to change? None."

Ironically, *Crónica* is owned by former President Carlos Salinas de Gortari (1988-94), who has lived in self-exile since the extent of his corruption began to come to light. The leftist PRD party of Cuauhtémoc Cárdenas, to which Jardí is allied, was formed, ostensibly to challenge the hegemony of the ruling PRI in the Presidential elections, although, as the case of Jardí shows, it has more to do with attacking the institutions of the nation-state, using the old saw-horse of "corruption" as an excuse.

Jardí's move to encourage others from the PRD milieu to follow her lead, may have something to do with a recent meeting that reportedly included George Soros, the government negotiator with the (PRD-backed) Zapatistas, Manuel Camacho, and Harvard's Juan Enriquez Cabot at the Society of

the Americas in New York. Camacho and Enriquez have been adamant that the opposition to the PRI can only win if "left" and "right" unite.

Calls grow louder for Pakistan-India dialogue

Members of the Pakistan-India Forum for Peace and Democracy called on Islamabad and New Delhi to resume dialogue and work toward a standstill agreement for at least six months, at a press conference in New Delhi on Feb. 1. Adm. L. Ramdas, former Indian Chief of Naval Staff and a member of the Forum, said it was important that dialogue be resumed, or the wedge that has been created in bilateral relations between the two countries since fighting broke out last year over Kashmir, and the hijacking of the Indian Airlines plane, could have "disastrous" consequences.

The Forum, which was attended by the chair of the Human Rights Commission of Pakistan, Afrasiab Khattak, and general secretary of the Forum's Pakistan chapter, Ifteqar ul Haq, passed a resolution committing the Forum to promoting the forces of democracy, and, while working to restore democracy in Pakistan, to pressing both governments to talk to each other.

Military rule had not weakened the resolve of democratic elements within Pakistan, said Khattak, which is demonstrated by their very presence at the meeting.

On Feb. 2, several South Asian leaders met at the Neelan Tiruchelvam Commemoration Program in Colombo, Sri Lanka and called for a return to the February 1999 "Lahore process," when India's Prime Minister A.B. Vajpayee inaugurated a bus route between New Delhi and Lahore, Pakistan, where he was greeted by then-Prime Minister Nawaz Sharif. In an appeal made public by former Indian Prime Minister I.M. Gujaral, participants urged a revival of "the Lahore process so that both India and Pakistan, along with other South Asian neighbors, march together building a vibrant and prosperous South Asian community." The appeal was signed by leading intellectuals from India, Pakistan, Sri Lanka, and Bangladesh.

LaRouche's drive for U.S. Presidency: On to Michigan!

by Debra Hanania Freeman

With the so-called front-runners of both parties still licking the wounds inflicted on them by New Hampshire voters, Lyndon LaRouche's drive for the Democratic Presidential nomination is poised to seize new territory in the key state of Michigan, where LaRouche is the *only* Democrat on the Feb. 22 primary ballot. And, while many readers, both inside and outside U.S. borders, may be perplexed by that, the fact is that the behavior of the Democratic Party leadership in the state of Michigan typifies what is emerging as the most heavy-handed—and most inept—attempt at election rigging in U.S. history.

The Michigan primary has been called a “beauty contest” because, although it is a test of the candidates’ popular appeal, it is not the forum in which Michigan voters select delegates to the party conventions where the formal process of nominating candidates occurs. Al Gore’s racist friends at the Democratic National Committee’s Washington, D.C. headquarters were worried about a potentially embarrassing discrepancy between the results of the Feb. 22 popular vote, and the tightly controlled March 11 Democratic caucuses. Their solution was to direct both Gore and Bill Bradley to *remove* their names from the ballot, and to proceed with a black propaganda blitz of disinformation and outright lies.

In response to a barrage of questions from Democratic voters as well as from the national press, who want to know why Gore and Bradley are not listed on the ballot, the Michigan Democratic Party put out a scurrilous press release to “inform” voters that the only way to “vote for a Democrat” was to do so in the March 11 caucuses. The release lied that the Feb. 22 primary was a “Republicans only” contest for the Presidency (but *not* for local candidates!). Some district

Democratic organizations chose to march in lockstep. The Sixteenth District Democratic organization, which is chaired by Christopher E. Smith, and is represented in Congress by John Dingell, sent out a blatantly dishonest advisory. It states, “Be advised that Lyndon LaRouche will not be a Democratic Presidential candidate. He does not qualify [underlined]. He will not be a candidate.”

The truth? LaRouche’s supporters gathered the signatures of more than 22,000 Michigan voters, and he has, indeed, been certified for ballot status. The lying stupidity of the Democratic Party bureaucracy has *guaranteed* that Lyndon LaRouche will *win* the Michigan Democratic primary. And, keeping with his pledge to use his bid for the Presidency to mobilize the lower 80% of America’s family-income brackets, those who most frequently do not vote, who have been marginalized, disregarded, and forgotten, LaRouche is bombarding the population with radio advertising and printed flyers, informing them that there *is* an election, and urging them to come out and vote. The week prior to the vote, the campaign was hosting town meetings, on Feb. 15 in Detroit and Feb. 16 in Grand Rapids. Both will be broadcast live on the candidate’s website (www.larouchecampaign.org). And, LaRouche has purchased two half-hour TV spots on WWJ-TV (CBS channel 62), the first on Feb. 13, and the second on Saturday, Feb. 19 at 7 p.m. EST.

‘Don’t cheer for the lions’

In all of his addresses, LaRouche stresses the importance of voters getting out of the grandstands, and onto the battlefield. In a recent statement, LaRouche tells voters, “The trouble is that when Americans vote these days, they vote like

cheering football or wrestling fans. They vote like Romans sitting in the grandstand, cheering as they watch Christians being torn apart by lions! Then, after the election is over, they often wish that the candidate for whom they cheered the loudest had never been born.”

With that same imagery—that of the Roman Colosseum—LaRouche appeals to voters: “This time, vote Christian, vote Jewish, vote Muslim, but please, please, please, don’t cheer for the lions!” If the LaRouche campaign succeeds in turning Democrats out to vote in Michigan, despite the intense black propaganda that the Democratic Party there is spewing, it will be a harsh blow—some say a knock-out punch—to Gore, to those he controls on the Democratic National Committee, and to Gore’s Wall Street brokers, because ultimately, it would confirm that what occurred in New Hampshire was not a fluke, but a growing revolt. And, if LaRouche can actually mobilize a significant portion of that 80% of the population who are otherwise excluded from real participation in the electoral process, if he can motivate them to stand up and be counted, every aspect of this campaign will be transformed. And, to the horror of the crowd that had hoped to pull off the first completely rigged Presidential election in U.S. history, LaRouche’s drive to do just that is steadily gaining momentum.

LaRouche ballot victories

Although the Gore apparatus seems determined to continue its effort to deny LaRouche access to Democratic primary ballots, and to deny delegates pledged to LaRouche access to the Democratic National Convention, in a bold affront to the 1965 Voting Rights Act, and to the Constitution itself, that effort is running into big trouble. An attempt to keep LaRouche off the ballot in Tennessee—a state that Gore seems to believe is still his father’s plantation—was smashed in early February.

On Jan. 26, Gore Democrats launched a challenge to LaRouche’s nominating petitions in Illinois, determined to avoid a repeat of the 1986 Illinois Democratic primary, when two LaRouche supporters, Janice Hart and Mark Fairchild, won the Democratic nominations for Lieutenant Governor and Secretary of State. But, the challenge required a signature-by-signature challenge to LaRouche’s nominating petitions. The painstaking process began on Feb. 2, but the results were so demoralizing to the Gore camp, they threw in the towel: On Feb. 8, attorneys for Rep. Mike Madigan, the Speaker of the Illinois House of Representatives and Chair of the State Party, who had launched the challenge, unhappily conceded that they could no longer contest the fact that LaRouche had filed enough valid signatures to appear on the state’s March 21 primary ballot.

Also showing signs of backfiring, is the heavy-handed attempt that was initiated in 1996 by then-DNC Chairman Don Fowler and continued today by DNC Chairman Joe An-

drew, to force state parties to violate the Voting Rights Act by either excluding LaRouche from the ballot in states like South Carolina (where the parties themselves control the primary process), or in states where primary rules are governed by state law, by locking duly elected Democratic Party delegates pledged to LaRouche out of the convention. Highly placed sources have reported that the issue of LaRouche’s exclusion, and the national party’s continued willingness to assault the Voting Rights Act, caused a major brawl at a recent meeting of the DNC’s own Black Caucus. And, a growing number of state parties are defying the explicit orders emanating from Andrew and the Washington, D.C. office, and are not only accepting filings by Democrats seeking to go to the National Convention as delegates pledged to LaRouche, but are promising that those delegates, if duly elected, will indeed be included in those states’ delegations. Former Philadelphia Mayor Ed Rendell, who is the co-chairman of the party along with Andrew, and who is widely viewed as a more rational, less controlled figure in the party’s bureaucracy, has reportedly been deluged with demands by Democratic elected officials, labor leaders, and civil rights leaders, that he intervene to put an end to behavior that, if continued, is sure to destroy the party.

Meanwhile, LaRouche continues to advance his campaign with a heavy schedule of live Internet broadcasts of his exchanges both with citizens at town meetings, and with leaders of the many constituencies that comprise the traditional base of the Democratic Party, as well as with the major policy addresses, including some to prestigious international audiences, that are unique to his candidacy.

International Endorsements

The following is a selection of endorsements by international political figures, of Lyndon H. LaRouche, Jr.’s campaign for the Democratic Party Presidential nomination.

Russia

Open letter from Russian scientists and intellectuals.

Dear Mr. LaRouche,

With great interest and agitation, we are following the Presidential campaign in the United States and your own participation in it. Despite the well-known obstacles, thrown up by your opponents and the mass media that are faithful to them, we are well aware of your high standing among American voters.

That standing is no accident. In our view, people such as you, Mr. LaRouche, best match the spirit of our times. The people who come to power now, should be highly competent political figures, who are capable of undertaking to solve ex-

traordinarily complex social and economic, moral, financial, and political problems.

Through personal contacts and acquaintance with your scientific writings and political speeches, we have gotten to know your profound erudition, the precision of your analysis, your sharp mind, your intolerance of phoniness, your high level of scientific honesty, and your ability to put forward original ideas and find constructive, sometimes unexpected solutions and recommendations. Like no one before, you have succeeded in uncovering the harmony and interaction of rigorous science and classical art forms, as well as uniting the methods of scientific discovery and the education of youth.

To this should be added your great human daring, strength of will, and confidence in your powers, as well as the ability to overcome the dangers and misfortunes, which all manner of ill-wishers and foes have attempted so “generously” to heap upon you. It is difficult to imagine, what the cost was to you in nervous energy and health, of those undeserved five years behind prison walls, inspired by former President Bush and his entourage for political motives.

We think that you, Mr. LaRouche, are the one capable of directing your country onto the path of progress and prosperity for the American people, and for the sake of all the people of our planet. We hope that American voters will make the right choice, by voting for you as the future President of the United States.

(Signed)

Iskhak I. Davletchin, Institute of General Physics, Russian Academy of Sciences

Mark D. Dvortsin, Chairman of the Public Council of Economic and Political Unity, professor, doctor of economic sciences

Mikhail I. Gelvanovsky, General Director of the National Institute of Development, Russian Academy of Sciences

Olga Glazunova, Center for Experimental Work in Education

Nina V. Gromyko, Editor-in-Chief of the journal *Rossiyskoye analiticheskoye obozreniye (Russian Analytical Review)*, doctor of philosophical sciences

Yuri V. Gromyko, Russian Academy of Education, doctor of psychological sciences

Ruslan I. Khasbulatov, former Chairman of the Supreme Soviet of the Russian Federation, Chairman of the Department of International Economic Relations of the Russian Economic Academy, corresponding member of the Russian Academy of Sciences



Nina V. Gromyko

Yuri V. Krupnov, Editor-in-Chief of the journal *Rossiysiya 2010*

Boris D. Lazebnik, INKOTEK company

Taras V. Muranivsky, professor, doctor of philosophical sciences

Vladimir S. Myasnikov, Deputy Director of the Institute of the Far East, Russian Academy of Sciences, Chairman of the RAS Association of Sinologists

Grigori G. Pirogov, Senior Scientist, Institute of Comparative Political Science, Russian Academy of Sciences

Leonid A. Shelepin, Chief Scientist, Institute of Physics, Russian Academy of Sciences, professor, doctor of physical-mathematical sciences

Valeri A. Zaderey, Editor of the newspaper *Znaniye – Vlast (Knowledge Is Power)*

Western Europe

France. *Statement by five mayors of French towns.*

We, the undersigned, mayors of towns and villages in France, consider the candidacy of Lyndon LaRouche for the American Presidential elections as being not only in the interest of the Americans, but also of the French and of France.

In effect, we consider it indispensable, that the spirit of John Fitzgerald Kennedy or of Franklin D. Roosevelt's New Deal are revived in America, and none of the other present candidates, either Democrat or Republican, in particular neither Al Gore nor George W. Bush, seem to be capable of achieving this.

We also hope for the reestablishment of good Franco-American relations, as they began between de Gaulle and Kennedy, and we are convinced that LaRouche, with his name rooted in French, and his familiarity with universal republican culture, would be the right man at the right time and right place.

We know that for a long time, Lyndon LaRouche has been thinking about the global problems which would bring about the financial and monetary crisis we are facing right now. We are informed about his proposal for a New Bretton Woods, and we found there a way out for the world and the different nations which form it, in mutual respect and based on a community of values.

It would be deplorable should his contribution, human, intellectual, and moral, not be mobilized in the interest of all, to the leadership in the United States.

He is a Renaissance man whom we support, because it is also a matter of interest to us, that he is headed in the right direction.

(Signed)

André Bartot, from La Crique (Seine-Maritime department)

Etienne de Ravinel, from Nossoncourt (Vosges)

André Paviet-Salomon, from Tigneu-Jameyzieu (Isere)

Philippe Giraud, from Autichamp (Drome)

J. Jankowski, from Redange

Ibero-America

Argentina. *Three former colonels of the Argentine Army, jailed since 1991 as political prisoners, addressed this open letter to the citizens of the United States:*

From the southernmost part of this continent, we respectfully write you, as you reflect on your decision in the election. It is lawful to assume that at this time, your personal needs, and your own conception of the future of the United States, are uppermost in that reflection.

But what American citizens must remember, is the importance of their vote to the international order. Providence has placed your country in a position of relevance in the world. At other times, other nations occupied that [place of] honor, and their imprint modified the conduct, and the very capabilities, of other peoples.

Today it is the United States which exercises that power, and the repercussions of your individual actions, as small as they might appear to you, will be multiplied throughout the world, especially in the other nations of America, whose political lives and economies are put to the test, and analyzed, on a daily basis. Here, our own strategies barely exist; we live each day with the illusion of progress, although it be only ephemeral.

