

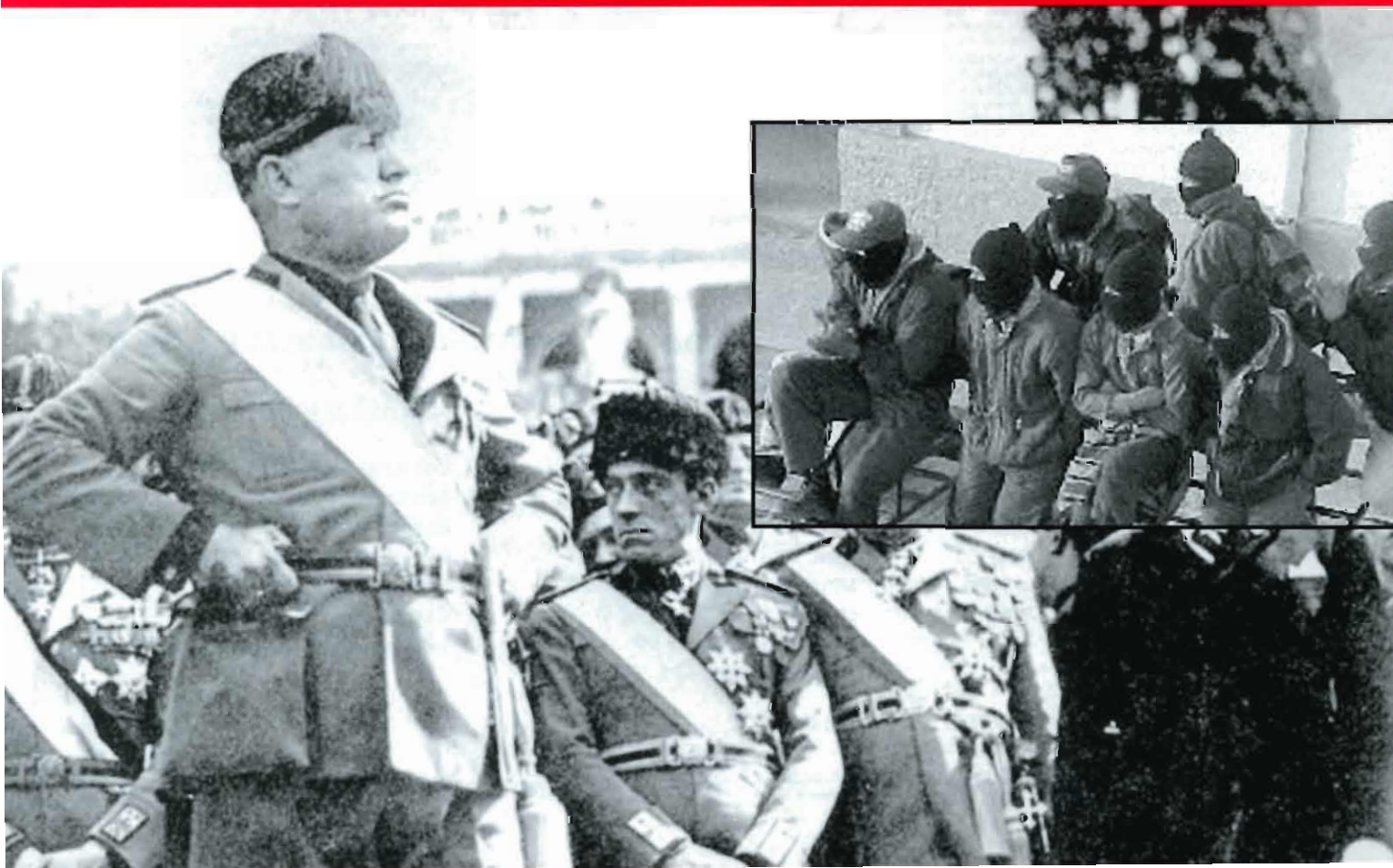
# EIR

Executive Intelligence Review

August 24, 2001 Vol. 28 No. 32 [www.larouchepub.com](http://www.larouchepub.com) \$10.00

Amitai Etzioni: A Sociologist in Deep Denial  
Bush Must Change His Mind Quickly on Mideast  
Germany, Top European Economy, in Depression

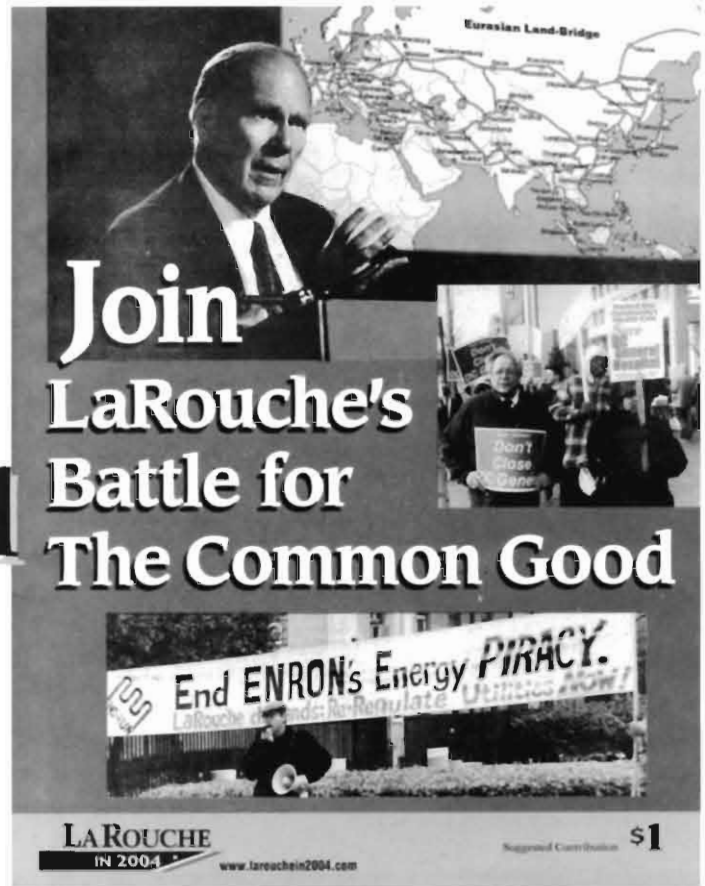
**'Anti-Global' Terrorists  
Support Global Empire**



**LA ROUCHE**  
**IN 2004 \***

# Today

## Become a Part of LaRouche's Presidential Campaign



**Join**  
**LaRouche's**  
**Battle for**  
**The Common Good**

**LA ROUCHE**  
**IN 2004** [www.larouchein2004.com](http://www.larouchein2004.com) Suggested Contribution **\$1**

**CALL TOLL-FREE:**

**1-800-929-7566**

**WRITE:**

**LaRouche in 2004**  
**P.O. Box 730**  
**Leesburg, VA 20178**

**ON THE WEB:**

**[www.larouchein2004.com](http://www.larouchein2004.com)**

For more information, call:

**Washington, D.C.** 202-544-7087  
**Leesburg, VA** 703-777-9451  
**Northern Virginia** 703-779-2150  
**Philadelphia, PA** 610-734-7080  
**Pittsburgh, PA** 412-884-3590  
**Baltimore, MD** 410-247-4200

**Norfolk, VA** 757-531-2295  
**Houston, TX** 713-541-2907  
**Chicago, IL** 312-335-6100  
**Flint, MI** 810-232-2449  
**Minneapolis, MN** 612-5  
**Lincoln, NE** 402-946-3981  
**Mt. Vernon, SD** 605-996-7022  
**Phoenix AZ** 602-992-3276

**Los Angeles, CA** 323-259-1860  
**San Leandro, CA** 510-352-3970  
**Seattle, WA** 206-362-9091  
**Ridgefield Park, NJ** 201-641-8858  
**Boston, MA** 781-380-4000  
**Buffalo, NY** 716-873-0651  
**Montreal, Canada** 514-855-1699

Founder and Contributing Editor:

*Lyndon H. LaRouche, Jr.*

Editorial Board: *Lyndon H. LaRouche, Jr.,  
Muriel Mirak-Weissbach, Antony Papert, Gerald  
Rose, Dennis Small, Edward Spannaus, Nancy  
Spannaus, Jeffrey Steinberg, William Wertz*  
Editor: *Paul Gallagher*

Associate Editors: *Ronald Kokinda, Susan Welsh*  
Managing Editor: *John Sigerson*  
Science Editor: *Marjorie Mazel Hecht*  
Special Projects: *Mark Burdman*  
Book Editor: *Katherine Notley*  
Photo Editor: *Stuart Lewis*  
Circulation Manager: *Stanley Ezrol*

INTELLIGENCE DIRECTORS:

Asia and Africa: *Linda de Hoyos*  
Counterintelligence: *Jeffrey Steinberg,  
Michele Steinberg*

Economics: *Marcia Merry Baker,  
William Engdahl*

History: *Anton Chaitkin*

Ibero-America: *Dennis Small*

Law: *Edward Spannaus*

Russia and Eastern Europe:  
*Rachel Douglas*

United States: *Debra Freeman, Suzanne Rose*

INTERNATIONAL BUREAUS:

Bogotá: *Javier Almaro*

Berlin: *Rainer Apel*

Buenos Aires: *Gerardo Terán*

Caracas: *David Ramonet*

Copenhagen: *Poul Rasmussen*

Houston: *Harley Schlanger*

Lima: *Sara Maduño*

Melbourne: *Robert Barwick*

Mexico City: *Marivilia Carrasco, Rubén Cota  
Meza*

Milan: *Leonardo Servadio*

New Delhi: *Susan Maitra*

Paris: *Christine Bierre*

Rio de Janeiro: *Silvia Palacios*

Stockholm: *Michael Ericson*

United Nations, N.Y.C.: *Leni Rubinstein*

Washington, D.C.: *William Jones*

Wiesbaden: *Göran Haglund*

*EIR (ISSN 0273-6314) is published weekly (50 issues)  
except for the second week of July and the last week of  
December, by EIR News Service Inc., 317 Pennsylvania  
Ave., S.E., 3rd Floor, Washington, DC 20003. (202)  
544-7010. For subscriptions: (703) 777-9451, or toll-  
free, 888-EIR-3258.*

*World Wide Web site: <http://www.larouchepub.com>  
e-mail: [eirns@larouchepub.com](mailto:eirns@larouchepub.com)*

**European Headquarters:** Executive Intelligence Review  
Nachrichtenagentur GmbH, Postfach 2308,  
D-65013 Wiesbaden, Bahnstrasse 9-A, D-65205,  
Wiesbaden, Federal Republic of Germany  
Tel: 49-611-73650. Homepage: <http://www.eirna.com>  
E-mail: [eirna@eirna.com](mailto:eirna@eirna.com) Executive Directors: Anno  
Hellenbroich, Michael Liebig

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

**In Mexico:** EIR, Serapio Rendón No. 70 Int. 28, Col. San  
Rafael, Del. Cuauhtémoc, México, DF 06470. Tels: 55-66-  
0963, 55-46-2597, 55-46-0931, 55-46-0933 y 55-46-2400.

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

Copyright © 2001 EIR News Service. All rights reserved.  
Reproduction in whole or in part without permission strictly  
prohibited. Periodicals postage paid at Washington D.C.,  
and at an additional mailing offices.  
Domestic subscriptions: 3 months—\$125, 6 months—\$225,  
1 year—\$396, Single issue—\$10

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

## From the Associate Editor

As the financial and economic crisis deepens, hysterical denials of reality are erupting all over the place. See LaRouche's commentary in *Economics*, on the insane thesis of sociologist Amitai Etzioni, that scientific economic forecasting is simply not possible! LaRouche shows how competent forecasting must proceed—how his own forecasting does proceed—by analyzing the axiomatic assumptions imbedded in a system, and determining what can bring about a breaking-point in that system.

Thus, did the “free-trade” doctrine imposed on France by the British in the 1780s, after the American Revolution, create the conditions for a breakdown: the Jacobin Terror and the subsequent Bonapartist version of imperial fascism.

So, today, the free-trade axioms of “globalization” are leading, not only to the breakdown of the financial and economic system, but to a new outbreak of Jacobin Terror, as our *Feature* documents. Just as Jeremy Bentham's British intelligence service financed the French Jacobins in the 18th Century, to promote Britain's imperial strategy to destroy France, so George Soros and Teddy Goldsmith are deploying the so-called “anti-globalization” terrorists, to destroy the very institution of the nation-state. Terrorist ideologue Toni Negri is most explicit on the *imperial* motivations of the terrorists, and on the fact that they are not really against globalization at all (see p. 16). Nothing is what it appears to be on the surface, and there will be no effective fight against terrorism, until the lessons taught in this *Feature* are finally understood by governments and law enforcement authorities.

Let me call your attention, also, to our coverage of the Mideast. LaRouche's Aug. 13 statement, “President Bush Must Change His Mind Quickly,” was faxed and e-mailed to all top diplomatic representatives in Washington and internationally, as well as to the Bush Administration and Congress. Within 48 hours of that mobilization, there were signs of a break in momentum toward catastrophe, as telephone discussions between Secretary of State Colin Powell and Russian Foreign Minister Igor Ivanov led to joint intervention to prevent war in the Mideast—a war which, as LaRouche underlines, would bring about Israel's own destruction. Those joint moves were the first step in the right direction.

*Susan Welsh*

# EIRContents

## Cover This Week

*Today's new "anti-global" Jacobins (inset): Will they, like Mussolini did, never stop trying to revive the Roman Empire?*



### 14 'Anti-Globalist' Terrorists Support Global Empire

The modern-day heirs of the Venetian Anglo-Dutch East India Company are sponsoring a new, worldwide Jacobin Terror, modelled on the Eighteenth-Century oligarchical destabilization of France's efforts to replicate the American Revolution. The aim today is to protect the IMF global financial system.

### 16 Toni Negri, Profile of a Terrorist Ideologue

### 18 Teddy Goldsmith: The 'Jeremy Bentham' Behind New Terrorism

### 21 George Soros: 'Inside-Outside' Job for the Oligarchy

### 25 Terrorism Central: People's Global Action

### 26 The Black Bloc Tactic

### 28 World Social Forum

### 31 Mobilization for Goldsmith's Jacobins

### 33 Chronology: 'Anti-Capitalist' Mobs Do Oligarchy's Dirty Work

### 35 Genoa Riots a Staged Scenario for 'New Global '68' Movement

### 36 The 'White Overalls,' the New Autonomists

### 38 Catholic Social Doctrine And True 'Anti-Globalization'

#### Photo and graphics credits:

Cover, Page 5, EIRNS/Claudio Celani. Pages 23, 55, EIRNS/Stuart Lewis. Page 25, [www.tao.ca](http://www.tao.ca). Pages 43, 44, Popova Shapka website. Page 48, Royal Thai Government website. Page 51 (Macapagal-Arroyo), Malcañang photo. Page 51 (Mahathir), EIRNS/Gonzalo Huertas. Pages 53, 59, EIRNS. Page 71, Harry S Truman Library/National Archives.

**Correction:** In our July 20 issue, the article on north Italy's high-tech firms visited by Lyndon LaRouche, p. 15, "Veneto's Truly High-Tech Firms," was written by Giovanni Cilli.

## Economics

### 4 A Sociologist in Deep Denial

Lyndon H. LaRouche, Jr., who has accurately forecast the current global depression, examines Amitai Etzioni's hysterical state of denial of reality, including his assertion that no conclusion about the current state of the economy should be based on the now massive evidence of a currently accelerating, global collapse of the world's financial and monetary systems.

### 8 Germany: Strongest Economy of Europe in Depression

### 10 Only Orderly Bankruptcy Can Save Argentina

### 12 Business Briefs

## Interviews

### 43 Prof. Nestor Oginar

Professor Oginar is a leader of the Macedonian diaspora in North America.

## Departments

### 72 Editorial

If the Dollar Goes, It's the System at Risk.

## International

### 40 President Bush Must Change His Mind Quickly

Democratic Presidential pre-candidate Lyndon H. LaRouche, Jr. appealed publicly to President Bush, to act decisively to stop Israel from unleashing a religious war in the Middle East, which would lead, of necessity, to a new Masada — Israel's destruction by its own hand.

### 41 Temple Mount Fanatics Seek To Blackmail Bush

### 42 Israeli Leader Warns of Full-Scale War

### 43 The Olympian Gods and the Rape of Macedonia

An interview with Prof. Nestor Oginar.

### 47 Thailand's Government Challenges Ten Years of Subversion

### 50 Southeast Asia Acts To Stop Terrorism

### 53 The Foreign Hands in South Asian Terrorism

### 54 Contradictions Erupt Within British Elite

### 56 'The ABCs of Nation Building': Dominican Republic Is Listening to LaRouche

### 57 Colombia's Pastrana To Rob Pensions To Pay Debt

## National

### 58 Vindicated on Economic Crash, LaRouche's Campaign Takes Off

LaRouche's leadership is far more widely discussed, internationally, than that of any prospective Democratic candidate, because of the vindication of his forecast of the current global financial collapse, and his strong initiatives in the Mideast war crisis.

### 60 Washington Post, Control Board Exposed, as D.C. Health-Care Contract Collapses

### 62 Eugenics Axioms Clear in 'Human Cloning'

Including a statement by Democratic Presidential candidate Lyndon LaRouche, and a statement by human cloning advocates, who believe that man is an animal.

## Book Reviews

### 64 'Anti-Kissinger' Book Arouses Suspicious

*The Trial of Henry Kissinger*, by Christopher Hitchens.

### 66 What the Eulogists Didn't Tell You About Katie Graham and the Post

*Katharine the Great: Katharine Graham and Her Washington Post Empire*, by Deborah Davis.

## A Sociologist in Deep Denial

by Lyndon H. LaRouche, Jr.

According to his article in *USA Today* for Aug. 12, sociologist Amitai Etzioni's current state of denial of reality, has carried him to the hysterical extreme, of asserting that no conclusion about the current state of the economy should be based on the now massive evidence of a currently accelerating, global collapse of the world's financial and monetary systems.

He insists that no one could know, that the crashing world economy might not recover. Rather than live with the anxiety of wondering whether it will collapse, or not, he makes a blanket attack on forecasting in general. In effect, he whimpers like a mid-1960s draft-evader, "I don't go there," implying, "Therefore, it could not possibly affect me."

Etzioni does not improve his own reputation when he also writes that he invokes supporting authority for his views on forecasting, from deceased, British Africa colonial officer E.E. Evans-Pritchard. Among his other notoriety, E.E. was complicit in such deplorable outcomes as creating the British press's Ambrose Evans-Pritchard.

Etzioni's efforts at denial should remind the most insightful reader of the case of the man, who, when faced with the evidence that his legal wife had given birth to puppies, insisted: "There was no way I could have possibly foreseen this!"

I have consistently made successfully accurate economic forecasts, but have also described with precision those features of the process which ensure a continuing long-term slide into a systemic global financial crisis. Most of my putative rivals had denounced me for my success, and many of them even went so far as to insist, that the world economy would soar to ever greater prosperity. Then, in due course, my so-called critics were presented with the moral equivalent of their authorship of crib-fulls of new-born puppies. Given their evident passion for dogged denial, the reaction of the latter would probably be to register the puppies immediately for future studies at Harvard University: shades of H.G. Wells' *The Island of Dr. Moreau*.

So, the spectacle produced by the like of Etzioni, might

be turned into a form of health-giving laughter, thus helping to clear away some liberally accumulated litter from the minds of the students. Granted, as Rabelais and Cervantes would certainly agree, Etzioni is a pompous fool; the question is, what benefit can the students obtain from the amusing spectacle he makes of himself?

Reduced to essentials, the lesson the students should draw from the proverbial horrible example set by Etzioni, is the following.

### What Did Prometheus Know?

Any competent forecaster knows, whether he or she works in what we call physical science, or in peeking into future history, that there are several rather precisely defined outer limits to anyone's ability to forecast precisely. I briefly summarize the nature of these limits, and then the conclusion to be drawn from them in addressing the disastrous economic developments onrushing at this time.

First, using standard classroom Euclidean geometry as a standpoint for making comparisons, in any real-life process being considered, we must always anticipate the existence of some axiom-like characteristics of the universe which we do not yet know. That does not mean that we can not forecast competently; it means that the competence of our forecast depends upon our understanding of the significance of those axioms we have yet to discover.

Second, in dealing with political-economic forecasting, we have a special added factor to take into account: what is called "free will." However, the existence of human individual "free will" does not mean that meaningful forecasting is not possible. In the area of human "free will" there are also axioms, in the same sense we employ "axioms" as a term in mathematical physics.

On the published record of the past thirty-odd years, including my uniquely successful long-range forecast of what became the August 1971 collapse of the old Bretton Woods System, I have been the most consistently successful long-



range economic forecaster of the past four decades. Obviously, I have known something important which my rivals and opponents in the field of political-economy did not.

The reason for my outstanding success as an economist, is the result of the way I have defined the relevant political-economic processes as “systems.” My approach has been to detect the prevalent, built-in axioms of the economic system. I have pin-pointed both those adopted axioms which were false, and also emphasized those additional axioms which needed to be taken into account to foresee the actual long-term effects of certain trends in policy-making.

Sometimes, on relatively rare occasions, I have been able to pin-point an important event about to erupt during the relatively short or medium-term, as, during November-December 1979, I forecast the February 1980 beginning, and likely continuation through mid-1982, of the U.S. recession which swept President Jimmy Carter out of office. Similarly, in the Spring of 1987, I forecast the likelihood of a mid-October eruption of the worst U.S. financial-market crisis of the post-1971 period. Again, during the 2000 national election-campaigns, I warned of the imminence of that financial crisis which erupted with full force about the time George W. Bush, Jr. was inaugurated as President. Usually, my forecasts have not been short-term forecasts, but long-term forecasts of systemic trends within the economic process as a whole.

To explain this use of the technical term “systemic” to students and others, I point to the example of ordinary classroom Euclidean geometry. That entire geometry is premised upon an interdependent collection of what are called definitions, axioms, and postulates. In that case, these assumptions are purely ivory-tower assumptions. They are called “self-evident,” because to the suggestible student they appear to coincide with a student’s belief that his or her senses are a kind of transparent window through which to view the actual world outside the student’s skin. To this day, the most popular varieties of mathematical systems, are based on similar kinds of axiomatic assumptions.

The poorly educated person, even one burdened with the title of “professor,” assumes that nothing exists outside what is allowed within the kind of mathematical physics which his or her chosen set of ivory-tower definitions, axioms, and postulates allows. Contrary to such professors, the history of the progress of modern physical science has always been, essentially, a series of collisions between a currently popular equivalent of a mathematical physics and the experimental reality which these mathematicians attempt to stuff into their currently fashionable systems.

The result of those head-on collisions between ivory-tower varieties of mathematical-physics systems, and experimental reality, is what is called physical science: the overturning of the some of the previously defended, “most sacred” assumptions of generally accepted mathematical systems, by the discovery of an experimentally verified universal physical principle. The combination, of uprooting false assumptions, and adding needed discoveries of verified universal physical principles, defines what is properly identified as a change of a system; it is a change in what passes for the axioms governing the way in which that system behaves. That is the most essential, defining feature of all forms of application of experimental scientific method.

What I have done, from the beginning of my own original discoveries in a branch of science called physical economy, is to apply this definition of always revolutionary, experimental physical science, to the view of political economies as systems. Therefore, I would never trust myself to publish a forecast, unless that forecast were based on the inevitable implications of some axiomatic feature of the political-economic system being studied.

### The ‘Goldfish Bowl’ Principle

The next issue to be addressed takes the form of the rather obvious question: “Exactly how free is free will?” To clarify that question, I have often used, as a classroom talking-point, the popular belief that a goldfish, dumped from a bowl to

## PARADE of Lemmings

Simultaneous with Professor Etzioni's outburst against economic forecasting in *USA Today*, the same call to mass popular denial of the reality of economic depression, came from the mass-circulation U.S. "Sunday supplement," *Parade* magazine.

"How much trust should we place in economic forecasts?—Very little," was one of the 14 dumb and dumber questions and answers about the economic crisis, featured on the Aug. 12 cover of this Wall Street-and-Hollywood "spin" publication.

*Parade* begins each Sunday with two pages of Hollywood gossip and scandal—and that is usually its most accurate coverage. The tabloid aims to ensure that its reported 20 million American readers don't slip into any actual thinking on Sundays, when they might otherwise pause, read, and reflect on where their five-jobs, two-lay-offs-per-household existence is headed.

The fact of *Parade*'s Aug. 12 cover feature is, itself, a

clear admission that economic depression has struck fear into the minds of millions of Americans. And the context for its "don't trust economic forecasts" nonsense, makes it clear that *Parade*'s publishers wish to keep those Americans from associating that depression reality with Lyndon LaRouche. The "forecasts" question followed three others: Are we in recession?—yes, it's *part of the business cycle*; are recessions inevitable?—yes, they're *part of the business cycle*; and, could we have a crash, a depression?—no, because we've learned a lot *about the business cycle*.

LaRouche's July 1994 long-range forecast for the end of the 1990s—now confirmed—was, of course, that this economic crisis is not the end of a "business cycle," but something far worse—a collapse of the entire "post-Bretton Woods" global financial and monetary system. The minute Americans stop denying that depression has hit them, they're open to LaRouche as the only competent forecaster, and the only economic recovery leader they have. After all, even *Parade*'s numbing questions and answers go further than anything heard from George Bush's White House or Tom Daschle's Senate these days.