Thus, what happens in your country concerns us in a fundamental way. If the emerging political power of your vote is characterized by the spirit of justice, we know that our relations, and our own future, will in turn be harmonious. If this is not the case, and local priorities encourage egotism and inequality, then injustice will be multiplied and felt in the less developed countries.

Not since the time of John F. Kennedy, when we were proud of America's identity, have we felt hope. But today, one of the candidates for the Presidency of the United States, Mr. Lyndon LaRouche, has given us back that feeling, that America is possible.

Aside from his particular talent in diagnosing the crisis in the world economy, and in having demonstrated his ability to stand up to it and resolve it, he has shown us his other great quality—his solidarity. His projects in all areas of political leadership prove his aptness; his spirit of solidarity, toward his compatriots and toward all the citizens of the world, show him to be, not a simple benefactor, but an authentic strategist, a faithful referent, and a capable and noble leader of humanity's destiny.

We do not believe ourselves to be unjust or egotistical in making this suggestion. We wish for a better world, and we dream of a better America.



Mohamed Ali Seineldín

May God, the source of all reason and justice, illuminate your conscience and move your heart toward justice.

(Signed)

Mohamed Ali Seineldín

Luis Enrique Baraldini

Oscar Ricardo Vega

Colombia — Gen. Harold Bedoya Pizarro, *former Presidential candidate of the Fuerza Colombia movement, former head of his country's Armed Forces:*

Mr. LaRouche:

Your promethean efforts to alter the mistaken course of economic, financial, and cultural policy of the United States, have made you a target of the powerful interests of usury which control Wall Street, as well as of the big media. It's no accident that Richard Grasso, president of the New York Stock Exchange, is leading the absurd process of legitimizing the narco-terrorist gangs which assail Colombia. What do these bankrupt international financiers seek? Leveraging the speculative bubble with funds from the cocaine and poppy [trade]? Installing as Colombia's official government a merciless gang of terrorist psychopaths, dedicated to drug-trafficking and kidnapping?



Gen. Harold Bedoya Pizarro

It is time for the United States to return to the path set for it by its Founding Fathers, Benjamin Franklin, George Washington, and Alexander Hamilton, among others. Government of the people, by the people, for the people, which Abraham Lincoln defined as the goal of every legitimate republic, continues to be the aspiration of all the peoples of the world. The postwar world envisioned by Franklin Delano Roosevelt, in which the United States would be the leader in the fight to eliminate colonialism and poverty, was cut off with the premature death of that great American patriot. With the exception of the great space program promoted by President Kennedy, and the epic defense of civil rights undertaken by Martin Luther King, practically all the events of the last 50 years have meant abandonment of the goal established at the founding of the United States: that that great nation of the North would be the beacon of hope for the nations of the world, in the search for progress and development.

I personally am familiar with the vendettas unleashed by the presumed gods of Olympus, whenever anyone dares to question their arbitrary [dictates]. But I also know that truth and justice end up imposing themselves, when nations are led by wise men and women. It is with hope and enthusiasm that I view your courage in offering the citizens of the United States a real option in the upcoming Presidential elections.

LaRouche speaks for the 80% of voters being ignored by the ‘bozo’ candidates

The following is Lyndon H. LaRouche’s opening statement to a webcast Wilmington, Delaware town meeting attended by 200 people on Feb. 4, the eve of state’s primary election.

There are two things I’d like to start with as observations on recent developments. First, on the lessons to be learned in general from the recent New Hampshire primary, both the Republican and Democratic primary; and secondly, some rumblings which have broken out in the middle of this week, which portend another great financial crisis, resembling that which struck New York during August and September of 1998. I’ll comment on both to set the stage for what we have to consider tonight, in terms of the realities of the immediate moment.

The New Hampshire primary

Now, in an election like the New Hampshire primary, if you have at this stage—if you’re accurate within 5% of the total vote, you’ve got an unusually accurate count. But if you take that margin of error into account, certain things are very obvious to us.

First, that on the eve of the election, the polls taken on behalf of the Republican and Democratic parties indicated a very close race, with Gore with an advantage on the Democratic side, and Bush and McCain more or less equal on the Republican side. Now, this poll was based on the core Democratic and Republican voting machines, not on the general population of New Hampshire as a whole.

But then, as you know, after the election results were reported, McCain had clobbered Bush by a landslide, and Gore had a slight advantage—perhaps. We don’t know yet, because the vote isn’t fully counted—but a slight advantage over Senator Bradley.

Now, behind that story, is a very important development: the independent voters of New Hampshire. First of all, for example, the Democrats expected 50,000 voters to turn out for the Democratic primary. About 90,000 are reported to have turned out. So, therefore, what you saw, with the near overturn of Gore’s candidacy by Bradley, was the turnout of independent voters who voted, on the Democratic side, to block Gore.

On the Republican side, you have an overwhelming turnout of independent voters to destroy George Bush’s candidacy. And people in New Hampshire were more terrified of the prospect of a George W. Dumb Bush, than they were of a Gore. They’d rather be covered with Gore than ruled by Bush; that was sort of the sentiment among the independents.

Now, what that shows, is a national phenomenon which those of you in Delaware know something about: that the lower 80% of the American public, which was technically eligible to file to vote, and do vote, is increasingly unrepresented by both political party machines, and by elected officials, especially at the highest levels.

Most people in the lower 80% of the family-income brackets, have been cut off from any really effective representation. In the lower brackets, you are permitted to choose among the propositions presented to you by a controlled, or a Wall Street-controlled, or a London-controlled mass media. You’re not allowed to introduce your own agenda!

Then the politicians come out before the news media, they answer “Aye,” “Yes,” or “No,” or “Maybe,” on the questions posed by the news media, and it’s over.

For example, in this situation, we are now faced with the greatest financial crisis in modern history, certainly in the past hundred years. We don’t know exactly when the bust is going to come. It could come tomorrow morning or Monday morning, or Tuesday. We don’t know. But it’s coming on, and it will hit. *And in its present form, it can’t be stopped. This system is going down.*

So you have people talking about a big, fat tax bonanza for the coming years. They’re talking about how to cut up this great bonanza, and to cut taxes for the rich, not for the poor, but for the rich, on the basis of this tax bonanza. It’s never going to happen!

They say that the country is more prosperous than ever before, but they say we can no longer afford the health care we used to afford, we can no longer provide the Social Security we used to pay, we can no longer provide the education we used to guarantee, we can’t maintain our public streets and so forth, and our schools and neighborhoods. A few things, which are mostly tar paper shacks with Hollywood

pretensions of grandeur, are tacked on. Houses that you wouldn't buy 20 years ago, are being sold for \$300-500,000, \$600,000 mortgages today, because we don't employ people who know how to build houses. We employ labor that's very cheap and unskilled. It's cheaper. And the suckers will buy the houses, because that's what they've got.

So, we're in a mess. But the lower 80% of the population, in terms of family-income brackets, know this. They just feel the situation is hopeless, and they have to learn to find alternatives within what the boys on top will offer as alternatives. They are not in there saying, "This is wrong, the policy has to change." They're saying, "Please give us some relief from the horrible things you're doing to us. And maybe if we support this bozo, maybe this bozo will give us better treatment than the other bozo will, or maybe we have an in with a friend of this bozo, who will do us a little favor." That's what we've got.

But what happened in New Hampshire, shows that that is not the way things are necessarily going to go. When the 80% of the lower income brackets of the families of America, begin to turn out and vote against intrinsically corrupt political machines that run the Democratic and Republican Party from the top, when that happens, you say there's a sign of something rumbling underneath; when the voters have a chance to express their view.

Now, there has to be some optimism, otherwise they won't do it. Despite what they tried to do to me in New Hampshire and my candidacy, we *did* break through. I was totally blacked out. You mention to the news media that I exist, and they'll walk the other way, walk to the other side of town, and pretend that that day didn't exist when this happened. That's the kind of treatment I was getting.

But nonetheless, we were busy campaigning. People were laughing about my ads on radio up there, comparing this collection of clowns to a bunch of bozos, saying, "What—is the American public so dumb they'll vote for these bozos, instead of getting a real candidate!?"

And most people agree with that. Most ordinary people agree. These are bozos! Everybody knows George Bush is the dumbest man in America of any notability, that Gore lies. They all know it. They all know what these guys are. But they sit and they say, "What can we do about it?"

So, once the American people, in a time of crisis, get a



Lyndon LaRouche talks with supporters while campaigning in New Hampshire on Jan. 13.

smell that maybe there's a little opening to express the truth—as I've said many times, as you know, most Americans lie. It's considered polite lying. Company comes, the hosts lie to the company, the company lies to the host, and they both go away smiling, both knowing they lied, but both very happy to have had the evening together, eh? That's typical Americans: *They go along to get along.*

And they lie about everything, because it's expected of them. That's how you get along, by lying. But somewhere within you, you smell the truth. And you may smell at least what is not true, even if you don't know what the truth is. And that's what happened in New Hampshire.

Rumblings in the financial markets

Now, in the meantime, we had some rumbling. We haven't gotten to the bottom of it now, but we know it's big. In the derivatives market and in the bond market, there's a big rumbling going on internationally. And it's centered on the question of U.S. Treasury bonds.

The big money is running out of the speculative things they were going into, like derivatives; and they're running in to buy 30-year U.S. Treasury bonds and similar so-called quality paper. They're running out of the junk, out of the junk bonds, out of the junk stocks, out of the mutual funds, out of the other gambling, financial gambling, like the Internet stock bubble. They're getting scared, at least at the top layers. And something is going on. A big Tiger Fund, some other fund, some other big fund, is about to go under, or something like that.

Now, this does not mean that that's the beginning and end of the problem. In fact, the whole world is collapsing.

Let's just take a quick inventory. I've gone through this before, but it's a good idea to go through it again.

What's happening in the Americas? As you know, Ecuador is disintegrating. As you should know, Venezuela is disintegrating. Colombia is disintegrating. Brazil is ready to explode. Argentina is disintegrating.

All of southern Africa, with a few pockets of exception, is disintegrating in one of the worst genocides in modern times. In Asia, Indonesia, one of the largest nations of the world, is disintegrating under IMF policies.

Then look at the pattern since 1998, the summer. When the crisis broke out, the financial crisis, or the Russian bond crisis, and the Long Term Capital Management crisis, and the Al Gore crisis—because Al Gore was up to his neck; he was *owned*, lock, stock, and barrel, by Long Term Capital Management—that when this crisis broke out, wars began to break out.

The first war that broke out, was that Al Gore and his friends, while the President was tied up with this crazy Starr Chamber proceeding in the summer of 1998, Al Gore and his friends inside the administration, launched a bombing of a pharmaceutical plant in Sudan, for which there was no justified reason. This was a crime. It was done by Al Gore and his like-thinking people in the administration, behind the back of the President of the United States, Bill Clinton.

Then, in September, you had a major crisis, when the truth about the Wall Street crisis and the bailout of Long Term Capital Management, occurred. Then, although President Clinton had said, in September, in an address to the New York crowd, that he was thinking about revamping the international financial system, they came down on him hard. In October, he capitulated to that crowd.

Then Al Gore and others began to push for a renewed bombing of Iraq, for no good reason. The President resisted in November. But, under the pressure of the impeachment, Al Gore and his friends got it through in December.

In the meantime, Al Gore had gone to Kuala Lumpur, Malaysia and insulted the Prime Minister of Malaysia, in a way which in Mexico would get you shot. He stormed in, delivered a lying, filthy speech, and stormed out, with Madeleine Albright behind him, both ways.

Then Al Gore and his friends got the bombing of Iraq started. Then, the impeachment goes on. In the middle of the impeachment process, while the President is tied up, the same crowd begins to push for a war in the Balkans, under British pressure. And Al Gore and his girlfriend, Madeleine Albright, are pushing with the British for it. So we got an unnecessary, avoidable war in the Balkans. As a result of that war, the situation in the Balkans is far worse than it was before the war. The conditions of people in that area are far worse. It was a mistake.

Now, following that war, there's a spread of war from the Balkans into Central Asia, and into the North Caucasus

region. That is, a group of terrorists, controlled from London, tied to the Iran-Contra operation of George Bush and Company back in the 1980s, these terrorists, who used to be on George Bush's Iran-Contra payroll, were deployed into Central Asia and into North Caucasus as terrorists from Chechnya, to invade neighboring Dagestan.

All right, this set forth an operation of war, which I've referred to in earlier, publicized televised reports. At the same time, the same crew, based out of Pakistan and so forth, the same Iran-Contra mob, directed from London, deployed terrorists into Kashmir against India and got a near-war started between India and Pakistan. Following that, you had the overthrow of the government in Pakistan, and then you have, now, an escalation of an attempt to get a war started between India and Pakistan, the same kind of process.

If you look around the world, you see, with these kinds of problems, you have on the one side, economic and financial crises. On the other side, you have the spread of war. In between, you have the rumblings that the whole financial system may come down, and you have a President who is scared to death and capitulating to the pressures of the people who nearly threw him out of office, and still want to put him and his wife and child, if possible, in prison as soon as possible, maybe kill them. That's the kind of problem we have.

The real issues are being ignored

In this mess, where the whole system's about to come down, then what do they get? You get the New York crowd steps in, and gives you George W. Bush, the dumbest man of notability in America, a mass killer. The whole Bush League—you've got the father, who's crazy, and the sons, who are a pair of thugs. And both dumb, one dumber than the other.

So they took the dumbest one, George Bush, and they decided to make him President. Who wants to make George Bush President of the United States, in the face of the worst crisis the United States has had since the 1930s and World War II? Who would do a thing like that?

Who wants to take the crookedest man in the Democratic Party, Al Gore, and make him President of the United States under these kinds of circumstances; a man who wants to start war, who lashes out, who is emotionally unstable, dangerously, emotionally unstable? Who wants to do that?

Well, the New York crowd wants to do that. The machinery at the top of the party wants to do that. People who should know better in the Democratic Party, go along to get along, the way the pressure goes. For example, about 1,700 people were deployed, under the direction of the National Committee of the Democratic National Committee, into New Hampshire, to try to organize a fixed vote among what they thought were going to be 50,000 eligible New Hampshire voters. Seventeen hundred people, including Federal officials, sent, under DNC direction, sent in to try to rig the results of the election among

50,000 voters in the state of New Hampshire. And they got a little surprise, because 90,000 turned out.

Who would do that to us? Who would say, “The American people are no longer to be trusted with examining the political figures put before them for the highest office in the nation”? Who is it that, when we have the worst military, financial, economic crisis in recent history in the past 30 years, would want to put these kind of bozos into power by rigged ballots? Who says that under these circumstances, the American people have no right to discuss the real issues that may determine the fate of themselves, their children, and grandchildren?