—Paul Gallagher

swim freely in a pond, will continue to attempt to swim within goldfish-bowl-like limits. People usually do something like that.

Take "popular opinion" as an example of the commonplace "goldfish bowl"-like behavior of most U.S. persons today. Most of what U.S. children, adolescents, and adults do, most of the time, is dominated by fear of "not being popular" among some selected strata of the population.

For example, in the clothes they wear, the entertainment they prefer, and the opinions they express, most of our people, most of the time, are not really thinking; they are "going along, to get along." That is to emphasize, most of the behavior of most people, is plainly not rational, but predominantly propitiatory. Indeed, it is impossible to understand the Twentieth-Century history of the U.S.A., in particular, without taking into account the way in which powerful financier interests use their control of the mass media, including the so-called entertainment media and the news media which can be scarcely distinguished from them.

Through such use of controlled mass-media, schools, and so on, the opinions and behavior of most U.S. persons are shaped to about the same effect, as the Roman Emperors' control of Roman popular opinion through such mechanisms as weird religions and "bread and circuses;" the latter should remind the sentient members of present-day society of mass popular sports, especially bodily-contact spectator sports, especially blood-sports, of the stadium and video screen.

Not only is most individual and mass human behavior manipulated in manners and degrees beyond the ability of

most persons to free themselves from such equivalents of "brainwashing." Acceptance of such induced habits of belief, forms an essential, intrinsic part of the political-economic system. They become, thus, an integral part of an inherently predictable system of mass behavior. Of course, that is not the end of the story, or the human species would have eliminated itself from this planet long ago.

In social processes, such as political-economic systems, as in what is generally recognized as the category of physical science, there are the alternatives of progress, or decadence. Societies move forward, or backwards, as the U.S., for example, has slid backwards, culturally, morally, physically, and economically, over the course of approximately thirty-five years to date.

Just as the discovery of a universal physical principle transforms the characteristic features of the entire body of science to which it is introduced, so there are changes in the axiomatic features of belief which, on the one hand, carry a society forward, as President Franklin Roosevelt freed the U.S. as a system from the ruin of the Coolidge legacy; or, on the other, carry society into a relatively decadent system, as Nixon's 1966-1968 "Southern Strategy" campaign produced the decadence which most of the people, notably the lower eighty percent of family-income brackets of the U.S., are suffering today.

The most important developments in history are those qualitative changes in the characteristics of society as a system; changes which are typified by either the overturning of bad axioms, as by President Franklin Roosevelt, or their



introduction, as by Presidents Nixon and Carter. Competent long-range forecasting is limited to focussing attention on those kinds of axiomatic breaking-points, at which a system passes over from its present functional characteristics, to a better or a worse one.

That is what should be understood by the term “systemic crisis.”

These turning-points can be foreseen, not by reading the clock, but by understanding the way in which current trends are carrying the system toward a breaking-point. In other words, the forecaster working from that vantage-point, takes the patterns of willful choice in the behavior of the population into account, but he bases his forecast not on the wills of those actors within the society, but, rather, on the contradictory effects produced by that pattern of willfulness.

For reasons which should be rather obvious, the cycles of change which occur within society, are usually closely associated with the span from birth to adulthood of a new generation.

This is complemented by the fact that the most important investments in any economy, are more or less long-term investments, in the sense of investment of physical capital, rather than money as such. The most important and weighty factors in an economy are basic economic infrastructure, which requires a dominant role of the nation-state, and amounts to about half of the total required annual investment for a healthy economy. The other principal factor is investment in scientific and technological progress, as I have addressed this subject in my principal published writings.

### **‘Sally, The System Is Going Down’**

To understand how systemic crises occur, and what they mean when they do occur, we must begin with the following definition of a breaking-point in the existence of an ongoing system.

Think of the axiomatic assumptions of a particular culture at a particular time, as a collection of habits, habits which control the shaping of the willful choices of decisions by the people within the system. The breaking-point for a system is therefore to be found in the circumstances in which the responses of either nature, or the people, or both combined, break from the preexisting rules of the system.

Take the case of the French Revolution of 1789-1794, and its Napoleonic sequel.

The pivot around which the French Revolution developed, was the American thrust for independence which came to the surface with the French military defeat of 1763. Once the British recognized that they no longer required cooperation with the Americans to defeat the French, the British monarchy moved to crush the Americans. Largely through the role of Benjamin Franklin, the Americans found a natural ally in the then-burgeoning Classical cultural renaissance in Europe. Through that Classical, anti-Romantic movement in Europe, the Americans acquired the preconditions for conducting their inevitable struggle against their oppressor, the

British monarchy. Many parts of Europe rallied to the U.S. 1776 Declaration of Independence; among these, the most important was France, then the most technologically advanced and most powerful state of the European continent.

With the defeat of Cornwallis, and the peace negotiations of 1782-1783, the U.S. secured its independence, but the British state, under the direction of the monstrous Lord Shelburne and his Jeremy Bentham, moved to destroy France from within, by aid of the provisions of the Shelburne agreement of 1782 and the 1783 Treaty. Treasonous forces inside France, centered around the Physiocrats, were deployed under the direction of Shelburne et al. from London, including the London-trained terrorists Marat and Danton.

Through King Louis XVI’s folly, the British intelligence operatives were able to defeat the new French constitution, and to orchestrate the July 14, 1789 storming of the Bastille, which brought the terrorist faction of Philippe Égalité, Jacques Necker, Marat, et al. into power. The Reign of Terror lasted approximately five years, and cleared the way for the creation of Europe’s first modern fascist dictatorship, that of the Romantic, and self-appointed Caesar, Napoleon Bonaparte, the Bonaparte on which not only the fascist regime of Napoleon III, but that of Mussolini and Hitler were modelled.

What brought about the destruction of France, was the imposition of the “free trade” doctrine arranged through Shelburne’s initiatives, and the complicity of the inherently corrupt Physiocrats. The bankrupting of the French monarchy, which was solely the result of the “free trade” policy, created the breaking-point, at which France had the choice of one of two new roads available to it during the fateful early Summer weeks of 1789: a constitutional monarchy based on the American model, or a bloody, proto-fascist tyranny which decapitated many among France’s best actual and potential leaders.

Since man’s relationship to nature is the basis on which society’s existence depends, it is usually the intersection of combined trends in political economy and physical economy, which generate the circumstances in which revolutionary breaks, for a better system, or for a worse one, occur.

We are now at such a branch in the highway. We have reached the point at which the present international financial and monetary system can no longer coexist with the physical economy on which the welfare of the population and its future depend. This defines a point at which we either shatter the fetters of those habits built up in the U.S.A., in particular, during the past thirty-odd years, or we are all looking into the ugliest pit any among you have imagined.

In this circumstance, the role of the types of hysterics preaching denial, illustrated by the case of the unfortunate Etzioni, affords us all an insight into the kind of mental pathology which cries out: “No! Don’t change anything!” at a time when the cowering fool’s resistance to considering change, is in itself a worse menace to civilization today, than Adolf Hitler was during the 1930s.

# Strongest Economy of Europe in Depression

by Rainer Apel

The continuous rise of Germany's unemployment to 4 million, despite repeated, desperate "temporary work" and "part-time work" schemes by which the last two governments have tried to hide the problem since 1998, is the clear sign that Europe's strongest economy is in depression. Germany is drowning in debt, the worst being its "new economy" telecom sector; Germans have been hit by the steady collapse of the very widely held Deutsche Telecom stock, finished off by a spectacular stock-jobbing swindle by Deutsche Bank in early July. But it is unemployment, rising ever faster, which is the center of pressure on Gerhard Schröder's government, and Schröder's own hysterical denials of obvious reality.

It is almost certain, now, that the "Autumn of discontent" that arrived in Germany and the rest of Europe last September, with mass protests, labor strikes, and road blockades, will return punctually, also this year. And, if discontent takes to the streets, once again, it occurs against a background of bad economic news throughout the Summer—unlike last year, when most of the media still tried to portray a rosy picture of the economic situation.

During the ten days after July 31, Germany, with a work force of less than 40 million, heard announcements of planned industrial layoffs in the range of 35,000 to 40,000—about 4,000 layoffs daily. Aug. 10 saw two such announcements: 4,000 jobs to be killed by the pharmaceutical giant Bayer, and the electronic giant Siemens added another 3,000 to its previous list of 10,000 being axed in its catastrophic mobile-phone division.

The month of July, alone, saw an increase of unemployment by 104,000. A net loss of another 750,000 jobs between July and the end of the year is not ruled out by experts who are closer in touch with reality than most of the usual forecasters. And, as the big wave of layoffs in the "New Market" segment of the economy has already taken place, the new layoffs will hit the German manufacturing and construction sector, where about 200,000 jobs are greatly endangered, according to managers in these two sectors.

As of July 31, no fewer than 45,000 jobs had already been put on short-work schedules, which, in this gloomy economic situation, means that they will be axed sooner rather than later. Twenty-five percent of German firms have already advertised plans for reducing their workforces this Autumn—even in the state of Bavaria, where unemployment is the lowest, 20% of

firms have announced layoffs.

Particularly bad is the situation in the German machine-building sector, the crucial engine of the nation's industry: The official statistics for June show a drop in new manufacturing contracts by 2.5% from May. Worse, the capital goods sector recorded a drop in new domestic contracts by 10.8% for June. Had it not been for a few major foreign contracts (China, United Kingdom, and Russia, for example) over the same period, contributing to an increase by 3.5% on the export markets, the picture would be much gloomier.

The development in labor corresponds to this picture: Short work, on top of outright unemployment, was significantly up in machine-building and in optics/electronics, in June. As these are skilled workers, firms try to keep them semi-employed, for the time being—without confidence, however, that the situation will improve in the near future.

## Schröder's Voodoo Economics

Chancellor Gerhard Schröder and the coalition government between his Social Democrats and the Greens, are now faced with a big problem: When taking over government in October 1998, Schröder had promised to cut national unemployment by half, by the end of his four-year term. But even now, with 14 months left in his term, unemployment is at least 3.8 million, just shy of 4 million, where it stood when this "red-green" government took office. For obvious reasons, the Chancellor is embarrassed over a development that he cannot get under control, because his economic policy is incompetent. Calls from among Schröder's own Social Democrats (SPD), and from the labor unions, asking the national government for pump-priming measures to increase production, are arrogantly discarded by the government, and critics are being clubbed down politically.

On July 2, Gov. Siegmur Gabriel (SPD) of Lower Saxony state, attacked the government's budget-balancing policy as "voodoo economics." Schröder and Finance Minister Hans Eichel charged Gabriel with sabotage of the government. Some unprecedented arm-twisting was applied against Gabriel, and he has not opened his mouth since. But reality has chosen other mouthpieces: for example, an interview with Schröder, published on Aug. 9 in *Stern* magazine. When confronted by the interviewers with the new jobless figures and the question, whether he still thought he was in control of the situation, Schröder exploded: "What planet are you living on?" And soon after, when confronted with a similar question, he yelled: "Which star are you living on?"

Schröder then tried to counter with neo-liberal economic "facts": listing the economic growth rate of 3% last year, the neo-liberal tax cuts, the budget-balancing policy, as purportedly incontestable success stories of his government. Like a doctor whose patient is dying after multiple amputations, Schröder insisted that each procedure had been carried out successfully! He otherwise confessed to his incompetence, stating that Germany's present economic troubles were to be blamed on the "international economy which we are not

responsible for.” At the same time, he vehemently rejected the idea of an incentives program for the domestic economy. With this interview, Schröder revealed himself to be the “Chancellor of inaction.”

That is dangerous for him, because it is an echo of what happened with his Christian Democratic predecessor, Chancellor Helmut Kohl. One year before the September 1998 elections, Kohl could find no other escape from the ugly economic reality, than to launch a costly, but inefficient, program of make-work projects. With that, Kohl managed to keep close to 500,000 jobless people “employed,” and (cosmetically) out of the unemployment statistics for the next 12 months — until after the national election. It did not help Kohl get re-elected. Should Schröder try the same, Germany is three years further into the economic depression, and the high rate of job loss will outpace the “jobs” artificially created by such make-work projects.

## Corporate, Municipal Debt Disasters

Among the many writings on the wall, there is also the official report on corporate defaults for the first half of this year: They have reached the highest level in the 51 years of this report’s existence. Some 250,000 jobs were eliminated by corporate bankruptcies, between January and July this year.

Meanwhile, the German capital, Berlin, is buried under a pile of unpayable debt. Not so long ago, one would immediately think of Ibero-America, Asia, or Africa, to hear about a place with almost \$40 billion in debt. Nowadays, one can find it in the middle of Germany. Berlin has a debt of 78 billion deutschemarks in FY2001-02 — approximately \$37 billion, a very dramatic debt burden for a city of 3.5 million inhabitants.

The rapid growth of Berlin’s debt has to do with the global crisis in real estate speculation, which has caused the 50% drop in expected revenues from real estate development projects in and around Berlin, since December 2000. At the end of

## Germany’s Growing Infrastructure Deficit

While German Chancellor Gerhard Schröder vehemently rejects the idea of any substantial economic package to create new jobs, his government is even intensifying mass unemployment by cutting down infrastructure investment. A new study by the German Institute for Urban Studies (DIFU), the economic research institute of the federal association of German municipalities, emphasizes that the backlog in municipal infrastructure spending alone has risen to more than 1.3 trillion deutschemarks.

The DIFU study, which was featured at a special press conference in Berlin on Aug. 13, states that DM 929 billion will have to be invested through 2009 into the municipal infrastructure in western Germany, and another DM 413 billion in eastern Germany. **Table 1** shows the DIFU estimates of the required municipal infrastructure investments in Germany through the year 2009.

Note that these figures do not include all the federal infrastructure, such as railways, highways, and waterways. The DIFU study explicitly attacks the “saturation thesis” of some politicians, who claim that any further investment in infrastructure today would be “unnecessary luxury.”

Professor Mäding of the DIFU emphasized at the press conference that in the first 30 years after World War II, infrastructure investments were sustained at a quite high level in West Germany. Those roads and canals which were built in that period, now require investments in maintenance and modernization, otherwise they are threatened with rapid decay. In eastern Germany, there had been many

TABLE 1  
**Investment in Germany’s Infrastructure**  
(Billions of Deutschemarks)

Area	West	East	Total
Energy pipelines	68.5	13.0	81.5
Water infrastructure	173.1	71.8	244.9
Roads, local transport	248.2	101.8	350.0
Social infrastructure	193.2	58.3	251.5
Municipal buildings	28.6	8.1	36.7
Municipal telecommunication	9.0	1.0	10.0
Municipal housing construction	32.1	61.7	93.8
Other municipal infrastructure	116.4	85.3	201.7
Municipal real estate	60.0	12.0	72.0
Total	929.1	413.0	1,342.1

decades of under-investment in infrastructure, resulting in a huge backlog, despite the infrastructure investments that took place after German reunification.

In fact, since 1992, total infrastructure investments by German municipalities have been shrinking, not least because of the transfer of unemployment costs from the federal to the local level. In 2001, municipal infrastructure investments will be DM 20 billion below 1992. In eastern Germany, municipal infrastructure investments have collapsed by 45% compared to 1992. In order to meet the infrastructure investment need of DM 1.342 trillion until 2009, spending on municipal infrastructure would have to be increased by 40-50% above current levels. Mäding warned that “a long-enduring neglect of the infrastructure stock will have severe negative consequences” for the German economy. — *Lothar Komp*

last year, the bank holding company Bankgesellschaft Berlin sailed into very turbulent waters, when its real estate branch, IBG, threatened to pull the entire holding into default, over several billion marks of uncovered loans and acute losses of several hundred millions.

Bankgesellschaft Berlin chose an insane, speculative “flight forward” response: It renamed IBG as IBAG, and moved it (with some help from J.P. Morgan experts) to the notorious Caribbean offshore tax haven in the Cayman Islands! Unreal hopes were raised that IBAG would be able to collect DM 2 billion in a short time, from interested investors, thereby relieving the Berlin holding from the obligation to write off at least several hundred million marks from non-performing real estate speculation.

But not even the many flight capital speculators from Russia and other places who frequent the Cayman Islands, showed any interest in placing their money on the bankrupt Berlin real estate accounts. The holding’s problems were not just bank problems: After all, 56% of its shares are held by the Berlin city-state government, the Berlin Senate, which in FY2000-01 was already exposed to a debt of DM 66 billion. And adding to these troubles, was the decision in February by Germany’s Credit Control, to look into that Cayman Islands deal, on well-founded grounds that a criminal act was being perpetrated there, at the expense of the German banking laws and of the taxpayer.

Within weeks, the entire IBAG construct collapsed, and by the end of May, it was clear that the majority shareholder of Bankgesellschaft Berlin — the Senate of Berlin itself — would collapse as well. On June 16, Mayor Eberhard Diepgen was voted out; new elections will be held on Oct. 21. Kurt Wowerit, the acting mayor, is a man of the banks: He wants to “consolidate” the debt, which, all of a sudden, climbed to DM 78 billion, according to the first official statements that Wowerit gave on the matter, late in July.

Wowerit wants to mobilize an extra DM 500 million to DM 1 billion, every fiscal year, for extra debt payments. For that, he is willing to sacrifice 15,000 jobs in Berlin’s public sector, to privatize even more public property, to cut the budgets, and to sell Berlin Bankgesellschaft shares to other banks.

There is not the slightest hope for paying off any of that debt. The only way out for Berlin, is the same as for heavily indebted countries in Ibero-America and other parts of the developing sector: a moratorium on a large part of the old debt; new credit-lines for investments into the productive-industrial and infrastructure sectors; and continuous build-up of a sound tax revenue base, in the productive sectors of the economy.

This is what the Civil Rights Movement-Solidarity (BüSo), the LaRouche movement’s party in Germany, has at the top of its campaign platform for the Oct. 21 election in Berlin. All other parties want to pay off the unpayable debt, leaving Berlin voters faced with a clear alternative: Survive with the LaRouche concept, or go under with the axioms and policies of the bankruptcy system.

# Only Orderly Bankruptcy Can Save Argentina

by Cynthia R. Rush

Fearful that Argentina’s debt crisis could detonate a blowout in Brazil, or the rest of Ibero-America, International Monetary Fund (IMF) Managing Director Horst Köhler announced on Aug. 3, that the Fund had decided to grant Brazil a \$15 billion credit line, while speeding up a planned \$1.2 billion disbursement to Argentina.

Described by some Wall Street analysts as a way of putting a protective “fence” around Brazil, to cut it off from Argentine “contagion” — an absurd notion — the credit line is actually a pittance, given the magnitude of Brazil’s economic dislocation and fragility of its \$500 billion debt bubble.

Combined with the impact of the global financial breakdown, the Brazilian government’s mismanagement of the ongoing energy crisis has thrown the economy into a tailspin. For the second quarter of this year, Gross Domestic Product grew only 0.8% compared to the same period a year ago, and is down from 4.3% growth in the first quarter. The national currency, the real, has declined by 22% this year, and the government continues to siphon off reserves to prop it up. President Fernando Henrique Cardoso’s decision to comply with the Fund’s demand for deeper austerity “reforms,” in exchange for the paltry credit line, will only accelerate the rate of economic collapse.

When Argentina blows — and anything could set it off, at any moment — there won’t be any “fences” to protect Brazil, or any other country from the explosion. Extending the \$15 billion credit line to Brazil merely reflects the international financial oligarchy’s panic over the unravelling of the global monetary system, and particularly over the growing acceptance of U.S. Democratic Presidential pre-candidate Lyndon LaRouche’s proposals for an orderly bankruptcy reorganization of the world economy and creation of a New Bretton Woods system, based on protectionist policies.

The *Washington Post* spilled the beans in an Aug. 6 feature story, noting that since Argentina has always been a poster boy for free-market “reforms,” its current difficulties are creating a “backlash to reform.” Should the country default or devalue, “the anger and disappointment with market reforms could spread” throughout the continent, causing a return to protectionism, it nervously pointed out.

## LaRouche’s View Gains Ground

In remarks on Aug. 14, LaRouche reiterated that the only possible solution to the desperate global financial crisis, of which Argentina is a microcosm, is a declaration of debt mor-

atorium and orderly bankruptcy reorganization. The government of Argentine President Fernando de la Rúa should take the lead in initiating such action, LaRouche said, adding that support for this option is gaining ground internationally. The July 28 editorial in the Swiss financial daily *Neue Zürcher Zeitung*, pointing to the inevitability of an Argentine default, and several articles since then reflect that fact, although none offers any solution outside of the existing, decaying system.

The opposing view, LaRouche said, is the one that throws nations, such as Argentina, to the wolves—a “screw you” attitude. There will be no relief from debt obligations, no bailouts. Even if this approach results in chaos, there are those today who have no qualms about allowing growing portions of the world to degenerate in this way. The IMF’s dealings with Argentina underscore the insanity, and criminality, of this latter view.

The Argentine portion of the global debt bubble cannot be sustained. The country’s \$212 billion real foreign debt is unpayable—an incredible 80.3% of its export revenues now go to debt-service payments. A \$40 billion IMF-led bailout last December, and a \$30 billion debt swap this June, premised on intensified looting of the economy and the population, failed to do anything except exacerbate the crisis.

Yet, as *EIR* goes to press, Finance Ministry officials are engaged in yet another round of negotiations with the IMF, seeking \$8-9 billion in new funds—the primary conditionality for which is a government promise to kill more people. Negotiations which began in Washington on Aug. 10 have as yet yielded no results, with the United States reportedly resisting any kind of new bailout.

Before agreeing to anything, the Fund wants a guarantee that the government can successfully impose the barbaric “zero-deficit” law rammed through Congress on July 30. The law makes all payments contingent on tax revenues collected—“we’ll live with what we have,” is the slogan—and while setting 13% cuts in state sector wages and pensions, it makes clear the percentage could go much higher should tax revenues drop. Tax revenues declined 8.7% in July, continuing the downward trend of the last several months.

## Kill More People

Revenue-sharing funds to Argentina’s provinces are exempted from the 13% cuts, but the Fund wants that exemption removed, and is further demanding a strict, monthly monitoring of the plan’s implementation. Given the social volatility in the country, any attempts to cut revenue-sharing funds to the near-bankrupt provinces, where unemployment is much higher than the national figure of 16.4%, would ignite a political explosion that could finish off the already ineffectual de la Rúa government.

With or without new funding, Argentina has nothing more to sacrifice. Despair reigns in the country, as unemployment and bankruptcies grow. According to the government’s statistical agency Indec, 4 million people in metropolitan Buenos Aires, the capital and home to almost half of Argentina’s 37



*In exchange for IMF funds, Argentina must promise to kill more people. Here, Harvard-trained Argentine Finance Minister Domingo Cavallo, whose 1991-96 policies helped create the disaster which the country faces today.*

million people, and historically one of the country’s wealthiest regions, live below the poverty line. Industrial output for July dropped 4.1% compared to July 2000, and car production—the auto industry is one of the country’s most important—fell 20% in July compared to one year ago.

Terrified citizens are pulling their funds out of banks at an accelerating rate—\$2.9 billion having been withdrawn so far this month. Fuelling the panic is the fact that Central Bank reserves have dropped to \$20.3 billion, down 43% from the July 2000 figure of \$35.6 billion, suggesting that the government may not be able to defend the currency board system, which by law mandates that each peso in circulation must be backed by Central Bank dollar reserves. Argentines fear a devaluation, or a government seizure of bank deposits.

Given the shortage of money, at least 800,000 people in Buenos Aires, now resort to barter to obtain food and clothing. In markets created especially for that purpose, the unemployed “sell” food, pastries, books, for which they receive a form of fake money known as “*créditos*,” which they then exchange for food, clothing, and other vital necessities.

Farmers unable to purchase fertilizer or other inputs, regularly exchange some portion of their crops, either with other farmers or with stores, to obtain what they need to continue producing. Indicating growing hunger in South America’s “breadbasket,” packaged bread sales fell by 5.5% in the first quarter of this year. Fargo, the country’s top bread producer, just defaulted on a \$1.5 million payment due on a \$30 million loan.

Undeterred by this reality, monetarist ideologues continue to propose schemes such as a debt restructuring, an outright devaluation, or dollarization, as recommended by Mont Pelerin Society fanatic Steve Hanke and Harvard University drug-legalization advocate Robert Barro. Finance Minister Domingo Cavallo’s indignant Aug. 14 response to these proposals, denouncing “foreign” economists who want to make Argentina a “guinea pig” for their “monetary experiments,” has the ring of “the lady doth protest too much.” The Harvard-trained Cavallo made Argentina his “laboratory” as Finance Minister during 1991-96, and Argentines are paying the price today.

# Business Briefs

## Russia

### Glazyev: Crash Is On, Make Ruble Reserve Currency

Interviewed in *Pravda* on July 17, economist Dr. Sergei Glazyev commented on Dr. Tatiana Koryagina's forecast of world financial and U.S. political explosions during August, and stressed the evidence presented at June 29 hearings on how to survive the global financial crisis, which Glazyev convened as Chairman of the Russian State Duma's (lower house of Parliament) Committee on Economic Policy. Lyndon LaRouche was the lead witness at the hearings (see *EIR*, July 20).