Who says that health-care is a problem, simply because of this or that, when we know *the whole system* has been destroyed from the top, by people that nobody is challenging? They’re talking about who’s going to give it a little money for this, give them a little money for that. But the basic thing that was done, is not challenged.

Who is actually talking about what has to be done in education, to provide our young people an *actual* education, as opposed to who’s going to give somebody a voucher to pay some shark to give them a bum education, because parents are terrified of sending their children to a school where they may get killed? So, they’d rather send them to a place where they get no education and where they think they’re safe—many parents.

These issues are not addressed. They talk about guns in the street; that’s not the problem. It wasn’t guns in the street that caused the problem at the Columbine School in Colorado. It was the programs going on in the school itself, programs being pushed on the Internet, like Nintendo-type games programs, *which train people to learn to kill by instinct, with no compunction.*

The children who were involved in this, were subjected to precisely that kind of training, partly in the school and partly as after-school entertainment and training. And they went in, not because of the guns. They went in because they were determined to kill. A gun never, of its own volition, killed anyone. Somebody had to use it. Guns are dangerous, only when the wrong person is using it with the wrong motivation.

Who is turning the children in our schools into killers with Nintendo-type games on the Internet or other means? Why don’t we address these problems? Parents know this is going on, parents are frightened and terrified by the fact that they know this is going on. They’re frightened about what’s going to happen to their schools. They’re frightened about what’s happening to their children.

And people are talking: “Should we give vouchers?” Sure, the citizen wants a voucher, to send their child perhaps to a school where there won’t be a shooting. But it will go there, too. And the real issue about educating our population is not addressed.

The American people have to take charge

So, what do we require? What we require, is, the American people are going to have to take charge of their own country, or we’re not going to make it. Because, despite all our weaknesses—and our strength as a nation is greatly exaggerated—we have the ability to bomb a lot of people, but we really don’t have war-winning quality of military strength any more. So, talking about the United States going to war, is going into a bloody charade, not winning a victory over anything. We don’t have it. We still have the power of a nation, however. We are a key nation. We have a history. That history is respected, although often our present government is not. But our history is respected around the world, as I can tell you, as I deal with these things in many countries.

But people around the world, wish us to return to the legacy of our history, our struggle for freedom: the legacy of Lincoln, the legacy of Roosevelt, which is what the best people in the world think of the United States as its legacy. They wish we would go back to that, and would use our power as a nation, to help create the situation, in cooperation with other nations, to solve some of the problems of the world at large. That’s what they wish.

It’s what people in Mexico or other parts of Central America or South America wish. What do they want from the United States? They want the same thing that the image of Benjamin Franklin evokes to them, the same image of Lincoln; the image of Franklin Roosevelt, with his Good Neighbor Policy. The image of Jack Kennedy as President with his policy toward the Americas. They want that kind of cooperation.

What do people ask of me in Africa, from southern African countries? They want the same thing. What do people in Europe want from us? The same thing. What do people in Asia want from us? The same thing.

If we become that again, we have great influence and great power in bringing nations together in forms of cooperation which are necessary for the benefit of us all. That’s our power. That’s what the Presidency really represents.

Now, we, the American people, have to take that power back. We have a precedent for doing that in this past century, when Franklin Roosevelt, coming out of a situation in the 1920s where the top income brackets were just as crazy, or almost as crazy as they are today, in which most of the people of the United States, as I’m old enough to recall, were poor, were suffering, were neglected, were what Roosevelt called in his 1932 campaign for the Presidency, “the Forgotten Man.”

Well today, we don’t say “forgotten man,” we say “forgotten man and woman.” *The people in the lower 80% of the family-income brackets in the United States, are the forgotten men and women of the United States today, as they were in the time that Roosevelt ran for election in 1932.*

And they don’t count. You hear it from the politicians,

you hear it from Al Gore. Al Gore says, “We go to the middle in politics.” What does he mean by “the middle”? “The middle” for Al Gore is the upper 20% of the income brackets. Not the top 2%, but the 18% below the top 2%, the people who rely upon Wall Street financial windfalls for the credit in which to go so deeply into debt as they do.

They say they want to keep things the way they are. They don’t want to change. They don’t want people in the lower 80% of the population, threatening their way of life, their “shareholder value” way of life.

And we see in health care, we see in education, we see in Social Security, we see in tax policy, *the effort is to cut, cut, cut the welfare of the lower 80% of the family-income bracket*, the forgotten men and women of America. Let them suffer to protect the way of life which the upper 20% believes they have.

It’s the same problem. More vicious today than it was when I was a young fellow, but it’s the same problem. And it’s the same solution.

Revive Roosevelt’s policy

Today, what we have to have, is a revival of Roosevelt’s essential policy. Now, there are many things that Franklin Roosevelt did, I wouldn’t agree with. But that’s all right. The point is, he had a central policy. The policy was, that the foundation of the principle of law on which the United States was founded and must continue to exist, is the principle of the General Welfare. This was a new principle of law, first introduced into European civilization in the 15th century, the latter part, with Louis XI of France and Henry VII of England after him.

This is the policy that government has no legitimate authority, except its duty to its responsibility to protect and promote the General Welfare of all present living persons, and posterity; to develop the land area, to develop the population, to protect the process of development, for all of the people.

That’s the moral authority and responsibility of government. That is what’s enshrined in the Preamble of our Constitution as promotion of the General Welfare.

So, President Roosevelt came to power, fighting for the General Welfare, using the intrinsic authority of the government under our Constitution, to defend the General Welfare against Wall Street and people like that. And also the Supreme Court of the time, which was almost as bad as it is today.

And that was what Roosevelt’s fight was. And about all the things he did, whether they were good or bad, in particular, the essential goodness of Roosevelt, is that he was committed to the Constitutional principle upon which the United States was founded, which we represent in the world, more than any other nation historically: a commitment to defend all of the people equally, and their posterity.

We must go back to that. Now, what is the foundation of that? The foundation of that is the citizen who is willing

to rise above greed and special advantage, and say, “What we want” is the same thing that Martin Luther King did in leading the civil right movement. He didn’t say “We want this for black people, that for black people.” He said, “No, you must have justice for the African-American. But the way you get that justice, is by fighting for the same rights for *all* people. *We must make these rights efficiently universal rights.*”

And we must fight for the General Welfare in that way. That’s what it is today.

The problem lies inside ourselves

What we have to do, is to get you people, and people like you, who represent, predominantly, by sheer numbers, the lower 80% of family-income brackets. You have to cooperate with your neighbor, who may be African-American, Hispanic-American, Asian-American, labor organizer, or simply a retired citizen, which is almost an oppressed race these days in the United States. You have to turn to that neighbor and say, “Let us join together to fight for the General Welfare.” And if we defend the General Welfare, and have a government that defends the General Welfare, then we can turn to that government, and present to them our case for our particular issue in the General Welfare. And if we have that kind of government, that plea will be heard and be honored.

If we mobilize the majority of the American people behind the idea of coming together around the principle on which the nation was founded, the principle of the General Welfare, we have the power, despite the mass media, despite all other kinds of forces, *to take this government back again*, as Roosevelt led in taking the government back some years ago.

So the problem lies in ourselves. As I said the other day in a webcast with some people predominantly in Delaware, that when I look at the American people, I see them in front of their television sets, instead of in the streets or instead of in politics. I see them sitting there, in their misery, in front of television sets. And what do I see?

My mind goes back to the time of the Roman Emperors, and just before, in the first century B.C., and then under the Emperors later, up through Diocletian. And what I see, is the Roman proletariat, that is, the lower classes of these subjects of the Roman Empire, especially in the city of Rome, marching regularly to get their bread, their dole, their pass-out, their welfare, and marching into the Colosseum, into the grandstands in the Colosseum, where they, many of them Christians, would watch the lions eating Christians, for entertainment.

Now, if you look at what you’re seeing nightly on the television set, whether it’s called “movies” or whether it’s called the “nightly news,” whatever it is, what you’re seeing is an American citizen, usually in the lower 80% of family-income brackets, frightened and bored, trying to escape from reality, from the reality of horrible circumstances around them, to try to dull their minds with games: watching sports

games, like World Class Wrestling. That's a real uplifting moral exercise, eh?

One thing that happened in Minnesota: They got one guy out of the business and made him governor. Took him off the screen.

But in any case, it's this violence. It's sex and violence, blood and violence. What is it? How different is television today, from the average Americans sitting in front of the television set, how different from that of a proletarian, a Christian, sitting in the grandstand, and watching the lions eat Christians for entertainment in ancient Rome?

The problem is that you, who represent or typify the lower 80% of the family-income brackets, have withdrawn from the idea of yourself as a citizen, who has inherently the right and power to shape government, by organizing yourselves as the majority to march into the polls and select government, and to select the issues on which this government will be selected.

You instead, are allowing yourself to be entertained, to sit in front of a television set, to watch election campaigns, *exactly as the Romans watched Christians being eaten by lions*. To watch the nightly news that way, to watch the nightly campaign news that way, to watch entertainment that way, to watch the talk shows that way.

You're not there. You're a spectator sitting in the grandstands, until you walk out of the grandstands, and they get you in the streets, and you say, "We made a mistake in the election."

So the problem here is, we have to put you back in the arena, where you belong, where you outnumber the enemy, outnumber the opposition. You've got to organize yourself, take over.

Leadership in the impending crisis

Now, all I can do as a candidate, is I can provide the catalysis, the lessons, the ideas, the conceptions, and the leadership, to help you do what you can not do without such leadership: Pull yourselves together around ideas that work. Force the discussion of ideas that work.

And on the basis of *you*, not on the basis of the polls, not on the basis of what the news media tell you, not on the basis of what the political machines tell you, on the basis of you yourself having the good sense and guts to meet with your neighbor, who may represent a slightly different constituency than you associate yourself with, to unite in a common cause for the General Welfare of all, and to tackle our problems in that way.

Now, what do we have to do, specifically? We don't know the date, as I said, we don't know exactly how or when. There are too many political ifs, ands, or buts as to how the crisis will occur. That the crisis will occur, is certain. *It is already occurring*. It's occurring around the world, the news media just doesn't tell you.

You have the President of the United States saying, "We've got a bonanza, a multitrillion-dollar bonanza, and we

have to carve this bonanza up to give it back to the taxpayers, give it back to the taxpayer." *There is no bonanza to give back! It doesn't exist, it never will. It's a lie, it's a big lie*. It's the lie that was spread at Davos, at a conference where the President spoke this past week. It's a lie. It's not true. But the President's afraid to tell anything but lies. He gets in trouble if he doesn't.

Because he has no support from you. You saw that the time when the President was in trouble, my wife and I and others, did things internationally, as well as in the United States, to try to mobilize the American people, especially the

What we have to do, is to get you people, and people like you, who represent, predominantly, by sheer numbers, the lower 80% of family-income brackets. You have to cooperate with your neighbor, who may be African-American, Hispanic-American, Asian-American, labor organizer, or simply a retired citizen, which is almost an oppressed race these days in the United States. You have to turn to that neighbor and say, "Let us join together to fight for the General Welfare."

Democratic Party, to stop the impeachment process against the President. It worked. We stopped it.

But you see, that without that kind of role, from us and people like us, *the President has no base of support*. He has no real base of support in the Democratic National Committee, in the political machines that run the Democratic Party top-down. There's liars and racists and whatnot that run the party from the top-down. He has no support from those quarters.

He's terrified, that without their support, without their backing, he doesn't know what's going to happen to him, his wife, and child, after he leaves office. What if Bush were to become President? Well, don't you think that Hillary and Bill would end up in prison, maybe killed? Don't you know that's true?

What support does the President have from the people? Only occasionally, when some of us mobilize it. And they try to get us out of the picture, because without our intervention, I tell you, without our intervention in August through September of 1998, *the President would have been impeached*. The little we did, in getting many Democrats to mobilize and oth-

ers to mobilize against that frame-up, saved the President from impeachment. And without that, it wouldn't have happened.

If you don't have that factor in politics of leadership, the President can't function. A President can not function up in thin air, disembodied. The President must have a base of support in the American people, not in the so-called middle, not in the so-called suburban vote, but among ordinary American people. And he foolishly has cut himself off from that, under influence of Al Gore.

Okay, what are we going to have to do? Assuming the President doesn't make the mistake that Clinton has made in recent times, since 1996, when he went along with this welfare reform with Gingrich, as demanded by Gore; assuming that mistake is not made; assuming I'm President, what do we do?

We're in a crisis. Well, what does Clinton do if he knows that I've got a chance of winning, and he doesn't have to worry about being framed up when he goes out of office? What do we do?

We respond to the crisis, when the American people wake up to the fact that it's here. And instead of saying, "Let's hope it never comes" (which is what most people are telling themselves now), when they reach the effect of the Pearl Harbor effect, the day the "bombs" drop on Wall Street, they say, "It's happened. You can't pretend it didn't happen."

And they turn to Washington, and they say, "Save us! Save us!" And they turn to their government, and quite rightly say, "Save us!" What does government do, as Roosevelt did when he announced the bombing of Pearl Harbor on the 7th and 8th of December 1941; what he did when he first became President: "There's nothing to fear but fear itself."

Government leadership must take responsibility for assuring the American people that something will be done, that it can be done, and that there are understandable solutions to be applied. And there are.

Once the American people, the 80% especially, are assured that they have a President who will use the powers of the United States government, with their support, to save them from what they fear, the American people will know exactly what to do, as they did in World War II, or any other great crisis of our nation. That kind of leadership.

Now, that's the first rule. Under those conditions, there's nothing about this financial crisis we can't solve.

A New Bretton Woods System

Go back to 1944. Look at the conditions in 1944, as a group of people under Franklin Roosevelt's sponsorship, were meeting in Bretton Woods, a hotel under the shadow of Mount Washington, to form what became the first postwar international monetary system.

At that time, it was obvious by 1944, that the world's economic situation was a shambles. It was a hopeless situation. And Roosevelt acted, together with other governments, to design the principles of a postwar monetary system, which,

with all its faults, worked. It is the system which enabled Europe to recover, it enabled the United States, through Marshall Plan aid, to export to Europe, which is how the U.S. economy recovered in the postwar period; and it enabled Europe to recover, and spread some good in other parts of the world, though not enough.

It worked through 1958-1959, it continued to work as long as Kennedy was President. And then, shortly after Kennedy's death, it began to fall apart. In 1971, it came to an end. . . . And then, with Carter, the whole thing went down the tube, with his deindustrialization; all the Carter reforms, which were Trilateral Commission reforms.

And then the Trilateral Commission policies were continued, under the Reagan administration. And they were continued, in a more exaggerated form, under Trilateral Commission former member George Bush. And they've been continued, under inertia, under President Clinton.