"Koryagina is a serious scientist," said Glazyev, "If she says something, it means she has grounds for saying it. . . . Personally, I would not be 'tied down' to a specific date, Aug. 19, as the date of the onset of crisis in the U.S. economy. . . . Most of the witnesses at our Parliamentary hearings . . . were inclined to think that the American economy is *already* in crisis."

To rescue Russia from its "excessive dollarization," Glazyev proposed, "We require a flexible monetary policy, expanding the sphere of utilization of the ruble. . . . Without waiting for the dollar to crash, the question should be raised now, to the European Union, of shifting to trade in our national currencies: The Europeans take our rubles in order to use them to pay for our exports, while we take their euros for purposes of paying for our imports. This automatically makes the ruble a reserve currency on the scale of Eurasia."

## U.S. Unemployment

### Chicago Study Indicates Jobless Vastly Understated

As the Chicago Federal Reserve office reported another drastic drop in its industrial production index for June, the July 31 *New York Post* reported a study by Fuji Futures, Inc. of Chicago, which attempts to estimate the real rise of U.S. unemployment this year, and finds it far higher than the "official" figures released by the Bureau of Labor Statistics have admitted. The study was discussed in a column by economics writer John Cru-

dele, before the BLS release of its cooked-up unemployment figures for July.

Fuji economist John Vail traced state-by-state data on the number of people collecting unemployment. The state data, added together, show an apparent 42% increase in the unemployed nationwide since Jan. 1. Vail said that his data are "solid, from the states," while the bogus Federal figures are based on "surveys and estimates," and are "vastly understating the unemployment problem." Crudele concluded by noting that, were the unemployment figures to include those who have given up on looking for work, the total would be at 10%, a closer approximation of *EIR*'s own, far more rigorous, count.

## New Economy

### Nasdaq Companies Have Lost All Their Gains

According to an article in the Aug. 16 *Wall Street Journal*, the 4,200 companies registered on the Nasdaq have registered losses in the last four reported quarters, equal to the meteoric gains they had racked up since September 1995. For the most recently reported four quarters, these companies tallied \$148.3 billion in losses. From September 1995 up through the second quarter of last year, these companies had made a profit of \$145.3 billion. In short, the *Journal* accurately summed it up, "The companies currently listed on the market that symbolized the New Economy haven't made a collective dime." Satya Pradhuman, director of small-capitalization research at Merrill Lynch, put on a brave face for the *Journal*, whose readers he assured, "there is plenty of profitability out there" among young companies, only to add, "only among those that survive." Robert Barbera, chief economist at Hoening & Co., took the Zen approach: "What it means, is that with the benefit of hindsight, the late '90s never happened."

In a related development in economic Cloud Cuckoo Land, a developer of \$800,000 mansions in Great Falls, Virginia, has created "affordable housing" next door, by clustering four townhouses (at \$125,000 a each) together behind an identical facade to the high-price homes. Some area residents refer to the new neighborhood as "the Townes of Potemkin."

## Real Estate

### Housing May Be Next Bubble To Burst

Today's homeowner is very much like a heavily margined stock trader in a dangerously overvalued stock market, warns hedge-fund manager Doug Kass, who considers the sharp rise in new home sales along with exploding prices a clear indication of mounting speculation, according to *Baron's* magazine.

Today's homeowner owns about 58% of his house, compared to 68% fifteen years ago. The combination of surging prices and increasing layoffs could cause housing sales to hit the inevitable wall, causing housing sales to decline with sudden sharpness, home prices to plummet, and a retrenchment in consumer spending; that retrenchment would add heavily to the strains on the economy, triggering further downward pressure on home prices. Naturally, being a hedge-fund manager, Kass's response is for shareholders to short homebuilder stocks.

The market value of houses in the United States has reportedly risen by \$2.5 trillion in the past three years; home values in some metropolitan areas have risen more than 10% annually during that period. At the same time, borrowing by homeowners against this supposed higher value was so heavy in the 1990s, that home equity as a proportion of home value dropped 10 percentage points, and mortgage debt outstanding is now \$5 trillion.

## Mexico

### Unemployment Level Near That of 1995 Peso Blowout

Mexico's jump in unemployment is heading toward the magnitude of the 1995 collapse of the peso and the banking system, when more than 611,000 jobs were lost, researchers from the Universidad Obrera report.

According to their count, 400,000 people were fired in the five months between December and May—239,000 of them in manufacturing. Reports of the precipitous collapse in employment are being released from all sides:

- Some 20,000 public sector workers, from the Ministries of Treasury, Agriculture, Economy, Social Security IMSS, and Development, were informed in early August, by way of a government communiqué, that their next two-week paycheck would be their last, because they have been fired.

- The government's official statistical agency, INEGI, reports that the number of Mexicans employed in manufacturing was 3.8% less in May 2001 than the same month a year ago: the greatest contraction in monthly employment since 1995. Manufacturing employment has fallen (even according to notoriously low official statistics) by 2.6% since Jan. 1. Every sector was hit: Employment in the wood and lumber industries fell by 9.4% (May 2001 over May 2000); in textiles and clothing, by 7.8%; in metals, machinery, and equipment, by 5.2%; and so on.

As for the *maquiladoras*, the virtual slave-labor industries on the U.S.-Mexico border, the president of the Maquiladora Industry's National Council, Rolando González, reported on July 26 that the *maquiladora* "industry" is operating at 60% of capacity, and had eliminated 70,000 jobs in the first half of 2001, with the downturn really hitting starting in May. None of these figures should be taken as definitive, but indicative. In March, for example, González had reported that 100,000 jobs had been lost in his sector in the first three months of 2001.

## Defense

### Benchmarking Lunacy Affects U.S. Missiles

There are problems in upgrading the electronic guidance systems on the Minuteman III intercontinental ballistic missile fleet, Pentagon spokesman Rear Adm. Craig Quigley acknowledged to reporters on Aug. 9. The new systems don't work as well as those made 30 years ago, highlighting once again the problems in U.S. scientific and engineering capability as it has increasingly been affected by the insanity known as "benchmarking."

The *Los Angeles Times* reported that the \$4.5 billion plan to upgrade the missiles has shown the new systems to be less accurate with a shorter range than the ones they are replacing. According to reports obtained by

the newspaper, the upgraded models either had missed targets by distances that were considerably larger than their predecessors had, or had "reduction in range" during several tests last year.

"So does this concern us?" Quigley asked rhetorically. "Yes. This is an important system. This is a key element of our strategic deterrent force." He added, "If there are shortcomings, we will eliminate them."

The Bush Administration has proposed eliminating MX intercontinental ballistic missiles, which would leave the 500 Minuteman IIIs as the workhorse of the U.S. land-based nuclear force.

## Electricity

### New York Advised to Delay Full-Scale Deregulation

Concerned that the "California effect" will strike in New York, the second most populous and biggest resident power market after California, a report prepared for the New York Public Service Commission (PSC) says: Go slow. According to the Aug. 7 *Buffalo News* and other press accounts, the report advises that full-scale deregulation not be implemented throughout the state until there is adequate generating, transmission, and natural gas capacity, in a "number of years."

The report recommends that any major changes in the state's electricity regulations be delayed until "supply exceeds demand sufficiently to eliminate the exercise of excessive market power." In fact, since the report was prepared, the state of Texas, where it is asserted there is 20% more capacity than needed, has already seen generators gaming the market, which only began its wholesale trading on July 30.

The report is also concerned that "many customers taking service from an energy services company do not realize that they are being afforded a lower lever of consumer protection than that provided by the utilities." Last fall, when Iroquois Energy Management went bankrupt, its former customers lost \$1.8 million in deposits and prepayments.

**KENYA'S** Registrar of Industries' figures show that 50 firms are moving to lower-cost countries, following the launch last October of a Free Trade Area by nine Comesa member-states. The LFTA made it possible for the multinationals to manufacture elsewhere and export the goods to Kenya at zero tariffs. Another 120 firms have folded, while about 100 have been put under receivership in the past five years. In the process, an average of 20,000 Kenyans are losing their jobs annually.

**NIGERIA** in September will start treating 15,000 AIDS-infected people with anti-retroviral drugs obtained from India. Stephen Lewis, UN Secretary General Kofi Annan's special AIDS envoy to Africa, called the claim (now promoted as U.S. AIDS policy) that it is too soon to launch sophisticated treatment plans in Africa due to scarce health resources, "a cruel and reckless distortion of reality. . . . Millions of lives can be saved and tremendous progress can be made with what is now available."

**JAPAN'S** economy is "further deteriorating," according to the government's monthly report issued Aug. 10. Haruhito Arai, director for economic analysis at the Cabinet Office, said that the report adds "further" to the documentation of the economy, which has been downgraded for five straight months.

**'U.S. GAMBLING, INC.,'** a name that Christiansen Capital Advisors gave for a fictional holding company for the nation's lotteries, casinos, and other gambling businesses, would have ranked tenth in sales among U.S. companies in 1999. The amount of money placed in legal U.S. gambling bets in 2000 was \$826 billion, up 7% from \$769 billion in 1999.

**AS OF JUNE,** a record 4.5 million residential utility customers in the United States (users of gas, electricity, or propane) were at risk of cut-offs because of unpaid arrearages built up over the past year.

## 'Anti-Globalist' Terrorists Support Global Empire

by Jeffrey Steinberg

The modern-day heirs of the Venetian Anglo-Dutch East India Company are sponsoring a new, worldwide Jacobin Terror, modelled on the Eighteenth-Century oligarchical destabilization of France's efforts to replicate the American Revolution. Now, as then, the target of this top-down manipulated, rage-driven movement, is the republican nation-state system, despite claims to the contrary by some of the current movement's spokesmen and dupes, who proclaim, and, in some cases, genuinely believe, that their enemy is "globalization."

One of the New Jacobin movement's leading ideologues, Antonio Negri, a 1970s and '80s controller of the Italian Red Brigades and Autonomi, still resides in luxury under house arrest in Italy for his role in the 1978 Red Brigades kidnapping-assassination of former Italian Premier Aldo Moro. A review of his pronouncements confirms that the movement is being steered explicitly against the nation-state system, and in favor of the growing power of a private rentier financial oligarchy, through a new global imperium.

In a 2000 book, *Empire*, which he co-authored with American academic "Marxist" Michael Hardt, and which has been published by Oxford University Press and Harvard University Press, Negri proclaimed: "We insist on asserting that the construction of Empire is a step forward in order to do away with any nostalgia for the power structures that preceded it, and refuse any political strategy that involves returning to the old arrangement, such as trying to resurrect the nation-state against capitalism."

And in a July 30, 2001 interview to the Italian daily news-

paper of record *Corriere della Sera*, promoting his empire thesis, Negri railed that "the nation-state has always been an enemy."

Further compelling evidence of the top-down character of this emerging global terror force emerges from a review of the active and visible involvement of George Soros and Edward "Teddy" Goldsmith in the sponsorship and direction of the "movement." The dossiers that make up this *Feature*, detail the involvement of both Soros and Goldsmith, in sponsoring some of the leading agencies promoting the new international terror.

### Soros: Philosopher Pirate

Soros' "Open Society" theories, derived from his Oxford mentor, Sir Karl Popper, conform precisely to Negri's deep hatred of the nation-state system and of the idea of the perfectability of man. For Soros, man is a wretch, and should be granted the unfettered right to pursue earthly pleasures. For Soros and Popper, the enemy of pleasure-driven man is government, particularly the nation-state form of government, which employs government regulation to secure the general welfare.

Putting his money where his mouth is, Soros, through his Open Society Institute and other tax-exempt foundations, has poured tens of millions of dollars a year into the cause of drug legalization, and the promotion of narco-terrorism. His Quantum Fund and other hedge funds, from which he derived his multibillion-dollar fortune, have come to epitomize the very practices of speculation and offshore capital piracy, that





*The terrorist explosion at the Genoa summit of the Group of Eight in July, was the harbinger of more to come. The “anti-globalization” rioters are steered at the top by the same oligarchs who are imposing globalized austerity and poverty on the world’s nations.*

purportedly have provoked the New Jacobin protests against unfettered globalization.

Indeed, Soros’ position as a leading sponsor/patron of the New Jacobinism serves to underscore that the movement is anything *but* anti-globalization. In the same way that the British East India Company—the leading Eighteenth- and Nineteenth-Century global raw materials cartel—promoted Adam Smith’s advocacy of unfettered “free trade,” as an alluring false ideology, George Soros, one of today’s filthiest pirana speculators, promotes the “virtues” of unfettered capital—free from the “tyranny” of government interference.

Teddy Goldsmith, the heir of an Anglo-French speculative fortune, amassed by his late brother Sir James Goldsmith, is the other visible “Daddy Warbucks” of the New Jacobin Terror. Himself a professed “deep ecologist,” Goldsmith fills several vital functions, in sponsoring and directing the new terror.