The world situation is becoming progressively worse and worse. That's what our problem is. This system, especially the post-1971 international financial and monetary system, *is finished. It's going to break down, it's doomed. Nothing can save it.*

What do we do? The President of the United States goes back to 1944, turns to you, the American people, and says, "We used to have a system that worked. It had many faults. Many mistakes were included. But it worked. Since 1971, we have evolved a new financial system, which does *not* work. Now you see the disaster you have as a result. My proposed action, emergency action today, *is to go back to the system that worked as a starting point*, and to cancel the system that didn't."

That's what we mean by a New Bretton Woods System. Now, if the President of the United States, in the time of a world crisis—I can tell you, if I were President of the United States today, this would work. I can assure you. Because people around the world know me, people of relevance. In France, Germany, Italy, Russia, China, India, other countries where I'm well-known, or Mexico or South American countries where I'm well-known—do you think, that if I stood up as President of the United States, and said, "I want to do this, I want you to join me in doing what we did in 1944 at Bretton Woods, only correcting a few of the mistakes that were made at the same time," do you think they wouldn't come running? You think we wouldn't get a deal, we wouldn't get an agreement?

We'd get an instant agreement, and it would succeed. And it would succeed if you, the American people, were inspired to believe it was going to succeed. Because with hard work and difficulties, we can accomplish the kinds of miracles we accomplished in the 1930s and coming out of the Depression; we can accomplish the kind of economic miracles, which enabled us to win World War II, and rebuild the postwar economy. We can do it again. And we have the friends, who are willing to cooperate with us, who desire

to cooperate with us, in other countries, who would help us to make it work.

And all the people in most parts of the world want, is simply a better world. And we have the means of doing so. We don't have to invent some totally newfangled idea which nobody's tested to do that. We simply have to recognize, one thing worked, another didn't. So let's learn our lesson, go back to what did work, and start from there, to make the improvements and changes that have to be made.

But scrap this thing. It was a big mistake. When a firm goes bankrupt, what do you do? You put it into bankruptcy. What do the bankruptcy judges and others do, if they're not corrupt? (And unfortunately, many are; but that's another story.) What do you do? You say, "What part of the firm is viable? What part of the firm or the bank is necessary for the community? We're going to save the part of the bank or other business which is necessary for the community. We're going to keep it functioning. We're going to keep the depositors alive, if it's a bank. And on that basis, then we're going to proceed to rebuild the viable part of the operation, get it back on its feet, make it grow again, and we're simply going to write off, in bankruptcy, the part that can not be salvaged."

And you'd do the same thing with economic policies. We have a bankrupt system, you have over \$300 trillion of worthless assets sitting on top of the whole system, short-term assets, like derivatives. It has to be just plain written off! We have to write off—imagine!—we have to write off, by governments, *write off \$300 trillion and more* of short-term and related purely speculative financial paper, and get that off the back, sucking the back off the system. We have to get that off.

And we have to get back to bone, reorganize debts that should be paid, like government debt. Make sure they're paid in the future, secure the family savings of families, keep local businesses going, make them grow, build up some infrastructure, get people out of worthless jobs into jobs that actually create some wealth, do these things we've learned how to do before. And let things grow again.

There's no paradise involved here. It's just the chance to get off a road that leads into the swamp, the sewer, and get back into a way which means something.

'We come like an angel'

There's one final thing about this: motivation. What makes people small, is an obsession with personal physical pleasure, or other kinds of pleasure as such. Entertainment pleasure.

Because, as we know, we're all born, and we're all eventually going to die. So, if we're smart, we sit down at times, as most parents and grandparents do, when they think about their grandchildren and what comes after that. And we say, "What does our mortal life mean? What is there in this business between being born and dying, that means something of im-

portance about us? What is *worth dying for*?" What is so important to your life, that you'll die for it? The question that many a soldier has had to face. Not whether the corporal would shoot him, but there were other reasons involved.

Because we as individuals, through the fact that we contribute something from the past by adopting the best ideas from the past, using those and passing them on to the future, and adding something useful to what was given to us to pass on to the future, that we've become a necessary person in the connection between past and future.

And therefore, we come like an angel. We're born, we accomplish something, and we pass on. But what we bring with us, in that kind of life, endures forever.

Now, to be a citizen, is to think like that. To be a *happy* citizen, especially, is to think like that, is to accept the circumstances of mortality, but to use that mortality in such a way that you can die with a smile on your face, knowing that you came like an angel, you did what was necessary, what you were there to do, and you moved on. And the world and humanity are better for your having lived. And therefore, you have a permanent importance in all eternity. That's what a true citizen thinks.

So, you come to a time like this, a time of great and dangerous crisis. Think of the mass death in Africa that's going on now. Just the AIDS alone is enough to horrify you. Think of what's happening in Venezuela, Colombia, other countries of South America. Think what's happening in various parts of Asia.

Think of these conditions, and say, "Do we have something to do?" Of course we have something to do. Don't be pessimistic. We are angels. We are come to do some good for humanity. And let us *be happy* with the fact that we're here to do it. And as long as we're doing what we can do with our individual lives, we have nothing of which to be ashamed. We have nothing to fear, in terms of our sense of personal identity. And we have no reason to fear that we shouldn't be respected by people around us.

We should have a sense of equality: *All angels are equal*. Forget the color of skin, forget all this nonsense that is used to try to divide one from the other—forget it! We all should be angels, in that sense. And if we can approach this crisis before us with the sense, we are going to stop being fools, we're not going to sit in front of television sets and degrade ourselves, acting like proletarians, sitting in this grandstand in the arena, watching lions eat Christians.

We are at this point, at this point, we are going to take this terrible world, we are going to get out of these chairs, we're going to get out from behind that television set in its present form, and we're going to do something to make this world better, because we have only a few years—decades, perhaps, but only a few years, left before us. And we're going to do something with that life of ours, that means something.

And now, instead of trying to find pleasure from cheap entertainment, we'll take joy from being alive. Thank you.

Tenet grilled on Deutch's handling of classified data

On Feb. 2, CIA Director George Tenet appeared before the Senate Intelligence Committee to give his annual assessment of national security threats to the United States, and wound up spending most of his time answering questions about former CIA Director John Deutch's handling of classified information on his home computer. A report in the Feb. 1 *New York Times* claimed that Deutch, during his time as director, kept classified data on a home computer that he also used for Internet access. The *Times* alleged that Deutch had impeded the CIA's internal investigation, and that, as a result, the CIA did not make any criminal referral to the Department of Justice.

Tenet told the committee that the CIA Inspector General "did not conclude that anyone intentionally impeded the security investigation," and that once the IG's report was available to him, he did not hesitate to suspend Deutch's security clearances.

Committee Chairman Richard Shelby (R-Ala.) compared the affair to the Ames and Pollard spy cases, because Tenet could not guarantee that the material on Deutch's computer had not been compromised. While Tenet drew a distinction between an espionage case and a case where someone is simply bringing his work home, Shelby forced him to admit that the material involved was "enormously sensitive . . . at the highest levels of classification."

Committee vice-chairman Richard Bryan (D-Nev.) shifted the focus of questioning to whether the IG's investigation had been impeded. However, there was no comparison made, at least not in the open hearing, of the treatment of Deutch, to that of Wen Ho Lee, the Taiwanese-born scientist accused of essentially the same of-

fense while he was working at a U.S. weapons lab, but who is now threatened with life imprisonment.

Bankruptcy reform bill passed by Senate

On Feb. 3, the Senate passed the bankruptcy reform bill by a vote of 83-14. The debate featured a bit of political theater, when Vice President Al Gore flew in from the campaign trail to preside over the Senate in the event he was needed to cast a tie-breaking vote on an amendment to make debts incurred as a result of acts of violence against abortion clinics nondischargeable in bankruptcy proceedings. Republicans were so incensed at Gore's appearance that almost all of them voted for the amendment, resulting in its passage by a vote of 80-17, denying Gore his moment in the sun.

Otherwise, Paul Wellstone (D-Minn.) continued his rear-guard action against the bill. The day before the final vote, he reiterated that the bill "rewards predatory and reckless lending by banks and credit card companies which fed the crisis in the first place, and it does nothing to actually prevent bankruptcy by closing economic security to working families." He argued that if the bill were real reform, it would address the "root causes" of bankruptcy. He said that real reform would address the increasing concentration of financial institutions, strive to make working families more financially secure, and would "confront the economic balkanization in this country, the increasing schism between the wealthy and the rest of America."

Charles Grassley (R-Iowa), one of the chief sponsors of the bill, repeated the formula that, since the economy has supposedly been booming since 1980, the only possible explanation

for the dramatic increase in personal bankruptcy filings is abuse of the system. "We have a bankruptcy bar," he said, "that has, quite frankly, encouraged bankruptcies. . . . We also have a situation where somehow, financial responsibility is not considered a personal responsibility, anymore." He claimed that the bill maintains the principle of a "fresh start" for those who legitimately need it, contrary to Wellstone's criticisms.

Little response to health-care crisis

A panel discussion led by Rep. Jim Nussle (R-Iowa) on Feb. 7 on the legislative agenda for health care, at the conference of the National Rural Healthcare Association, provided little response to the crisis in health care, especially in rural areas. Nussle praised the Balanced Budget Refinement Act of 1999 for correcting some of the problems caused by the Balanced Budget Act of 1997, but admitted that it was "a small bandaid on a big problem that will explode without comprehensive reform."

Nussle said that the President's proposal for prescription drug coverage for Medicare beneficiaries would "take away the opportunity to fix the reimbursement problem." He said, "If you have prescription drug benefits, but your hospital closes, you don't have health care." Referring in particular to the rural health care situation, he said, "we're going to fight for the people who depend on these services."

In 1995, Nussle was a big booster of GOP plans to cut \$270 billion from Medicare, a plan that was likened, by some critics, to the Vietnam War strategy of destroying a village in order to save it. He apparently has felt a lot of

heat since then, and has made access to care, especially for rural areas, his leading topic of discussion.

Clinton budget 'dead on arrival,' says GOP

On Feb. 7, President Clinton released the final budget of his Presidency, a \$1.84 trillion plan for fiscal year 2001 that includes spending boosts for a variety of programs, as well as targeted tax cuts. It formalizes the President's plan to pay off the Federal debt by 2013, and would extend the solvency of Social Security and Medicare.

The budget plan assumes GDP growth of 3.3% in 2000, 2.7% in 2001, and an average of 2.8% a year for the next 11 years, projections only slightly lower than those of the Congressional Budget Office. It also assumes a \$746 billion on-budget surplus over the next ten years, significantly smaller than the \$2 trillion forecast of the CBO.

The tax cuts proposed in the plan include a new deduction for higher education costs, a \$3,000 credit for long-term care, an expansion of the earned-income tax credit, a new program of retirement security accounts, reform of the alternative minimum tax, and an increase in the standard deduction for married couples. These cuts, which amount to some \$350 billion, are partially offset by \$96 billion in reduced corporate subsidies and tax shelters.

President Clinton called the plan "a balanced budget with a balanced approach to our national priorities," but Republicans were declaring it dead. "I think this document is a fantasy," said House Budget Committee Chairman John Kasich (R-Ohio). "As far as I'm concerned, it is dead on arrival." Senate Budget Committee Chairman Pete Domenici (R-N.M.) accused the President of sending up a budget "in which

he proposes to bring back the era of big government with a vengeance." He claimed that the budget is drawn such that "those who like spending programs and who think every problem they see out there has a government solution . . . it's drawn so that their wishes are attended to."

Greenspan anointed for another four-year term

On Feb. 3, the Senate voted 89-4 to confirm Alan Greenspan to be chairman of the Federal Reserve for another four years. There was little debate; every Senator who spoke effusively praised Greenspan's handling of monetary policy.

Chuck Hagel (R-Neb.) said that Greenspan "truly deserves the nation's gratitude for unprecedented economic expansion." Herb Kohl (D-Wisc.) said that Greenspan "has consistently steered American monetary policy on a prudent and responsible course." Orrin Hatch (R-Utah) said that Greenspan's policies "have shown prescience and his stewardship has been confident and strong."

The four votes against Greenspan were Byron Dorgan (D-N.D.), Tom Harkin (D-Iowa), Harry Reid (D-Nev.), and Paul Wellstone (D-Minn.), all of whom have been consistent critics of Federal Reserve policies.

European Union takes hit in Kosovo hearing

The European Union and the United Nations came in for some heavy criticism for lack of action in Bosnia and Kosovo, during a Feb. 2 hearing of the Senate Armed Services Committee, which featured NATO commander

Gen. Wesley Clark as the witness. In his opening statement, Committee Chairman John Warner (R-Va.) said that "the UN and other organizations are as of today, not living up to their commitments . . . in a timely fashion." The reason U.S. and NATO military forces are still in the Balkans, he said, is because the UN and other groups "charged with the responsibility of rebuilding the civilian structures . . . are simply not doing their job."

Clark pleaded for the filling out of the required 6,000-man UN police force in Kosovo. He said that so far, fewer than 2,000 have been provided, with about 20% of those being U.S. forces; the police must be in place before military forces can be withdrawn. Clark also reported that there is a lack of money to pay Albanians employed by the UN civil administration, in part because \$35 million pledged by the EU for this purpose has yet to be allocated.

Carl Levin (D-Mich.) threatened to use the hearing as a "bully pulpit," to "let our European allies know that we are keenly disappointed by their failure to come through with the police forces that were promised and the monies that were promised and that there's going to be a real problem if they don't come through." Max Cleland (D-Ga.) added that when there are valid interests at stake, he didn't mind putting American troops "in harm's way," but "I do mind being a patsy for the European nations who don't bear their own load and don't carry their own weight. I think that's kind of where we are." He also noted that the United States circumvented the UN to launch the military campaign, but now wants the UN in "on the crash landing. . . . I think that's a lesson, that if we want the international community to bear the load at the end, we have to get them in on the take-off."

National News

White House opposes Taiwan Security bill

The White House is urging the Senate not to pass the Taiwan Security Enhancement Act, and President Clinton plans to veto the bill if it does pass, according to wire service reports. National Security Adviser Sandy Berger said that he believes "we will be able to convince most Senators that we should not upset the delicate balance" by putting through the bill, which he called "a very risky undertaking."

The bill passed the House of Representatives by an overwhelming majority on Feb. 1. It includes establishment of a secure military communications link directly from the Pentagon to the Taiwan military; directs the U.S. military to train more Taiwanese officers; and would require the President to report to Congress annually about Taiwan's defense wish list.

Meanwhile, Liu Xiaoming, the Deputy Chief of Mission at the Chinese Embassy, warned in a speech in Washington that the bill would set back U.S.-China relations more than 20 years and could lead to military confrontation. All the progress which has been made in Sino-U.S. relations since 1972, he said, has been based on the U.S. acceptance of the One China policy. "This legislation tries to negate the One China principle and the three joint communiqués. It attempts to treat Taiwan, not as a political entity, but as a country, and even an ally of the United States," Liu said. "It tries to restore the military-to-military relationship between Taiwan and the United States to the pre-1979 level."