First, along with the Duke of Edinburgh, British Royal Consort Prince Philip, Goldsmith is one of the leading propagandists for deindustrialization and the radical reduction of world population.

Second, Prince Philip’s World Wide Fund for Nature (WWF) and Goldsmith’s *The Ecologist* magazine work hand-in-glove with some of the leading eco-terrorist groups, establishing a seamless link between the upper echelons of the British and continental European oligarchies, and the street hooligans who constitute the “squadristi” of the new terror.

Goldsmith’s son, a senior editor of *The Ecologist*, personifies this seamless link. He is one of the leaders of Reclaim the Streets, the British anarchist “Black Bloc” group that staged one of the very first street riots, ostensibly protesting globalization, in the City of London on June 18, 1999. As you will learn below, Reclaim the Streets is one of the hard-core street-terror groups, with operational ties to Ibero-American narco-terrorist cartels, including the Colombian Revolutionary Armed Forces (FARC) and the Mexican Zapatista National Liberation Army (EZLN).

### **A New Phase in the New Terror**

While the New Jacobin insurgency has been in incubation for a decade, it is no coincidence that the major public eruptions of violence, targetted against the Group of Seven industrialized nations, began in the past two years. The City of London-centered financial oligarchy is fully aware that the global speculative system that they imposed, following their 1971 takedown of the Bretton Woods system, is in its final collapse phase. They are also aware that an alternative system—built upon proposals by Lyndon H. LaRouche, Jr., for a New Bretton Woods monetary system and for Eurasian Land-Bridge-centered global physical economic reconstruction—is gaining prominent support among governments and policymakers worldwide.

The motive behind the oligarchy’s unleashing of the New Terrorism, at this precise moment, is identical to that of Lord

Shelburne's and Jeremy Bentham's British East India Company sponsorship of the Jacobin Terror of 1789-94: Kill the spread of republican ideas and institutions, by drowning them in the chaos of what *Times* of London former Editor-in-Chief Lord William Rees Mogg fondly refers to as "blood in the streets." Modern-day proponents of cybernetics and systems analysis prefer to describe the New Jacobinism in terms of "chaos theory," but the intended effect is identical to that achieved by Shelburne's and Bentham's Jacobins, as they took to the streets of Paris to guillotine France's leading pro-American republicans.

The 1999 street terror in the City of London, and later in Seattle, represented the public unveiling of an added dimension to a "new terror international" that had already been unleashed, principally against the developing sector, and had been earlier profiled by *EIR*. In 1995, *EIR* published a three-part series of in-depth profiles of this new terror international, with an introductory essay by Lyndon

LaRouche (*EIR*, "New Terror International Targets South Asia," Oct. 13, 1995; "New Terror International Targets the Americas," Nov. 10, 1995; and "RIM: London's Narco-Terrorist International," Nov. 17, 1995).

LaRouche wrote in his introduction: "A new wave of international terrorism is stalking the world. It is led by a horde of mujahideen mercenaries: human flotsam, like the 1920s 'rootless' veterans of World War I, cast upon the world in the wake of the 1980s Afghan war. This is the worst terrorism yet; it is much worse than that of the 1970s. It is coordinated from the capital of a former U.S. ally, London; worse yet, it was created with complicity of former U.S. Vice President (and, later, President) George Bush. . . . The heart of the new international terrorism is a legion of trained terrorists, formerly known as the mujahideen veterans of the 1980s Afghan war, which Vice President Bush and the British Thatcher government played a leading part in creating, arming, and deploying. Once the Soviet forces

## Toni Negri, Profile of A Terrorist Ideologue

On July 25, the *New York Times* featured one of the ideologues of the "New Global '68" movement, terrorist controller Toni Negri. The *Times* and the *International Herald Tribune*, the next day, hosted an editorial page commentary by Negri and his young student Michael Hardt, who explain that the new protest movement is, in truth, not against globalization. "Anti-globalization is not an adequate characterization of the protesters in Genoa—or Gothenburg, Quebec, Prague, or Seattle," Negri and Hardt write. "The protesters are united against the present form of capitalist globalization, but the vast majority are not against globalizing currents and forces as such. *This should not be called an anti-globalization movement. It is an alternative globalization movement*" (emphasis added).

Negri and Hardt co-authored a book, *Empire*, published by Oxford University Press, in which they better explain their "alternative globalization movement": Globalization is a new form of Empire, they write, which is good because it replaces the nation-state. "We insist on asserting that the construction of Empire is a step forward in order to do away with any nostalgia for the power structures that preceded it, and refuse any political strategy that

involves returning to the old arrangement, such as trying to resurrect the nation-state against capitalism." In a deliberate lie, Negri and Hardt insist that the United States follows the model of the Roman Empire, which, they say, is embedded in its Constitution.

In an interview with Italy's *Corriere della Sera* on July 30, Negri elaborates that Empire is good, because it destroyed the enemy: "The nation-state has always been an enemy. . . ."

That Toni Negri, a convicted terrorist leader, should be promoted by the *New York Times* in the context of the new terrorist upsurge, should ring alarm bells. In Italy, Negri is serving a 12-year sentence for having been a leading member of both the Red Brigades and the Autonomist movement in the 1970s. But, under house arrest, he continues to act as the ideologue of the Autonomists' "grandchildren" today, the so-called Centri Sociali movement (see box on "White Overalls," p. 36).

Negri's French connection is key to show the continuity of the control level of international terrorism. Negri escaped to France in September 1983, where he has enjoyed high-level protection. There he has worked, among others, for the labor minister and the urban minister, for the University of Paris VIII and the International College of Philosophy. Two among Italy's most famous prosecutors, Rosario Priore and Ferdinando Imposimato, as well as former military intelligence chief Fulvio Martini, have pointed their fingers at the Mitterrand clan as the source of protection for Negri and 150 other terrorists who found refuge in France.

The Mitterrand clan today means former First Lady

had retreated from Afghanistan, the Anglo-American-sponsored mujahideen, together with their massive drug- and arms-trafficking apparatus, were dumped on the world, a legion of 'special forces'-trained mercenaries, for hire. Today, that legion of mercenaries is a keystone-element within a new international terrorism, which reaches westward across Eurasia, from Japan, coordinated through a nest of terrorist-group command-centers in London, into the Americas, from Canada down to the top of South America."

The Afghansi-spawned elements of the new international terrorism have continued to wreak havoc in the Middle East, in South Asia, in the Asia-Pacific rim—as evidenced by the imminent outbreak of irregular war in the Middle East, through the gang-countergang provocations and counter-provocation of "Afghansi" Islamic jihad groups and Israel's own terrorist-in-chief Ariel Sharon.

In South Asia, elements of the London-based Maoist Revolutionary Internationalist Movement (RIM) are at the

center of the destabilization of Nepal, a crossroads between Russia, China, and India, which London wishes to keep unstable, along with neighboring Tibet and Kashmir, two other centers of Afghansi and separatist-indigenist terror.

*EIR* has also confirmed that the Basque separatist group, ETA (Euskadiko Ta Askatasuna) (see *EIR*, Nov. 17, 1995, "ETA: The 'Mother' of Separatist Terrorism"), is playing a pivotal role in training a terrorist hard core, within the European and North American-based "Black Bloc" anarchists. In the aftermath of the July 2001 terrorist street rioting in Genoa, during the Group of Eight heads of state summit, there have been a series of low-grade bombing attacks against some of the publicly identified targets of the New Jacobins. Law enforcement specialists are bracing for a more serious escalation of urban bombings and other terrorism, particularly in the run-up to the International Monetary Fund/World Bank annual Autumn meeting in Washington, D.C. at the end of September.

## Empire

**Michael Hardt, Antonio Negri**

Imperialism as we knew it may be no more, but Empire is alive and well. It is, as Michael Hardt and Antonio Negri demonstrate in this bold work, the new political order of globalization. It is easy to

Danielle Mitterrand, a key player in international support for Mexico's Chiapas insurgency, and Teddy Goldsmith, the Anglo-French billionaire who bankrolled the "anti-globalist" World Social Forum summit in Pôrto Alegre, Brazil in January. Negri returned to Italy in 1997, with the aim of getting through an amnesty bill that would allow his comrades also to return.

Negri knows whereof he speaks when he talks about Empire. His mother, Alvina Malvezzi, is a descendant of the commander-in-chief of Emperor Vespasian's army, Sigismondo Malvezzi. His wife belongs to the Meo family, a powerful branch of Venetian oligarchy. Negri's brainwashers are Norberto Bobbio, who was the 1960s' intellectual father of the Italian New Left, and Sabino Acquaviva, a sociologist at Padua University and Visiting Fellow at Oxford University.

In 1963, Negri founded in Padua "Potere Operaio Veneto-Emiliano," a Maoist group which would become "Autonomia Operaia." During this period neo-Nazi activists, with connections to NATO circles in Verona, contributed to the creation and the spread of Maoism, as docu-

mented in several investigations. During this same period, certain Anglo-American circles decided to drop traditional, right-wing terrorism, and to promote leftist terrorism.

Toni Negri thus became a leading ideologue of the new terrorism. He wrote: "Nothing more than this continuous activity of sharp-shooter, of saboteur, of absenteeist, of criminal deviant which I am living, reveals to such an extent the enormous historical positivity of workers' self-affirmation."

When he returned to Italy, in October 1997, Negri started work on his book, *Empire*, and sent a statement from prison announcing that the new "laboratory of subjectivity" is the form of deregulation and liberalization pushed by the Lega Nord in the Veneto region, in a "leftist" variant. "Flexibility and mobility of labor force . . . are irreversible: The question is not to oppose the new organization of labor, but to guarantee a salary and freedom for the post-Fordist worker." Out of his jargon, Negri is organizing a regime of *panem et circenses* in the Empire of globalization.—*Claudio Celani*

## The 'Jeremy Bentham' Behind New Terrorism

by Scott Thompson

All serious counterintelligence attention today includes heavy emphasis on the threat to civilization represented by those types of chaos-organizers deployed for the Genoa heads-of-state summit in July 2001. Not only are the terrorists who surfaced in such large numbers at Genoa (and intend to repeat the performance in Washington, D.C. in September) a continuation of the street-fighters of 1968, and the Baader-Meinhof and similar gangs of the 1970s and mid-1980s; they are largely directed by persons who are known as veterans of those earlier operations, or of continuing operations such as those of the ETA separatists in Spain.

Like the terrorist waves experienced during those earlier decades, these are steered from inside high-ranking circles of the international financier establishment and the intelligence services under their control. Edward "Teddy" Goldsmith and his virtual cannibal tribes deployed at Genoa, are a leading example of such connections.

Goldsmith, who holds both British and French citizenship and is a principal heir of his late brother, "green billionaire" Sir James Goldsmith, serves today a role which is a parody of that of Jeremy Bentham's direction of the Jacobin terrorists in France during 1789-94. It is to be remembered, when thinking of the role played by veteran intelligence spook Goldsmith today, that Bentham had been the head of intelligence for the British Foreign Office created in 1782, through his role as head of the "Secret Committee" of the Venetian Levant Company-based British East India Company. Bentham deployed as his agents Robespierre, Danton, and the Duc d'Orléans ("Philippe Égalité"), who saw to it that the first to be guillotined were within the Marquis de Lafayette's circles. Thus, his first victims at the hands of the Jacobin hordes had been friends of Benjamin Franklin and key supporters of the American Revolution.

Teddy, and his brother, the late Jimmy Goldsmith, have strong ties with Wall Street *fondi* financial adviser John Train, through their mutual participation in Paris with the magazine *Paris Review*. This notorious intelligence rag from the 1950s published pieces by Aldous Huxley, advocating opening "The Doors of Perception" through experimentation with psychedelics; it also featured members of the "Homintern," associated with British "triple agent" H.A.R. "Kim" Philby, such as Stephen Spender; and it had Gillian Pretty, who was Teddy's

first wife, on its editorial masthead. Sir James supplied a commune on a British farm for the *Paris Review* group, including John Train.

According to Teddy Goldsmith, Sir James and John Train talked together at least once a week, and Train remains in contact with Teddy. During the Reagan Administration, Sir James had worked closely with then-Vice President George Herbert Walker Bush as a member of the Public Diplomacy section of "Project Democracy," which was created through Executive Order 12333. It is notable that the Public Diplomacy network overlapped with a "Get LaRouche" salon formed by John Train, whose salon employed the Roy M. Cohn protégé Dennis King as part of its riff-raff, assembled from press and spook circles, for that operation. These included NBC-TV's Pat Lynch and the Anti-Defamation League's Mira Lansky Boland, Roy Godson, and many others, who, as part of an operation set into motion under Train's direction, sought to demonize 1984 Democratic Presidential pre-candidate Lyndon LaRouche. Train's operation was set into motion by former Secretary of State Henry A. Kissinger and Edward Bennett Williams, attorney for the *Washington Post*'s LaRouche-hating Katharine Graham.

This "railroad" of LaRouche, involving close international spook associates of Teddy Goldsmith, highlights how much his operations, such as the 1998 Siena Declaration, are intended to be a delphic, Jacobin countergang to the policies of LaRouche.

### Echoes of the 'Paris Review'

Teddy Goldsmith relishes getting his hands dirty, as demonstrated by the teach-in he conducted in the midst of the April 2000 attempted riots against the bi-annual International Monetary Fund (IMF)-World Bank meeting in Washington, D.C. And, he has funded the dispatch of others from his network of associates to other riots, since no later than the Nov. 30, 1999 World Trade Organization (WTO) meeting in Seattle, Washington. But Teddy Goldsmith's real enemy is not the IMF, WTO, or World Bank, as it might seem on the surface. (He admits to corresponding with World Bank President Sir James Wolfensohn on changing the culture of the World Bank *away from* major infrastructure projects.) Goldsmith's key operations are to create a delphic countergang to LaRouche's call for an FDR-style New Bretton Woods.

The following are some of the instruments which Teddy Goldsmith participates in directly and/or funds (the latter through the Goldsmith Foundation, established by Jimmy Goldsmith and currently directed by John Cracknell):

#### *The Ecologist*

Unit 18

Chelsea Wharf

15 Lots Road

London SW10-OQJ

United Kingdom

website: [www.the.ecologist.org](http://www.the.ecologist.org)

Founded by Teddy Goldsmith, *The Ecologist* is the leading magazine for those “deep ecologists” who profess belief in the Gaia Hypothesis, that “Mother Earth” will wreak a terrible vengeance against anyone who disturbs her creation. According to sources at the Gaia Foundation in London, the Goldsmith Foundation had helped finance its work, which was “greatly appreciated” by the royal consort Prince Philip and the heir to the British throne, Prince Charles.

Recent campaigns of *The Ecologist* have been against large infrastructure projects, and Teddy Goldsmith, who has written several volumes on this subject, believes that despite the fact that hundreds of thousands have died in flooding in Bangladesh, for example, the solution is to let such natural disasters occur without implementing LaRouche’s plan for dams and levees, until the watershed is “more controlled” by reforesting the Himalayas.

Another major project lately adopted by this crew, has been small, “sustainable farming,” “import substitution,” and a rejection of genetically modified grain crops produced by such firms as Monsanto, which has been a target of new terrorist attacks.

At present, Teddy Goldsmith holds the title of “Founder” of *The Ecologist*, in which capacity he works on such special projects, while the current editor is his son Zac, who has participated, according to his father, in actions by the Luddite, new terrorist group Reclaim the Streets, which aims to annihilate the internal combustion engine. Also, as his last act as deputy editor of *The Ecologist*, Paul Kingsnorth, together with other associates of Teddy, was funded by Goldsmith to attend the July 2001 riots against the G-8 summit in Genoa. The editorial board of *The Ecologist* includes John Page of the International Society for Ecology and Culture (ISEC), while among the “Associates” of the magazine are included:

**Marcus Colcester**, World Rainforest Movement, U.K.;

**Sally Fallon**, The Weston A. Price Foundation, U.S.A.;

**Mae-Wan Ho**, Open University, U.K.;

**Mohammed Idris**, Consumers Association of Penang, Malaysia;

**Martin Khor Kok Peng**, Third World Network, Malaysia;

**José Lutzenberger**, former Minister for the Environment, Brazil;

**Jerry Mander**, International Forum on Globalization, U.S.A. (see below);

**Patrick McCully**, International Rivers Network, U.S.A.;

**Robin Page**, Countryside Restoration Trust, U.K.;

**Jeremy Rifkin**, Foundation on Economic Trends, U.S.A. (see below);

**Charles Secrett**, Friends of the Earth, U.K.;

**Vandana Shiva**, Research Foundation for Science, Technology and Ecology, India (see below);

**Richard Willson**, *The Times*, U.K.; and,

**Tracy Worcester**, ISEC, U.K.

Among the dozen-odd organizations that are listed on *The Ecologist* website as being affiliated in some way, are

included:

- The United Kingdom branch of **Friends of the Earth** (FOE—[www.foe.co.uk](http://www.foe.co.uk)). FOE claims to be the largest international network of ecologists, as it is represented in 61 countries, and as being one of the leading environmental “pressure groups” in the U.K. It is represented in 250 communities in England, Wales, and Northern Ireland. Its international executive director is Charles Secrett.

- The United Kingdom branch of the **Green Party** ([www.greenparty.org.uk](http://www.greenparty.org.uk)). Founded before the Green Party in Germany, which is part of a “Red-Green” coalition government in Berlin, the Green Party in the U.K., by its own account, began in the early 1970s as the People’s Party, and Teddy Goldsmith campaigned for Parliament with it, with funding from his billionaire brother, Sir James, together with an elephant donated by the private zoo of casino operator John Aspinall, a mutual friend of the two Goldsmith brothers. Teddy Goldsmith tried, with limited success at this time, to establish close ties with other Green parties. He remains “primate inter pares” of the British Green Party today, which has one Member of the European Parliament, Caroline Lucas. Goldsmith has written several treatises for the British Green Party, as well as covering it in *The Ecologist*, sometimes in concert with Jerry Mander.

- The United Kingdom branch of the **World Wide Fund for Nature** ([www.wwf-uk.org](http://www.wwf-uk.org)). WWF-International was founded by former Nazi SS intelligence officer and now HRH Prince Bernhard of the Netherlands, and one of its first branches, created in 1961, was in Britain, where Prince Bernhard encouraged Prince Philip to become its president.

The leading “intellectual influence” on this organization was Sir Julian Huxley, who, like his brother Aldous of MK-ULTRA LSD notoriety, was a leading figure of a new generation sponsored and trained by the trio of H.G. Wells, Bertrand Russell, and satanist Aleister Crowley. Sir Julian was the first Director General of UNESCO, and helped found the institution now known as IUCN-The World Conservation Union. In 1970, Prince Bernhard and Prince Philip launched the exclusive 1001 Club to fund the WWF, which had 1,001 members who contributed \$10,000 or more, including members of what might best be called the “kindergarten” of Canadian Privy Council member and sometime Al Gore mentor Maurice Strong, who was the coordinator for the UN’s genocidal Stockholm and Rio conferences on the environment.

One notable member of the 1001 Club, until his death, was Canada’s Maj. Louis Mortimer Bloomfield, who was identified by *EIR*’s best-selling book, *Dope, Inc.* (partially through the assistance of French intelligence), as having been a key leader of the Permindex Corporation’s “Murder, Inc.,” which organized for the 1963 assassination of President John F. Kennedy, and led numerous assassination attempts against French President Charles de Gaulle. Note that President de Gaulle was ultimately toppled by those New Left chaotists who might be fairly described today as “Global ’68.”

After a scandal involving kickbacks for the purchase of

Lockheed jets forced Prince Bernhard into the background, Prince Philip became president of WWF-International in 1981, and he remained in that capacity until his recent retirement. Since 1985, WWF-International has spent more than \$1.2 billion on 11,000 projects, including debt-for-nature swaps, which have tied up precious raw materials previously owned by debt-strapped Third World nations.

It is notable in terms of the WWF's orientation, that, according to an Aug. 10 story in the *Washington Post*, they just won a lawsuit in the United Kingdom against the World Wrestlers Federation, for exclusive use of the acronym WWF.

- The United Kingdom branch of **Greenpeace** ([www.greenpeace.uk](http://www.greenpeace.uk)). Although the Greenpeace website claims that it opposes violence at international meetings, and is dedicated to "creative non-violence," this is a bit of hair-splitting, considering what results from its "creative" activities. According to its own account, "Greenpeace was formed in 1971, when a handful of activists hired a battered boat and sailed into the U.S. atomic test zone off Amchitka, Alaska, to protest against nuclear testing." When Greenpeace was planning similar action against the French, that nation's intelligence organization, the SDECE, was caught trying to sink a boat known as the *Rainbow Warrior*, with divers placing explosives on its hull. Greenpeace also claims that it is not culpable, when it tries to stop whalers from whaling, and one of its new, modern ships gets rammed in the process. Most recently, the U.K. branch of Greenpeace, which, like the WWF, was one of the earliest chapters, sent the vessel *Star Wars 17* on July 14, 2001 to trespass on the exclusion zone at Vandenburg Airbase in California, "to carry out a peaceful protest against President Bush's Star Wars missile test." Greenpeace's action coordinator, Mike Roselle, left the organization to found the Ruckus Society, which engages in direct action at gatherings of international institutions. (See profile on the Mobilization for Global Justice, in this *Feature*.) The current International Executive Director of Greenpeace International is Thilo Bode.

- **Bretton Woods Project** ([www.brettonwoodsproject.org](http://www.brettonwoodsproject.org)): Although this organization carries out some very serious work on the genocidal nature of organizations like the IMF and World Bank, its website also posts notification to join the new terrorist protests against the same organizations.

- **The Luddite Reader** ([www.ludditereader.com](http://www.ludditereader.com)). One of the publications affiliated with *The Ecologist*, *The Luddite Reader* glorifies the Luddite movement. The Luddites (1811-16) were bands of weavers who sought to destroy steam engine-powered weaving on the basis that it reduced employment. They took their name from the late-Eighteenth-Century English worker Ned Ludd, who destroyed two steam-powered weaving machines. Corresponding French groups were known as *saboteurs*, from their practice of throwing *sabots* (wooden shoes) into machinery. Since then, as the manifesto of Unabomber Theodore Kaczynski illustrates, the term "Luddite" has become synonymous with opposition to scien-

tific and technological progress. This is precisely what Teddy Goldsmith does on behalf of "Mother Earth."

Another organization that is both partially funded by Teddy Goldsmith and on whose board he sits is:

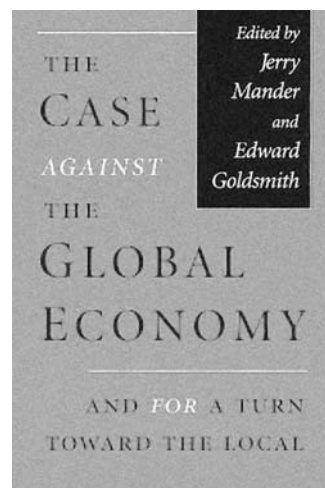
### **The International Forum on Globalization (IFG)**

The Thoreau Center for Sustainability  
1009 General Kennedy Avenue #2  
San Francisco, CA 94129  
website: [www.ifg.org](http://www.ifg.org)  
e-mail: [ifg@ifg.org](mailto:ifg@ifg.org)

The IFG, whose president and board of directors' member is Jerry Mander, who has written several treatises with Teddy Goldsmith against "globalization," as well as his own book *In the Absence of the Sacred*, portrays itself on its website as "an alliance of 60 leading activists, scholars, economists, researchers and writers formed to stimulate new thinking, joint activity, and public education in response to economic globalization." In actuality, however, despite this academic gobbledygook, IFG board members have been the brains behind several of the new terrorist assaults upon international institutions, as will be identified below.

The IFG was convened in 1994, after the creation of the North American Free Trade Agreement (NAFTA), but it did not burst upon the scene until Nov. 20, 1998, when it published the Siena Declaration, a full-page advertisement in the *New York Times*, which was a delphic play upon LaRouche's call for a New Bretton Woods. At first glance, the declaration appears sane, as it charges that "economic globalization" has led to "an extreme volatility in global financial markets and great vulnerability for all nations and people." It pins the blame for this "economic globalization" upon such international organizations as the IMF, World Bank, NAFTA, the Maastricht Treaty, and the WTO, which set "the rules of global trade and investment."

Closer examination of the work of those weary souls, arouses suspicion. The Siena Declaration historically locates the source of the plague of globalization in the original Bretton Woods conference of 1944. This implies that U.S. President Franklin D. Roosevelt is to blame, in large part, for today's maladies, and ignores the fact that the original Bretton Woods accords provided a viable basis for economic growth internationally, until the mid-1960s "paradigm shift" toward



“post-industrial,” “ecologist” policies, and the Aug. 15, 1971 adoption by President Nixon of “free-floating exchange rates.”

Such an attack upon the principles of the original Bretton Woods agreement of FDR, which LaRouche has repeatedly called upon world leaders to return to, is a typical tactic of the carpet-bagging financier-predators of the Anglo-American Establishment. The view expressed by the Siena Declaration, is epitomized by Sir Henry A. Kissinger’s speech at a Chatham House (Royal Institute for International Affairs) conference for the Bicentenary of the British Foreign Office, on May 10, 1982. In essence, Kissinger denounces FDR for having told then-British Prime Minister Sir Winston Churchill that after World War II, FDR was committed to rolling back British Eighteenth-Century methods of colonialism. Bretton Woods represented FDR’s economic dimension of this nation-building policy, which was cut short in other dimensions by FDR’s untimely death.