Liu called the legislation "a grave interference into Chinese internal affairs" and "a breach of Chinese sovereignty" by the U.S. Congress. "Only when the U.S. agreed to abrogate diplomatic relations with Taiwan and abolish the defense treaty with Taiwan was it possible for China and the U.S. to establish diplomatic relations," Liu said. "Therefore, this legislation tries to undo everything that has been done since 1979." "It is also bad for the United States," Liu continued. "If this legislation becomes law, it will increase the chances of military con-

frontation between China and the United States."

"Our basic policy is peaceful reunification," Liu said. "This has been reaffirmed by President Jiang and by Premier Qian again last month. On the other hand, we have to make sure that a peaceful settlement can only be possible when the separatist forces are strongly checked."

Robert Reich hits Gore's austerity

Former Labor Secretary Robert Reich assailed Al Gore as a modern version of Calvin Coolidge, in a commentary in the *New York Times* on Feb. 8. Reich has endorsed Bill Bradley for President, and earlier, in his book *Locked in the Cabinet*, nailed Gore as an ally of former White House adviser Dick Morris. Morris's "triangulation" policy pushed through the 1996 Welfare Reform travesty, which cost Democrats control of at least one House of Congress.

"The Democrats are marching under the banner of fiscal austerity," Reich writes in his article. He criticizes President Clinton for following Andrew Jackson by calling for elimination of the national debt: "Let's make America debt-free for the first time since 1835!" the President exulted in his State of the Union Message."

As for Gore, he "says he'll pursue debt reduction even if the economy slows, 'just as a corporation has to cut expenses if revenues fall off,' adding that a recession should be viewed as an opportunity to push cuts further 'before any other options are considered.'... He should wash his mouth out with soap." Reich says, "Even House Democratic Leader Dick Gephardt is sounding a bit like Calvin Coolidge these days."

Reich says that eliminating the debt is not an appropriate goal; rather, the question is, what is the borrowed money used for? Reich explains why "Democrats [are] sounding like Coolidge Republicans": They are catering to those voters who are supposedly attracted by Republican tax-cutting plans.

"If the Democrats stand for anything," Reich concludes, "it should be for helping

the little guy who's gotten relatively little out of this buoyant economy so far. Not incidentally, little guys include most voting-age Americans. Little guys could get passionate about good health care and good schools. But faced with a choice between tax cuts for the big guys or fiscal austerity, the little guys may well decide to stay home."

U.S. female prison population doubles

A Federal study released on Jan. 31 reports that the nation's female inmate population in state and Federal prisons in the 1990s doubled, growing far faster than the male population. The study, commissioned by Washington, D.C.'s Delegate to Congress Eleanor Holmes Norton, also found that the majority of women in prison who are incarcerated for nonviolent crimes, are mothers, and are incarcerated at great distances from their children; and that women in prison are more likely to suffer from HIV infection and mental illness than men are. Norton is preparing legislation to try to ameliorate the situation, including a community-based sentence program and other alternatives to prison.

According to the latest Bureau of Justice Statistics report, for mid-year 1998, women accounted for 6.4% (82,716) of all prisoners nationwide, up from 4.1% in 1980 and 5.7% in 1990.

Loudoun racists are dealt a setback

After a hearing on Feb. 5, the 10th Congressional District Committee of the Virginia Democratic Party voted 10-4 to overturn the Dec. 9 election of the Loudoun County, Virginia, Democratic Committee (LCDC). LaRouche Democrats had challenged the legitimacy of that election, claiming that it was tainted with fraudulent, racist, and intimidating tactics that led to violation of the spirit and letter of the U.S. Constitution, the Virginia Party Plan, the Voting Rights Act, and the Charter of the Democratic Party.

PRESIDENT CLINTON will visit India for five days, beginning on March 20, and Bangladesh beginning on March 25. The question of a visit to Pakistan is still “very much open,” according to *The Asian Age* of Feb. 1. Clinton is said to be keen to visit Islamabad, and has refrained from severe comments about Pakistan’s military regime, whereas White House advisers have reportedly opposed such a visit, the paper said.

NEW YORK CITY Mayor Rudolph Giuliani had a private lunch at City Hall with Henry Kissinger, reported the *New York Post* on Feb. 4. It is said that Giuliani is getting briefed on issues for his GOP Senate campaign against First Lady Hillary Rodham Clinton.

SHORTAGES of injectable or intravenous antibiotics are forcing U.S. doctors to scramble to find substitute regimens, and the drug-supply disruptions could put hospital patients at risk, according to a survey conducted by the Infectious Diseases Society of America.

THE NEW YORK STATE Republican Party came up with a last-minute deal for an “open primary,” which will put John McCain and Alan Keyes on the ballot, as well as George W. Bush—regardless of the number of petition signatures gathered by their campaigns. McCain had contested the party’s stringent ballot access requirements, and Federal Judge Edward Korman was believed to be ready to rule against Bush and the GOP.

THE GOP MEMBERS of the Federal Election Commission are stonewalling an investigation of illegal foreign contributions into the party’s 1994 election effort. The Democratic National Committee went to court to force the FEC to investigate a \$2.1 million donation from Hong Kong businessman Ambrous Young, to the Republican National Committee’s National Policy Forum. FEC commissioners are deadlocked along party lines, at 3-3.

Although the immediate question in the Feb. 5 hearing was the conduct of the LCDC committee election, the overriding issue was the fight around the 1965 Voting Rights Act, and the racism of a clique of the Democratic National Committee in excluding Lyndon LaRouche’s Presidential delegates in 1996—a clique now seeking to throw out the Voting Rights Act entirely. The local LCDC leadership clique, led by former chair Dave Whitmer, had openly embraced Fowler’s position against Loudoun resident LaRouche, which is based upon lies and slanders.

Thus, the Whitmer clique used time-tested segregationist tricks in order to defeat five LaRouche candidates for election to the LCDC, down to and including preventing three non-white voters associated with the LaRouche Democratic slate from casting their ballots.

Now that the 10th District has overturned the election, it is expected that the losers will appeal to the State Steering Committee, as is their right, so a new election has not yet been scheduled.

Hospitals detail impact of health budget cuts

According to a report commissioned by the American Hospital Association (AHA), “At the end of 2004, nearly 60% of the nation’s hospitals will not be able to cover their costs when treating Medicare patients.” This funding shortage is due to the cuts mandated by the Balanced Budget Act of 1997. While some of the cuts have been restored, inflation and other cost increases have compelled hospitals to cut to the bone, and they still cannot meet their costs.

AHA President Dick Dawson is quoted, “There are many hospitals in crisis across America, and that crisis means a crisis for the patients and communities that depend upon our services.”

The association held a rally at the Cannon House Office Building on Capitol Hill, which included Sens. Edward Kennedy (D-Mass.) and Spencer Abraham (R-Mich.), and Reps. Nita Lowey (D-N.Y.) and Jim Nussle (R-Iowa). At a press briefing, AHA

Executive Vice President Rick Pollack said that U.S. hospitals need, over a five-year period, \$25 billion to make up the gap in payments. AHA Senior Vice President Carmela Coyle said they used to be able to make up the budget gap by shifting to the private sector, but now hospitals are in a squeeze, since, with health maintenance organizations (HMOs) cutting costs, there is no “escape valve.”

Administration seeks NASA budget increase

The Fiscal Year 2001 Clinton administration request to Congress for NASA includes a \$435 million increase over the current year, to \$14.035 billion. It is the first increase in NASA’s budget in seven years; throughout the Clinton administration, the space budget has been declining, largely due to Al Gore’s “reinventing government” policy, which saw the agency’s personnel drop by more than 7,000 employees.

Briefing reporters on the budget request on Feb. 7, NASA Administrator Dan Goldin stated that over the next six years, the agency will spend \$2.1 billion for upgrades and improvements in the 20-year-old Space Shuttle system, with the first \$600 million in this budget request. Chronic problems with orbiters, which have delayed the past few Shuttle missions, have been partially due to underinvestment in both the manpower to prepare the launches, and the age and obsolescence of the technology.

Goldin said that 1,850 people will be hired by NASA over the next two years, which will be a net gain of 550 people when retirements are taken into account. He reported that the agency has been closely monitoring the effects of the layoffs at the space centers, and has decided that the level of stress, the effects of heavy workloads, and the fact that a generation of NASA employees is nearing retirement age, required an increase in staffing. The new manpower will be deployed to the Kennedy, Johnson, and Marshall centers, in the manned space program area. He said that the agency will “stabilize” employment at the 1999 level.

LaRouche takes voting rights case to U.S. Supreme Court

The following brief was submitted to the U.S. Supreme Court on Jan. 18 by attorneys for Lyndon H. LaRouche, Jr. et al., plaintiffs in a suit against former Democratic Party National Committee Chairman Donald L. Fowler et al. LaRouche et al. accused Fowler and the DNC of violating their rights, under Section 5 the Voting Rights Act of 1965.*

Statement of the Case

This case arises from Lyndon H. LaRouche, Jr.'s campaign for President in 1996. Appellants, other than LaRouche, are Democratic Party voters of African-American or Hispanic descent who voted for LaRouche, or wished to vote for LaRouche as their preferred candidate for the Democratic Presidential nomination, in jurisdictions which are covered by the Voting Rights Act of 1965. Appellants, other than LaRouche, were also themselves potential candidates for election as delegates to the Democratic National Convention or were qualified to vote for delegates to the Democratic Na-

tional Convention as a result of the 1996 Democratic Party primary or caucus procedures. In January 1996, the then Chairman of the Democratic National Committee, Donald L. Fowler, declared LaRouche not to be "a bona fide Democrat" and instructed state parties in their National Convention delegate elections to "disregard any votes that might be cast for Mr. LaRouche" and "not to recognize the selection of delegates pledged to him at any stage of the delegate selection process."¹ (J.S. App. p. 74a). As a result of Fowler's directive and the accompanying threat that if it was not followed by state parties, their delegations would not be seated at the National Convention:

- The Arizona Democratic Primary, where LaRouche was on the ballot, was successfully cancelled by the Democratic Party and a private Democratic party primary, excluding LaRouche, was held in its stead;
- Virginia Democrats dissolved a Congressional District Caucus which had enough Democratic voters pledged to LaRouche to elect a delegate to the National Convention and instructed the delegates at the Caucus that they would only be allowed to vote and run for delegate if they supported Bill Clinton for President;
- Texas Democrats stripped delegates of their elected party positions because they were pledged to LaRouche and substituted other Democrats as State Convention delegates;
- Louisiana Democrats refused to hold a caucus to

*The full list of plaintiffs is Lyndon H. LaRouche, Jr.; Committee to Reverse the Accelerating Economic and Strategic Crisis—A LaRouche Exploratory Committee; Alex D. Promise; Charles Shaw; Delores Whitaker; Nathaniel Sawyer; Joel Dejean; Eloi Morales; Geneva Jones; Grace Littlejohn; Maria Elena Leyva Milton. The defendants are Donald L. Fowler, as Chairman Democratic National Committee; Democratic National Committee; James L. Brady, as Chairman Louisiana Democratic Party; Louisiana Democratic Party; Louisiana State Democratic Party Central Committee; Sue Wrenn, as Chairman Virginia Democratic Party; Kenneth Geroe, as Chair of the Virginia Second Congressional District Caucus; Virginia Democratic Party; William White, as Chairman Texas Democratic Party; Texas Democratic Party; Texas State Democratic Executive Committee; William Simons, as Chairman, District of Columbia State Committee; District of Columbia Democratic Party; District of Columbia Democratic Committee; Samuel Copper-smith, as Chairman Arizona Democratic Party; Arizona Democratic Party; Arizona State Democratic Committee.

1. To justify his order to disregard and nullify the votes of Democratic party members, Fowler penned a crude and scurrilous diatribe falsely accusing LaRouche of racism, anti-Semitism and fraud. Despite efforts by leading Democrats, including former Congressmen and African-American elected officials to challenge Fowler's actions within the Party, their protests were ignored. (J.S. App. p. 77a.)



Donald Fowler (left), then-Chairman of the Democratic National Committee, instructed state party organizations during the 1996 Presidential primaries that votes for Lyndon H. LaRouche, Jr. (right) should be “disregarded,” and refused to seat delegates pledged to LaRouche at the National Convention.

elect a LaRouche delegate to the National Convention despite the fact that LaRouche received sufficient votes in the Louisiana Presidential Preference Primary to qualify a delegate for the convention and despite the fact that state law mandated that a delegate be chosen.

None of these changes in rules concerning who might be a Presidential candidate or Delegate to the Democratic National Convention, who could vote, and what the effect of votes would be, were precleared with the Attorney General or the United States District Court for the District of Columbia as required by Section 5 of the Voting Rights Act.

In *Morse v. Republican Party of Virginia*, 517 U.S. 186 (1996), this Court held that electoral nominating activities of political parties in covered jurisdictions for public or party office are subject to preclearance under Section 5. The Court applied the legal framework of the White Primary Cases in interpreting the Voting Rights Act, and rejected the claim that this framework did not apply because the nominating procedure in question did not operate in a racially discriminatory fashion:

“[T]he decision whether discrimination has occurred or was intended to occur, as we have explained on many occasions,” is for the Attorney General or the District Court of the District of Columbia to make in the first instance. . . . The critical question for us, as for the District Court below, is whether “the challenged alteration has the potential for discrimination.” *Hampton*

County Election Comm’n, 470 U.S. at 181 (emphasis in original.)

Morse, 517 U.S. 186 at pp. 216-217 (internal citations omitted).

Despite this Court’s clear judgment in *Morse*, the three judge district court below declared itself unable to discern “clear instruction” from the case and found *Morse* “difficult to apply as binding precedent.” (J.S. App. pp. 6a, 7a). The district court held that the Democratic Party was not required to preclear national party electoral nominating rules intended for implementation in covered jurisdictions because the “delegation theory of *Morse* does not extend that far.” (J.S. App. p. 7a). It further held that if Section 5 is construed to require state parties to preclear rules specifying who can run for public or party office, who can be listed on Democratic Party primary ballots, and who can vote for candidates and which votes will be counted, then Section 5 “impermissibly intrudes upon the Party’s constitutional right to associate.” (J.S. App. pp. 7a, 12a). History shows, however, that nothing has more potential to discriminate than the unchecked and unreviewed power of Party officials to define who may vote and who may be candidates for public or party office. The White Primary Cases also show that the absolute right the Democratic Party now claims it has—the right to define itself as an exclusive private club—was used for decades as the primary means to disenfranchise minority voters. The district court’s decision thus revives and legitimizes the Democratic Party’s principal legal claim in the White Primary Cases while effectively tak-

ing the most important nominating activity of all—the nominating process for President of the United States—outside the purview of the Voting Rights Act.

The Voting Rights Act was passed in 1965 by a Congress which was “confronted by an insidious and pervasive evil which had been perpetuated in certain parts of our country through unremitting and ingenious defiance of the Constitution.” *South Carolina v. Katzenbach*, 383 U.S. 301, 309 (1966). Despite the 14th, 15th, and 24th Amendments to the Constitution barring discrimination in voting, and despite court rulings and positive laws enforcing these provisions, various states and the Democratic Party politicians who governed those states, bent on perpetuating the white status quo and subverting the Constitution, created ever new devices by which to deny minorities the right to vote. As soon as court decrees enforcing the Constitution or Civil Rights Acts were obtained, often after years of litigation, “the states affected . . . merely switched to discriminatory devices not covered by the federal decrees or enacted difficult new tests designed to prolong the existing disparity between white and Negro registration.” *Id.* at 311-314. Section 5 is the central and most stringent of the remedies for discrimination in the Act. It prohibits the enactment or enforcement in a covered jurisdiction of changes in voting qualifications or procedures that differ from those in effect on November 1, 1964 or two subsequent dates. In order to obtain preclearance:

the covered jurisdiction must demonstrate that its new procedure “does not have the purpose and *will not have the effect of denying or abridging the right to vote on account of race or color or [membership in a language minority group].*” The fact that such a showing could have been made, but was not, will not excuse the failure to follow the statutory preclearance procedure. “Failure to obtain either judicial or administrative preclearance ‘renders the change unenforceable.’ ”

Morse, 587 U.S. at 595, & F.N. 5 quoting *Clark v. Roemer*, 500 U.S. 646, 652, (1991) (emphasis supplied).

In *Morse*, this Court reiterated its previous broad construction of Section 5:

§5, like the Constitutional provisions it is designed to implement, applies to all entities *having power over any aspect of the electoral process within designated jurisdictions*. . . “§5 is expansive within its sphere of operation and comprehends all changes to rules governing voting.” *Presley v. Etowah County Comm’n*, 502 U.S. 491, 501 (1992).

* * *

We have consistently construed the Act to require preclearance of any change in procedures or practices that may bear on the “effectiveness” of a vote cast. . . . Rules concerning candidacy requirements and qualifi-

cations, we have held, fall into this category because of their potential to “undermine the effectiveness of voters who wish to elect [particular candidates].” *Allen*, 393 U.S., at 570. In its reenactments and extensions of the Act, moreover, Congress has endorsed these broad constructions of §5.

Morse, 517 U.S. at 204-205, emphasis supplied.²

In 1996, LaRouche qualified for the ballot and amassed 597,853 votes in 26 Democratic Party primaries.³ In Louisiana, which is a covered jurisdiction subject to §5’s preclearance requirements, LaRouche received sufficient votes in the Louisiana Presidential Preference Primary to elect a delegate to the Democratic National Convention in the 6th Congressional District. Appellants Charles Shaw and Alex Promise were registered Democratic voters of African-American descent who voted for LaRouche in that District.

The Louisiana Presidential Preference primary statute specifies a two-step procedure for election of delegates to the Democratic National Convention. The state holds a primary election in which Democratic voters express their Presidential preference. La. Rev. Stat. §18:1280.21. After that election, the Democratic Party holds caucuses to select delegates which must be apportioned according to the Presidential primary vote. La. Rev. Stat. §18:1280.27. Rather than award LaRouche the delegate to which he was entitled under Louisiana law, the Louisiana Democratic Party appellees refused, citing the Fowler letter, and thereby nullified the votes of Shaw and Promise. The Louisiana Democrats did not preclear the procedures and rules which nullified the effect of votes cast for LaRouche in the Primary.

Under Virginia state law, political parties nominate candidates for office through primary elections or through convention or caucus procedures at the party’s option. Va. Code §24.2-508. In 1996, the Virginia Democratic Party chose a caucus and convention procedure to select delegates to the Democratic National Convention and to nominate candidates for other offices. District level delegates to the Democratic National Convention were elected as a result of a two-step process: election at the city and county caucuses, followed by election at Congressional District conventions.

LaRouche’s delegate slate in the Second Congressional District was 25% African-American and included other minorities. Delegates pledged to LaRouche, including appellants Delores A. Whitaker and Nathaniel H. Sawyer, partici-

2. Congress extended the provisions of Section 5 for 25 years in 1982, citing the “fragility” of the gains made by minorities to date and the fact that the task of insuring minority voters equal protection under the laws was far from complete. “Without the preclearance of new laws, many of the advances of the past decade could be wiped out overnight by new schemes and devices.” S. Rep. No. 417 reprinted in 1982 U.S. Code Cong. & Admin. News at p.186.

3. This case is before the Court following the district court’s dismissal for failure to state a claim. Accordingly, the facts are taken from appellants’ complaint and various affidavits and statements made by appellees.

pated in the city and county caucus procedures and were elected as delegates to attend the Second Congressional District Convention called to directly elect delegates to the National Convention. At the Second Congressional District Convention, however, their ability to pursue their candidacies and to vote was abruptly terminated. The LaRouche caucus composed 24.58% of those attending, and under the Delegate Selection Rules, the LaRouche delegates were entitled to vote for and elect, from their caucus, one LaRouche delegate to attend the Democratic National Convention. Stating that he had just been handed the Fowler letter directive by the Democratic Party's attorney at the Convention, Second Congressional District Democratic Chair Kenneth Geroy, cited the Fowler letter directive and hastily passed "temporary rules" to disband the LaRouche caucus, declaring it "non-viable." He stated that the delegates pledged to LaRouche could vote and participate in the caucus proceedings if they changed their votes to support Bill Clinton. Timely challenges to this procedure were ignored by both the Virginia Democratic Party and the Rules and Bylaws Committees of the National Democratic Party.

Virginia is a covered jurisdiction and the Virginia Democratic Party appellees precleared their Delegate Selection Plan for the National Convention with the Attorney General. The temporary rules employed at the Second Congressional District Caucus, the Fowler letter directive, and the other procedures used to disenfranchise LaRouche delegates were not precleared.

In Arizona, state law established a Presidential preference primary in which Democratic voters could express their preference for a candidate for President. Arizona Rev. Stat. §16-241. The Arizona statute also required that each delegate to the convention use his or her best efforts to reflect the choices of Democratic voters at the Democratic Party National Convention. Arizona Rev. Stat. §16-243. LaRouche was qualified by Arizona for the state's Presidential primary ballot and Arizona precleared its proposed primary election with the Attorney General. Citing the Fowler letter directive, the Arizona Democratic Party defendants successfully sued in the Superior Court of Maricopa County to cancel the Democratic Primary. A Democratic Party-financed primary, which excluded LaRouche's candidacy, was held instead of the state primary election. Appellant Maria Elena Leyva-Milton is a registered Democratic voter of Hispanic descent who wished to vote for LaRouche. She was disenfranchised by this action. The cancellation of the Arizona Democratic Primary and the substituted Democratic Party run primary elections were not precleared.

Texas held a Presidential preference primary followed by caucus procedures in order to elect delegates to the Texas State Democratic Convention which would, in turn, elect delegates to the Democratic National Convention. Texas Election Code §191.001-191.032. LaRouche received 28,258 votes in the Texas Democratic Party primary. Appel-



The Virginia Democratic State Convention, June 1996. The Virginia Democratic leadership dissolved a Congressional District Caucus which had enough Democratic voters pledged to LaRouche to elect a delegate to the National Convention.

lants Joel Dejean, a Democratic voter of Haitian descent and Eloi Morales, a Democratic voter of Hispanic descent, were both elected as senate district caucus delegates, pledged to LaRouche, from precinct caucuses. Dejean was elected as a delegate from his senate district caucus to attend the State Convention.

Citing the Fowler letter, Texas Democratic Appellees denied Morales and other LaRouche delegates elected from precinct caucuses credentials to attend the 17th Senatorial District Caucus. At the State Convention, the same Fowler letter directive was cited to deny credentials to Dejean and other LaRouche delegates who had been duly elected as State Convention delegates from the 6th Senatorial District. As a result of this action, appellants Morales and Dejean and others similarly situated were stripped of the party office to which they had been elected and other Democrats, who had not been elected, filled their seats. The LaRouche Democrats were denied the opportunity to vote for delegates to the National Convention and their own right to be candidates

for open National Convention delegate slots. The Texas Appellees did not preclear the changes in voting procedures and candidacy criteria.

Louisiana, Virginia, Texas, and Arizona each provide the Democratic Party Presidential nominee with a preferred place on their general election ballots. See La. Rev. Stat. §§18:465, :1254, :1257; Va. Code §§24.2-101, -542, -543, Tex. Elec. Code §§52.091, 192.031; Ariz. Rev. Stat. §§16-243.

The Fowler letter directive cited Article VI of the Call to the Democratic National Convention and Rule IIK of the 1996 Delegate Selection Rules vesting the Chairman of the Democratic Party with the ability to declare that Presidential candidates are not “bona fide” Democrats. Fowler’s orders to state party organizations were directly contrary to other Party rules, most significantly the Party’s 1996 Delegate Selection Rule respecting an “open party” which states:

4. An Open Party.

(1) race, sex, age, color, creed, national origin, religion, ethnic identity, sexual orientation, economic status, philosophical persuasion, or physical disability (hereinafter collectively referred to as “status”).

(2) No test for membership in, nor any oath of loyalty to, the Democratic Party in any state should be required or used which has the effect of requiring prospective or current members of the Democratic Party to acquiesce in, condone or support discrimination based on “status.”

Neither the Fowler letter directive nor the party provisions upon which it relied were precleared, despite the fact that they were promulgated with the clear intent to change voting procedures and candidate qualifications in covered jurisdictions. State parties were threatened that their delegations would not be seated at the National Convention, however, unless the directives were followed. Far from being able to participate in any process at the Democratic National Convention itself,⁴ the enforcement of Fowler’s directives prevented LaRouche delegates from even reaching the temporary roll of the convention and the credentials committee. In addition to violating the provisions of Section 5, the actions of the Democratic Party appellees contravened 42 U.S.C. 1971(b) which states:

(b). Intimidation, threats, or coercion. No person, whether acting under color of law or otherwise, shall intimidate, threaten, coerce, or attempt to intimidate, threaten, or coerce any other person for the purpose of interfering with the right of such other person to vote

4. The Circuit Court of Appeals erroneously assumed in its decision that LaRouche and his delegates had avenues for relief open to them in the party or could somehow take this fight to the convention floor. (J.S. App. p. 60a). Nothing could be further from the case.

or to vote as he may choose, or of causing such other person to vote for, or not to vote for, any candidate for the office of President, Vice President, Presidential elector, Member of the Senate, or Member of the House of Representatives . . . at any general, special or primary election held solely or in part for the purpose of selecting or electing any such candidate.

In August 1996, Appellants brought suit in the United States District Court for the District of Columbia seeking declaratory and injunctive relief and damages and alleging violation of Section 5 of the Voting Rights Act, other provisions of the Act, Constitutional Rights and 28 U.S.C. 1983. The District Court denied the application for a three-judge court and dismissed the entire complaint with prejudice as to all defendants pursuant to Fed. R. Civ. P. 12(b)(6). The D.C. Circuit Court of Appeals sustained the dismissal of appellants’ 1983 and Constitutional claims, but reversed the dismissal of the Section 5 claim, remanding that claim to a three-judge District Court for further proceedings in light of this Court’s decision in *Morse*.

When the three-judge Court convened, the DNC and Fowler argued that the national party was not a “covered jurisdiction” subject to Section 5 of the Voting Rights Act on renewed motions to dismiss. The state parties argued that they were only implementing mandatory national party rules. All of the Democratic appellees asserted that if Section 5 applies to voting and candidacy criteria for the offices of delegate to the Democratic National Convention and President of the United States, Section 5 is unconstitutional, because it invades the Party’s absolute right to “define itself.” The motions to dismiss were granted, without discovery or further proceedings.

The Questions Presented Are Substantial

The Voting Rights Act of 1965 was the culmination of a century-long struggle, dating from the Emancipation Proclamation, to secure the right to vote for black Americans and other minorities. It was a century in which the Democratic Party, the Party which had promoted slavery, secession, and segregation completely dominated political processes in the South and connived, with seemingly endless ingenuity, to insure that the voting rights of newly enfranchised blacks were stillborn. No sooner were blacks granted the right to participate in political processes and vote after the Civil War than they were removed from the rolls and once again disenfranchised by a series of machinations in the various states.⁵ Thereafter, massive resistance survived Constitutional

5. Professor C. Van Woodward, one of America’s leading Southern historians, testified in graphic detail in the House hearings concerning the 1982 extensions of Section 5, about how quickly the gains made in voting rights “over a century ago were wiped out, as if overnight.” House Hearings p. 2027, cited in 1982 U.S. Code Cong. & Admin. News at p. 189.

amendments, decisions of this Court enforcing the Constitution, Presidential executive orders, and the Civil Rights Acts of 1957 and 1964. The main weapons of war against the right to vote and the right to have votes counted did not consist, however, of the artifices and sophistries employed by racism's legal apologists. Citizens who sought to participate in the political process by registering to vote or running for office were lynched, murdered, beaten, jailed, extorted, and endlessly intimidated. Dr. Martin Luther King was demonized and vilified through a government sponsored defamation and harassment campaign. His case was not unique.

In response to this Court's efforts to enforce the 14th and 15th Amendments and the Civil Rights Acts, the Democratic Party privatized its nominating processes. Since the 14th and 15th Amendments are triggered, on literal reading, by the actions of states, the Democratic strategy was to remove the state from a conspicuous role in the electoral process—thereby placing its discriminatory practices beyond the Constitution's purview. The White Primary cases document how the Democratic Party used the same arguments and procedures *which it now employs and argues in this case*, to deny blacks the right to vote for decades in the South. Then, as now, it was argued that since the Democratic nominating processes are private and since Democrats have a right to define their membership and freely associate without external interference, violations of the voting rights of party members voting in party elections are without legal remedy, since the law does not reach "purely private" or "party stages" of the electoral process. When this Court first heard this argument it sustained the Democratic Party's "privatization" scheme against constitutional challenge in *Grovey v. Townsend*, 295 U.S. 45 (1935). While *Grovey* was firmly repudiated years later in *Smith v. Allright* 321 U.S. 649 (1944) and *Terry v. Adams*, 345 U.S. 461 (1953), these decisions were only met with new and violent obstructions of the right to vote and to have votes counted.

The district court's decision explicitly resuscitates the discredited reasoning of *Grovey*. In so doing, it ignores the text and history of the Voting Rights Act, long-standing regulations by the Attorney General implementing the Act, this Court's holding in *Morse*, and other applicable precedents. It also ignores the reality of the present Democratic Party nominating process. This is not a privatized or internal process. Presidential preference primaries are held at public expense in most states of the union, resulting in the selection of the two candidates, Democratic and Republican, who will appear at the top of state ballots nationally. The Democratic Party receives the maximum federal subsidy for its convention, a subsidy in the millions of dollars as adjusted by the Consumer Price Index. 26 U.S.C. 9008, 11 C.F.R. 9008.1 *et seq.* In *Morse* this Court held that Section 5 applies to all entities having "power over any aspect of the electoral process within designated jurisdictions." *Morse*, 517 U.S. at 204-205. If the Democratic Party's Presidential nominating process is

taken out of this coverage, as the district court would have it, it is difficult to fathom how "*Morse's* delegation theory" has any reach at all.

The district court's decision opens "a loophole in the statute the size of a mountain." *Morse*, 517 U.S. at 235. If the district court's sanctioning of Democratic appellees' claims to "private club" status holds, it invests the Democratic National Committee with the power to coerce state Democratic party organizations into violating state law and the Voting Rights Act (42 U.S.C. 1971(b) and 1973(c)) without anyone being held accountable for these violations. The state party elections at issue were being conducted under both state law and, in the case of Arizona and Virginia, under procedures which had been precleared. Under threat of having their delegations to the Democratic National Convention disqualified, the state Democratic parties of Virginia, Louisiana, Texas and Arizona abruptly instituted new procedures which had not been precleared. In the case of Louisiana, the DNC's coercion resulted in violation of the state law requiring that delegates be apportioned according to the votes cast in the primary election.

Accordingly, this Court should summarily reverse, or, alternatively, note probable jurisdiction.

I. §5 of the Voting Rights Act clearly applies to Democratic Party Presidential nominating activities

Justice Stevens' opinion announcing the judgment of the Court in *Morse* and Justice Breyer's concurring opinion, both concentrate on the history of discriminatory party practices, from the White Primary Cases to the ouster of the Mississippi Freedom Democrats from the 1964 Democratic National Convention, in finding that Section 5 was intended to cover Party nominating procedures. Filling out these historical references brings the long and infamous history of the "private club" justification for discriminatory practices into sharp focus.

The White Primary Cases

By 1930, Democratic Party rules barring blacks from participation in Democratic Party primaries were in force in eleven Southern states. The Louisiana rule was typical: "no one shall be permitted to vote at said primary election except electors of the white race." Weeks, "The White Primary," *Mississippi Law Journal*, December 1935. The South Carolina Democratic Party rule was unique:

Every negro applying for membership in a Democratic Party club, or offering to vote in a primary, must produce a written statement of ten reputable white men, who shall swear that they know of their own knowledge that the applicant or voter voted for General Hampton

in 1876, and has voted the Democratic ticket continuously since.
Id. at 141.⁶

Texas, unlike other Southern states, put its white primary policy officially on the statute books, resulting in this Court's ruling in *Nixon v. Herndon*, that the Texas statute clearly violated the 14th Amendment. 273 U.S. 536 (1926). Texas responded within days by delegating the power to run primaries to the Democratic party executive committee, which quickly passed a resolution stating that only whites would be allowed to participate. This Court, by a 5-4 vote, struck down the new scheme also, but only because the rule did not originate from the Democratic Party State Convention. *Nixon v. Condon*, 286 U.S. 73, 88-89 (1932). Justice McReynolds' dissent in *Nixon v. Condon*, asserted a political party's absolute right to exclude:

Political parties are fruits of voluntary action. Where there is no unlawful purpose, citizens may create them at will and limit their membership as seems wise. The state may not interfere. White men may organize. Blacks may do likewise. A woman's party may exclude males. This much is essential to free government.

Nixon v. Condon, 286 U.S. at 104.

Texas Democrats proceeded to completely privatize their primary elections. Elections were paid for and administered by the Party, the ballots were provided and counted by the Party, and the resolution limiting participation to whites had been passed by the Texas Democratic Party Convention. The Texas state courts ruled that the First Amendment to the Texas Constitution provided the Democratic Party with an absolute constitutional freedom to associate and define its own membership free from state interference. Presented with these new circumstances, the *Grovey* Court ruled that there was no remedy for the black voter denied a ballot by the Texas Democratic Party because there was no "state action." *Grovey*, 295 U.S. 50-55.⁷

Smith v. Allright, 321 U.S. 649 (1944) presented exactly the same complaint by another black citizen of Harris County, Texas nine years later. This time, however, the Court chose to deal with the reality of the discriminatory scheme rather than the abstract and false legal constructs of its apologists. In repudiating *Grovey*, this Court held:

6. General Hampton was the Governor of South Carolina and a leader of the "red shirts," the South Carolina version of the Klan. Wellman, M., *Giant in Grey*, New York, Scribner, 1949.

7. At oral argument in *Morse*, Justice Scalia expressed the view that if a political party wanted to hold a primary election restricted to party members and limit party membership to white voters only, they would be entitled to do so, so long as the Party paid for the primary. (Transcript *Morse v. Republican Party*, No. 94-203 p. 55).

The United States is a constitutional democracy. Its organic law grants to all citizens a right to participate in the choice of elected officials without restriction by any state because of race. This grant to the people of the opportunity for choice is not to be nullified by a state through casting its electoral process in a form which permits a private organization to practice racial discrimination in the election. Constitutional rights would be of little value if they could be thus indirectly denied . . . the privilege of membership in a political party may be, as this Court said in *Grovey v. Townsend* . . . no concern of a state. *But when, as here, that privilege is also the essential qualification for voting in a primary to select nominees for a general election, the state makes the action of the party the action of the state.* 321 U.S. at 664-665 (internal citations omitted, emphasis supplied).

In response to *Smith v. Allright*, the Governor of South Carolina convened the state legislature in special session and all state laws governing primaries were repealed. When the NAACP challenged the all-white private Democratic primaries in Court, South Carolina Democrats argued that their political party was a mere private aggregation of individuals, and that blacks had no more right to vote in the Democratic Party primary in South Carolina than to vote in the "election of officers of the Forest Lake Country Club or the Colonial Dames of America." *Rice v. Elmore*, 165 F.2d 387, 392 & F.N. 1 (4th Cir. 1947). Again, the federal court saw through the Democrats' scheme:

The fundamental error in defendant's position consists in the premise that a political party is a mere private aggregation of individuals, like a country club, and the primary is a mere piece of party machinery . . . The party may, indeed, have been a mere private aggregation of individuals in the early days of the Republic, but with the passage of years political parties have become in effect state institutions, governmental agencies through which sovereign power is exercised by the people . . . [t]he likelihood of a candidate succeeding in an election without a party nomination is practically negligible . . . *Those who control the Democratic Party as well as the state government cannot by placing the first steps under the officials of the party rather than the state, absolve such officials from the limitations which the federal Constitution imposes.*

Rice v. Elmore, 165 F. 2d at 389, 393-393 (Emphasis supplied).

Rice only resulted in a new South Carolina Democratic Party scheme. Control of the primaries remained in clubs which excluded blacks from membership but blacks could vote in primaries if they swore an oath supporting segregation

and opposing the Federal Fair Employment Practices Act—President Franklin Roosevelt’s early effort to end segregation. In Court, the Party argued that the new rules were a protected exercise and a non-discriminatory effort to “define” the party and its membership. When South Carolina sought reconsideration of *Rice* based upon its new scheme, the Fourth Circuit again dismissed these arguments:

the devices adopted showed plainly the unconstitutional purpose for which they were designed; *but even if they had appeared innocent, they should be enjoined if their purpose or effect is to discriminate against voters on account of race . . . Courts of equity are neither blind nor impotent . . . and when it appears that discrimination is being practiced through rules of a party which controls the primary elections, these must be enjoined much as any other practice which threatens to corrupt elections or divert them from their constitutional purpose.*

Baskin v. Brown, 174 F.2d 391 (4th Cir. 1949) (Emphasis supplied).

Terry v. Adams, 345 U.S. 461 (1953) was the last of the White Primary Cases. Like many counties in the South, blacks were in the majority in Fort Bend, Texas following Emancipation.⁸ To address this situation, the Jaybird association was founded to “promote good government” and to hold all-white private pre-primary elections prior to the Democratic Party primary sponsored by the State of Texas in which blacks participated. Jaybird endorsed candidates entered the public primaries and almost always won those elections and the subsequent general election. Three justices of this Court found the Jaybird scheme unconstitutional based on simple reality:

The only election that has counted in this Texas County for more than fifty years has been that held by the Jaybirds from which Negroes were excluded. . . . *It is immaterial that the state does not control that part of this elective process which it leaves for the Jaybirds to manage. The Jaybird primary has become an integral part, indeed the only effective part, of the elective process that determines who shall rule and who shall govern in this County. The effect of the whole procedure, Jaybird primary plus Democratic Party primary plus general election, is to do precisely that which the Fifteenth Amendment forbids—strip Negroes of every vestige of influence in selecting the officials who control the local county matters that intimately touch the daily lives of citizens.*

Terry v. Adams, 345 U.S. 461 at 469. (Emphasis supplied).

8. In the registration of voters from May to September 1867, there were admitted to registry 153 white voters and 1334 colored voters in the county. *Terry v. Adams*, 90 F. Supp. 595, 597 (S.D. Texas 1950)

Three other Justices concurred, finding that the Jaybird Association was a subterfuge for the activities of the Democratic Party and that under *Smith v. Allright*, the Democratic Party and any part of “the machinery for choosing officials” were subject to the Fifteenth Amendment:

Quite evidently the Jaybird Democratic Association operates as an auxiliary of the local Democratic Party organization, selecting its nominees and using its machinery for carrying out an admitted design of *destroying the weight and effect of Negro ballots in Fort Bend County*. To be sure, the Democratic Primary and the general election are nominally open to the colored elector. But his must be an empty vote cast after the real decisions are made. And because the Jaybird endorsed nominee meets no opposition in the Democratic primary, the Negro minority’s vote is nullified at the sole stage of the local political process where the bargaining and interplay of rival political forces would make it count.

Id. at 483-484.

The Events of 1964 and 1965

Despite the Civil Rights Acts of 1957 and 1964, black voter participation did not substantively increase. In Dallas County, Alabama, of which Selma is the county seat, there were 29,500 voting age individuals in 1961 of which 14,500 persons were white and 15,000 were black. 156 blacks had succeeded in both registering to vote and remaining on the rolls. The Justice Department’s voting discrimination suit languished for four years in the federal courts and even when it was won, discrimination, in the form of extensive and complicated literacy tests, closing of registrar’s offices, and slow processing of applications continued unabated. In Mississippi, despite years of registration efforts, the “Freedom Summer” voter registration campaign of 1964, and national outrage at the murder of three students attempting to register voters, registration remained at only 6.4%. H. R. Rep. 439, 89th Congress First Session, reprinted in 1965 U.S. Code Cong. & Admin. News pp. 2441-2442.

During the summer of 1964, the Mississippi Freedom Democratic Party ran a parallel election for delegates to the National Convention in which blacks, who wished to affiliate with the Democratic Party, could participate. When the Freedom Democrats arrived at the Convention, their every move was followed and reported by the FBI, their phones were tapped and, after contentious hearings, they were ousted from the floor of the Convention.⁹ In Selma, in early 1965, Dr. King sought to overcome the resistance and inertia of the legal process by direct action. “Bloody Sunday,” the March 7th

9. O’Reilly, Kenneth, *Racial Matters*, pp. 186-190, the Free Press, New York, 1989.



Civil rights leader Amelia Boynton, a heroine of “Bloody Sunday,” March 7, 1965, in Selma, Alabama, is greeted by President Lyndon Johnson at the White House, following the signing of the Voting Rights Act in 1965. (Today, Amelia Boynton Robinson is the vice chairman of the Schiller Institute and a friend and collaborator of Lyndon H. LaRouche, Jr.)

police assault on demonstrators seeking to dramatize the denial of the right to vote, left 18 individuals hospitalized with serious injuries. Subsequently, the Reverend James L. Reeb who had come to Selma to protest, was set upon and beaten to death. These events formed the backdrop for President Johnson’s extraordinary appearance, one week after Bloody Sunday, before a joint session of Congress to introduce the Voting Rights Act. He spoke of Selma as a turning point in “man’s unending search for freedom”:

At times history and fate meet at a single time in a single place to shape a turning point in man’s unending search for freedom. So it was at Lexington and Concord. So it was a century ago at Appomattox. So it was last week in Selma, Ala. There, long-suffering men and women peacefully protested the denial of their rights as Americans. Many were brutally assaulted. One good man—a man of God—was killed. . . . Our mission is at once the oldest and most basic of this country: to right wrong, to do justice, to serve man. . . . Many of the issues of civil rights are very complex and difficult. But about this there can and should be no argument. Every American citizen must have an equal right to vote. There is no reason which can excuse the denial of this right. There is no duty which weighs more heavily upon us than the duty we have to insure that right. . . . Experience has clearly shown that the existing process of law cannot overcome systematic and ingenious discrimination. No law that we now have on the books—and I have helped to put three of them there—can insure the right to vote when local officials are determined to deny it. . . . This bill will strike down restrictions to voting in all elec-

tions—federal, state and local—which have been used to deny Negroes the right to vote . . . this legislation will insure that properly registered individuals are not prohibited from voting.
House Document No. 117, 89th Congress, 1st Session.

As noted in *Morse*, in order to “avoid a dispute” about Congressional intent, Rep. Jonathan Bingham requested that the bill be clarified to insure that voting for party offices was specifically covered. *Morse*, 517 U.S. at 208,236. He cited the White Primary Cases and:

The events of 1964. . . . The State of Mississippi selected its Democratic National Convention delegates through a process that started at the precinct level meeting. Negroes were barred from these meetings. Alabama required those who wished to run in the Democratic Primary to secure the necessary forms by applying to party officials. . . . In State after State party officials either control, materially influence, or directly affect the process by which a candidate for nomination or election can achieve his goal.

Hearings Before the Committee on the Judiciary, H.R. 6400, Testimony March 25, 1965 pp. 456-457.

According to Representative Bingham, the method chosen of reaching the problem was to add to the bill’s definition of vote:

the concept that voting for party office was covered as well as voting for public office. The Judiciary Committee report made clear that the intention was to include

within the protections of the bill election of such party officers as delegates to national conventions. Congressional Record July 9, 1965 p. 16273.

The Judiciary Committee Report Representative Bingham references states:

Clause 1 of this subsection contains a definition of the term “vote” for purposes of all sections of this act. The definition makes it clear that the act extends to all elections—federal, state, local, primary, special or general—and to all actions connected with registration, voting or having a ballot counted in such elections. The definition also states that the act applies to elections for “party offices.”
H.R. No 439, 1965 U.S. Code Cong. & Admin. News p. 2464.

These definitions are presently set forth at 42 U.S.C. 1973l(c)(1) which states, in pertinent part:

The terms “vote” or “voting” shall include *all action to make a vote effective in any primary, special or general election, including, but not limited to . . . casting a ballot and having such ballot counted properly and included in the appropriate totals cast with respect to candidates for public or party office.*

Under 42 U.S.C. 1973(c) §5 preclearance is required for:

any voting qualification or prerequisite to voting, or standard, practice or procedure with respect to voting.

The Attorney General’s Regulations for administering §5 also mandate that the types of voting changes at issue in this case, involving who may be candidates for delegate or President of the United States and how votes will be counted at elections for these offices and the effect of those votes, must be precleared by the Attorney General:

A change affecting voting effected by a political party is subject to the preclearance requirement a) if the change relates to a public electoral function of the party and b) if the party is acting under authority explicitly or implicitly granted by a covered jurisdiction or subunit subject to the preclearance requirement of Section 5. For example, changes with respect to recruitment of party members, the conduct of political campaigns and the drafting of party platforms are not subject to the preclearance requirement. Changes with respect to the conduct of primary elections at which party nominees, delegates to party conventions or party officials are chosen are subject to the preclearance requirement of Section 5.

28 C.F.R. §51.7

II. Neither the source of the change in voting procedure nor the First Amendment absolves the Democratic Party of its obligation to comply with the Voting Rights Act

Both *Morse* and this Court’s decision in *Presley v. Eto-wah*, 502 U.S. 491, 502-503 (1992) make very clear that each of the changes in delegate election and candidate criteria in this case require §5 preclearance. Each involves changes in delegate and Presidential candidacy requirements and qualifications, changes involving the manner of voting, and changes involving the composition of the electorate which may vote. *Morse*, 517 U.S. pp. 228-229 & F.N. 38 and pp. 238-239. Arizona’s change of its primary election procedure required preclearance irrespective of whether it bore the imprimatur of a state court decision. *NAACP v. Hampton County Election Comm’n*, 470 U.S. 166, 178 (1985). See also *Allen v. State Board of Elections*, 393 U.S. 544, 569-570 (1969), Attorney General’s Regulations, 28 C.F.R. §51.12 and this Court’s summary affirmance in *Grenada, Miss. v. Hubbard*, 67 USLW 3374 (1998).

Lopez v. Monterey County, 119 S.Ct. 693 (1999) also makes very clear that where, as here, the Democratic National Committee dictates to state parties in covered jurisdictions what rules they must follow in national convention delegate and Presidential nominating elections in covered jurisdictions, either the Democratic National Committee or the state parties must preclear the changes ordered.

If the district court had addressed the straightforward question before it, and determined whether these changes in voting procedures required preclearance, it would have had to answer this question in the affirmative. Under Section 5, the Democratic Party would then be required to prove that these rules changes did not have the purpose and would not have the effect of discriminating against minority voters, making this case to either the Attorney General or the District of Columbia District Court. Rather than addressing this issue squarely, however, the district court, at the behest of the Democratic Party undertook to re-examine the constitutionality of the Voting Rights Act based upon the Party’s *conclusory* claim that the state parties’ associational privileges would be violated by the application of Section 5. The district court concluded that to read the Act as applying to the Presidential nominating and delegate election procedures at issue in this case, would render it unconstitutional and therefore, the state parties were immune from preclearing these changes. (J.S. App. pp. 12a-16a).

In reaching this decision, the district court concluded that the framework of the White Primary Cases did not apply because appellants’ constitutional claims were dismissed. (J.S. App. p.15a)

This reasoning is plainly erroneous. See *Morse*, 517 U.S. at pp. 192-193 and 204-205. The Voting Rights Act covers all changes in voting procedures, no matter how minor or neutral on their face. As explained by former Solicitor General and constitutional scholar Archibald Cox:

Congress has the power to outlaw all voting arrangements that result in a denial or abridgement of the right to vote *even though not all such arrangements are unconstitutional, because this is a means of preventing their use as engines of purposive and therefore unconstitutional racial discrimination.*

1982 U.S. Cong. & Admin. News p. 218.

The reason for placing the burden of proof on those performing functions “integral to the electoral process” in covered jurisdictions was to end “evasion” once and for all and to “shift the advantage of time and inertia from the perpetrators of the evil to its victims.” *South Carolina v. Katzenbach*, 383 U.S. at 328, *Morse*, 517 U.S. at 213.

The Democratic Party appellees have never demonstrated that submitting these rules and procedures for pre-clearance would excessively burden their associational rights and the court below never asked them to. In fact, the Virginia Democrats pre-cleared the original rules for their elections prior to the DNC’s imposition of the changed requirements and political parties have, on numerous occasions in the past, pre-cleared electoral rules with the Attorney General. *Morse*, 517 U.S. at 200 & F.N. 18.

The changes in voting and candidacy procedures in this case are neither minor nor neutral nor are they in the nature of protected “party rules” as the district court opinion erroneously states. (J.S. App. pp. 9a, 14a). The Attorney General’s Regulations 28 C.F.R. §51.7 distinguish the party candidacy and voting requirements at issue here which require pre-clearance from such matters as party recruitment and party platforms which do not. See also *Smith v. Allright*, 321 U.S. at 664-655.

In holding that the party’s claimed right to define itself trumps the Voting Rights Act, the district court effectively nullifies the holdings in the White Primary Cases. The district court’s decision does not explain, nor could it explain the difference between the Democratic Party’s legal claim to be able to nominate its candidate in a “privatized” National Convention exempt from the results of votes cast by Democratic voters who cast their votes pursuant to state law, and the “private club” processes of the South Carolina Democratic Party or the Jaybird Association in Texas. Under the district court’s decision, the “real votes” can once again be counted in the “private club,” rendering meaningless the votes which were cast in publicly sponsored primaries or convention processes. There is also no meaningful distinction between the Democratic Party’s current claim to an

absolute right to exclude, to cancel the votes of minority voters and annul minority candidacies that the party establishment views as subversive, and the “special qualifications” the South Carolina Democratic Party formerly imposed on minority candidates and voters. The expressed purpose of the Jaybird Club was “good government,” which in the view of its members meant “all white” government. The only means to preserve this viewpoint was to exclude blacks from effective participation in Fort Bend County’s electoral process—preventing any candidate, white or black, from being elected in Fort Bend County who opposed discrimination based on race.

Under traditional First Amendment analysis the Democratic Party’s claim and the district court’s decision fare no better. The district court made no effort to balance the First Amendment right claimed by the Party against the “state interest” extant in the Voting Rights Act. If this balancing is undertaken, it is immediately apparent that the substantial state interest implicated in the Voting Rights Act is distinguishable from the state interests advanced in the First Amendment associational cases upon which the district court and the Democratic Party rely. See *Democratic Party of U.S. v. Wisconsin*, 450 U.S. 125-126 (1981), *Cousins v. Wigoda*, 419 U.S. 477, 491 (1975), *Tashjian v. Republican Party of Connecticut*, 479 U.S. 208, 213-223 (1986). In sustaining the Voting Rights Act against a constitutional challenge based upon intrusion of the rights of the states under the Constitution, this Court held that the extraordinary significance of the Act trumped important concerns for Federalism. See *Lopez v. Monterey County*, 119 S.Ct. 693 at 703. The district court’s discussion of the Act as only a statute of “some importance” in applying the First Amendment’s balancing test, clearly fails to appreciate both the history of the Act and this Court’s holdings. (J.S. App. p.14a)

The district court also made no meaningful attempt to balance the First Amendment Rights of the minority appellants who were stripped of party office by the Democratic Party, denied their rights of candidacy and denied the right to vote and to have those votes effectively counted, against the associational claims of the Democratic Party. The absolute First Amendment claim made by the party and sustained by the District Court:

fails when the interests of “the party” (as defined by the party leadership) and the interests of its “adherents” diverge. In such a case, interference with the freedom of a party might be necessary to protect the freedom of its adherents. Moreover, the Court has held that “the right to associate for expressive purposes is not . . . absolute.” Infringement on that right may be justified by regulations adopted to serve compelling state interests, unrelated to the suppression of ideas, that cannot be achieved through means significantly less restrictive of associative freedom.

Note, *Harvard Law Review* Vol. 110:135, 1996, pp. 356-366, discussing *Morse*.

This Court has repeatedly noted that the rights of voters and the rights of candidates do not lend themselves to neat separation. *Bullock v. Carter*, 405 U.S. 134 (1972); *Anderson v. Celebrezze*, 460 U.S. 780, 787 (1987). Because candidacy restrictions have the “potential to undermine the effectiveness of voters who wish to elect particular candidates, they are required to be precleared.” *Allen v. State Board of Elections*, 393 U.S. at 570. In this case, that potential was realized. It is noteworthy that the modern Democratic Party, which aspires to a centrist platform which some have characterized as little different than the Republican Party and which functions as an established national institution and receives massive public funding, has few of the qualities of selectivity, intimacy, privacy, or small size characteristic of a genuinely private association. It also lacks the clearly defined ideological and political platforms which this Court has found to implicate the highest levels of concern for freedom of association and freedom of speech. See *Board of Directors of Rotary International v. Rotary Club of Duarte*, 481 U.S. 537 (1987). See also, *Democratic Party of United States v. Wisconsin*, 450 U.S. 107, 131-133; Tribe, *American Constitutional Law* 1988 Edition, §13-

22, p. 1115; 1996 Democratic Party Delegate Selection Rule 4. None of the precedents relied upon by the appellees and the district court support the “absolute” associational privilege for the Democratic Party set forth in the district court’s opinion. Each reserves the ability of the courts to intervene when the Party acts in a discriminatory or illegal fashion. See, e.g. *Tashjian v. Republican Party*, 479 U.S. at 224 & F.N. 12b, *Cousins v. Wigoda*, 419 U.S. at 477. Rotunda, “Constitutional and Statutory Restrictions on Political Parties in the Wake of *Cousins v. Wigoda*,” *Texas Law Review*, Vol. 58:873 pp. 935, 945-951 (1975).

In conducting its balancing test, the district court also ignored the deference which is due to the Attorney General’s Regulations which themselves balance political party associational claims against the requirements of the Voting Rights Act. *Lopez*, 119 S. Ct. 693 at 702. Under those Regulations the voting changes at issue in this case are required to be pre-cleared.

Conclusion

The decision of the district court represents a substantial departure from well settled precedent considering the scope of §5 of the Voting Rights Act. Accordingly, this Court should summarily reverse or note probable jurisdiction.

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For a moratorium on executions

After a Feb. 2 plea from Sen. Russell Feingold (D-Wisc.), President Clinton is now considering a moratorium on all Federal executions, pending a study on the fairness of the application of the death penalty. The immediate background to Feingold's appeal, was the moratorium on all executions in Illinois, introduced by Gov. George H. Ryan (R) on Jan. 31. Governor Ryan is a death-penalty supporter and head of the George W. Bush campaign in his state, but he felt compelled to introduce the moratorium, when it became clear that more Illinois death-row prisoners have been eventually found innocent (13), than have been executed (12), since the death penalty was reintroduced in 1977.

President Clinton must do the right thing here, and declare such a capital-punishment moratorium, regardless of what may appear to be politically expedient. Why? As Lyndon LaRouche said on July 23, 1989, while running for Congress from Federal prison, "The death penalty is essentially a ritual human sacrifice performed in the name of law. I believe that no state has the right to execute criminals, as horrendous as their crimes may be. As I have stated many times, a state in the Judeo-Christian tradition is justified in issuing the death penalty only during times of war, and in cases of high treason under conditions of national emergency."

More immediately to the point: If over half those condemned to death in Illinois were innocent, the proportion of innocent people *actually executed* nationally since 1977, must be far higher, because Illinois is much fairer in permitting the accused the opportunity to defend themselves in court, than most other states, especially those which lead the country in executions: Gov. George W. Bush's Texas, and Gov. James Gilmore's Virginia. If the 13 Illinois citizens who proved themselves innocent after being condemned to death, had instead been citizens of Texas or Virginia, they would never have had the chance to prove themselves innocent. Or, even if they did, they could still have been executed anyway.

An exaggeration? Early this year, Judge Sharon Keller, of the Texas Court of Criminal Appeals, wrote the majority decision in the rape/murder case of Ray

Criner. The 5-4 majority found that, despite DNA evidence proving that Criner did not rape the girl, still he had not proved his innocence, because he told three friends that he had had sexual relations with a girl that night. Judge Keller called the DNA test "negative evidence," and claimed that he might have used a condom, and the victim might have had other sexual relations that night — none of which speculation was ever considered in court.

Judge Keller said, "At best, [Criner] established that he might be innocent. We can't give new trials to everyone who establishes, after conviction, that they might be innocent. We would have no finality in the criminal justice system, and finality is important."

Face it: Our justice system has declined to the point that innocent Americans are being sent to the electric chair, or to the gas chamber.

Unfortunately, this Texas "law" is not limited only to state courts. On Jan. 25, 1993, the U.S. Supreme Court, in an opinion written by Chief Justice William Rehnquist, ruled in the case of *Herrera v. Collins*, that actual innocence was not a bar to execution of a convicted murderer, provided that state courts had followed proper procedures. The essence of Rehnquist's decision was expressed in an *amicus* brief filed by then-Solicitor General Kenneth Starr, later the hatchet-man for the judicial frame-up of President Clinton. Starr wrote that higher courts need not worry whether the trial court "made a *correct* decision, but only that the trial court did not make an *irrational* decision."

Since the "rock-drug-sex" counterculture was introduced in the early 1960s, our country has been drenched in blood: in the streets, on television, in movies, video-games, and the Internet, in state execution-chambers, and now in public schools as well. Capital punishment does nothing to stop this; those who advocate it are panderers, encouraging citizens enraged at what is happening to their own lives, to turn to blood-lust, like the Roman proletarians in the Colosseum. Must our country destroy itself in this way? Can we return to the values which made us great in the past? That is the question, in the proposed moratorium on executions.

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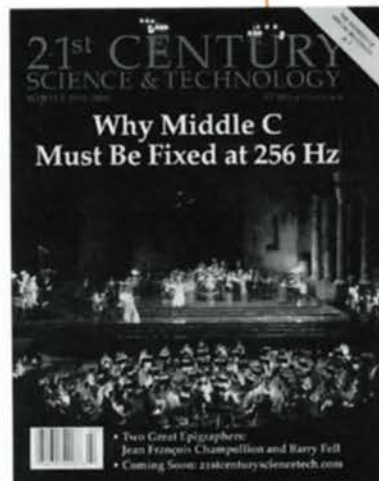
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