The “New Bretton Woods” manifesto of Teddy Goldsmith and the IFG places “ecological values above economic values”; it would create a virtual Tower of Babel.

Apart from Teddy’s co-author and pal Jerry Mander, some of the more notable board and associates of the IFG include:

**Maude Barlow.** According to sources at IFG, this Canada-based IFG board member, who is affiliated with the Council of Canadians, was one of two co-organizers of the Quebec City riots against the hemispheric free trade zone summit of the Americas with Victor Menotti, who is program director of the IFG.

**Walden Bello.** According to sources at IFG, Walden Bello (see also dossier on the World Social Forum, in this *Feature*) had been deployed to the Genoa G-8 riots. Bello is also reported to have participated in a counter-G-8 forum organized by Teddy Goldsmith from his villa in Siena, which was hosted by the mayor of Pisa, and was attended by all the ministers of Italy’s region of Tuscany.

**John Cavanaugh.** Although this Institute for Policy Studies leader has recently been seen in the debating halls of Chatham House’s American cousin, the New York Council on Foreign Relations, it is noteworthy that IPS was a principal think-tank and coordinating center for the New Left during the “Global ’68” movement.

**Vandana Shiva.** This IFG board member is one of the “Associates” of *The Ecologist*, and his Foundation for Science, Technology and Ecology is based in New Delhi.

**Brent Blackwelder.** As an “IFG Associate,” Blackwelder is affiliated with Friends of the Earth-U.S.A., which has taken part in the new terrorist riots against international financial organizations.

**Kevin Danaher.** This IFG Associate is a leader in Global Exchange. (See dossier on Mobilization for Global Justice.)

**Ralph Nader.** This IFG Associate is both the head of “Public Citizen” and ran as the Presidential candidate of the U.S. Green Party in the Y2000 elections. Ironically, Nader,

who has “speechified” at various new terrorist riots, like his presentation at the April 2000 IMF/World Bank protest, has received major international media attention, while the LaRouche campaign was blacked out by the establishment media, even though Lyndon LaRouche received 120,000 more votes than Nader in the latter’s California stronghold.

**Randall Hayes.** As an IFG Associate, Hayes is a leader of the San Francisco-based Rainforest Action Network, which was particularly evident in the Seattle WTO riots.

**Carl Pope.** Another IFG Associate, he is a leader of the “above suspicion” Sierra Club.

**Jeremy Rifkin.** He is both an IFG Associate and an Associate of *The Ecologist*.

**Kirkpatrick Sale.** This former New Left guru is a leader of the E.F. Schumacher Society, which preaches a “Small Is Beautiful” version of the “deep ecology” Gaia Hypothesis.

**Danny Kennedy.** As an IFG Associate, Kennedy is a leader of Project Underground, which has frequently adopted and affiliated with those anarcho-ecology groups that practice the “Black Bloc” tactic of direct confrontation with the police.

---

## Profile: George Soros

---

# ‘Inside-Outside’ Job For the Oligarchy

by Scott Thompson

George Soros has gained notoriety among many Third World leaders as a Robin Hood who robs the poor to give to the rich. In fact, he has been doing an “inside-outside” job, in his game with both the international financial institutions and their supposed “arch-enemies” in the new terrorism.

Undoubtedly, as in the past, George Soros will be hosting lavish entertainment, if not actually speaking on the glories of globalization, inside the armed camp of the September 2001 International Monetary Fund-World Bank meeting in Washington, D.C. And, while he is on the inside, narco-terrorist forces that his network of “philanthropic” and “human rights” organizations acts to protect—including Mexico’s Zapatistas (EZLN), Colombia’s FARC, and Peru’s Shining Path and MRTA—will be either demonstrating or a *cause célèbre* of the “anti-globalizing” new terrorists. Several Soros-created or -funded fronts have made opposition to Plan Colombia—which will be the opening salvo for the new terrorists in Washington, D.C.—one of their major activities.

Within the Soros financial and “philanthropic” empire, the following are some of the key institutions and personnel

involved in this “inside-outside” operation:

### **The Open Society Institute (OSI)**

400 West 59th Street  
New York, N.Y. 10019  
website: [www.soros.org](http://www.soros.org)  
George Soros, chairman  
Aryeh Neier, president

The Open Society Institute was established in 1993, and is *primus inter pares* among OSIs in: Baltimore, Maryland; Brussels, Belgium; Budapest, Hungary; and, Paris, France. In coordination, these OSIs have primacy over more than 40 national Soros Foundations and institutions.

### **The Lindesmith Center**

925 9th Avenue  
New York, N.Y. 10019  
web site: [www.drugpolicy.org](http://www.drugpolicy.org)  
Ethan Nadelmann, executive director

The Lindesmith Center, whose major focus on legalizing all narcotics—from marijuana to crack cocaine to LSD—is part of the OSI in New York. It is named after a British detective, who, like British liberal philosopher John Stuart Mill, argued that use of narcotics was a “victimless crime.”

### **Central European University-Budapest (CEU)**

Nador u. 9  
H-1051 Budapest  
Hungary  
website: [www.ceu.hu/indexnsie.html](http://www.ceu.hu/indexnsie.html)  
e-mail: [external@ceu.hu](mailto:external@ceu.hu)  
George Soros, chairman  
Yehuda Elkana, president and rector

After Czech President Vaclav Havel rescinded the charter of the CEU in Prague, the CEU, whose main base had always been in Budapest, Hungary, opened a second branch campus in Warsaw, Poland. It has its own publishing affiliate in New York City.

### **Human Rights Watch (HRW)**

350 Fifth Avenue, 34th Floor  
New York, N.Y. 10118  
website: [www.hrw.org](http://www.hrw.org)  
e-mail address: [hrwnyc@hrw.org](mailto:hrwnyc@hrw.org)  
Ken Roth, executive director

### **Human Rights Watch/Americas**

1630 Connecticut Avenue, N.W.  
Suite 500  
Washington, D.C. 20009  
website: [www.hrw.org](http://www.hrw.org)  
José Miquel Vivanco, executive director

Although Human Rights Watch is an independent organization, George Soros is one of its major funders. The proximity of the institutions is illustrated by the fact that Aryeh Neier had been executive director of HRW/Americas before becoming president of the OSI in New York City. And, George Soros himself has served on the board of HRW/Americas for several years.

### **How Soros Got Rich**

Before illustrating Soros’ “inside-outside” job on globalization, it is essential to note that he gained his billions of dollars to fund this operation through his hedge-fund activities, which have ravaged currencies, company stock values, and so forth throughout the Third World and formerly developed nations; and then turned around and bought up businesses and raw materials for a dime on their dollar value.

From headquarters in New York City, where he chairs Soros Fund Management, Soros directs the activities of a half-dozen hedge funds in the “offshore” tax haven of the Netherlands Antilles in the Caribbean. Soros’ flagship hedge fund for wealthy family *fondi* is Quantum Fund, N.V., which reportedly manages \$11-14 billion on behalf of investors, the wealthiest of whom is Her Majesty Queen Elizabeth II, head of the House of Windsor and Europe’s wealthiest individual.

It will be seen to be highly ironic, that one of the principal people assisting Soros in establishing his business empire was George Karlweiss, an agent of Baron Edmond de Rothschild of the Swiss-based Banque Priveé, who also launched the looting career of Robert Vesco (the fugitive nicknamed, “The Detroit Kid”). And, on the board of the Quantum Fund, N.V., Baron Jacob Rothschild’s St. James Place Capital is represented by Nils O. Taube, an old partner in Soros’ shady dealings. Also on the board of Quantum Fund, N.V. is Richard Katz, who is on the board of the City of London-based N.M. Rothschild & Sons merchant bank, directed by Sir Evelyn Rothschild.

The reason there is so much irony in this City of London-centered Rothschild connection, is that upon at least two occasions, when Soros was asked what gave him the motivation for his speculative successes, he cited his work on behalf of the Nazis in looting wealthy Jewish estates in his native Hungary. Here is Soros’ own carefully crafted admission on the Adam Smith Show, produced by WNET-TV on April 15, 1993, that he had been a small cog in Adolf Eichmann’s killing machine, which was responsible for the Holocaust against 500,000 Hungarian Jews:

“It really started in 1944, when Hungary was occupied by the Germans, and me being Jewish, I was in danger of my life. . . . When the Germans came in, he [Soros’ father, a prominent Budapest attorney] said, ‘This is a lawless occupation. The normal rules don’t apply. You have to forget how you behave in normal society. This is an abnormal situation.’ And he arranged for all of us to have false papers, everybody had a different arrangement. I was adopted by an official of the Minister of Agriculture, whose job was to take over Jewish





*George Soros' financial empire is the funding source for many of the groups that are supposedly rioting against the policies of the oligarchy which he represents.*

properties, so I actually went with him and we took possession of these large estates. That was my identity. So it's a strange, very strange life. I was 14 years old at the time."

So, Soros attributes his gift for speculative looting to the genocidal policies of the Nazis during World War II against Jews and others.

### **Soros' Brave New Open Society**

In 1947, Soros attended the London School of Economics, where he fell under the sway of the late Sir Karl Popper, who as then-head of the British Aristotelian Society, developed his concept of the "Open Society" to counter the universal ideas embodied in Plato's *Republic* and *Laws*—which later helped foster the concept of the modern sovereign nation-state republic, notably including the United States.

Soros hates the sovereign nation-state, as witness his comparison of Malaysia's Prime Minister Mahathir bin Mohamad to a Nazi, in recent speeches, because the Malaysian leader instituted exchange controls and capital controls after Soros had looted Southeast Asia, starting with his assault upon the Thai currency, the baht, in 1997. Not only had Prime Minister Mahathir committed the "crime" of naming George Soros as foremost among those responsible for destroying 30 years of growth overnight, but he took these concrete steps against further speculative looting by Soros' and other hedge funds. And, Soros, who backs drug-legalization, has branded former Peruvian President Alberto Fujimori as a "dictator," like Prime Minister Mahathir, because when he was President, Fujimori led a relentless crackdown

on narco-terrorists in Peru.

Instead of the sovereign nation-state republic, Soros said in a March 12, 1998 interview with the Italian *Liberal* magazine, that what is needed is a new *Pax Britannica* empire, because, he lies, nation-states cause war:

"Left alone, states do not maintain peace. We need an international organization aimed at keeping peace. *It can be an empire, or a balance of powers. Or it can be some sort of international institution.* Current international institutions . . . cannot succeed because they are formed by states, and therefore they are instruments of state interests. During the Cold War, there was a balance of powers. Today, America is the only superpower left, but it does not have the capacity to be the world policeman. In the 19th Century, we had a global capitalist system as well, and it was Great Britain, representing the imperial power, that maintained stability. . . . Currently, we have no system of peace. . . . In some ways, the 19th-Century version of the global capitalist system was more stable than the current one. . . . There were imperial powers, Britain foremost among them, that derived enough benefits from being at the center of the global capitalist system to justify dispatching gunboats to faraway places to preserve the peace or collect debts."

It is also notable that on Oct. 17-19, 2001, Soros' Central European University in Budapest will host a conference entitled, "Globalization and Its Enemies." It is being co-organized by the British University of Warwick's Centre for the Study of Globalisation and Regionalisation, while the bill is being paid for by the OSI in New York.

The choice of the CEU-Budapest is noteworthy, because it is one of the few universities that gives an M.A. and a Ph.D. in Nationalism Studies: a program initiated by George Soros, through the late Oxford University-trained Ernest Gellner. Given Soros' hatred of nation-states, it is no wonder that he and Gellner believed that nationalism led to what the Frankfurt School decried as the "Authoritarian Personality." Soros and Gellner, as Aristotelians, believe that no one can know or discover validatable universal principles or truth, and therefore strong leaders of nation-states are categorized as *nadi*, which is a term equatable with fascism. One four-credit course within the graduate program is on anti-Semitism and nationalism. Soros, together with CEU board member Rep. Tom Lantos (D-Calif.), almost toppled the Hungarian government, when they singled out an opponent of IMF-style "shock therapy," Istvan Csurka, by lying that he believed in a "Jewish/Plutocratic/Bolshevik" conspiracy.

### **How Soros Protects Narco-Terrorists**

Through the Lindesmith Center and his funding for HRW, Soros champions "human rights" for the crack cocaine that floods America's streets and the narco-terrorists who are allied with the drug cartels, particularly in Ibero-America. The narco-terrorists protected by Soros and his associates are precisely the same ones that form a cornerstone of the new terrorism.

There are more than a half-dozen press releases from the Lindesmith Center, chiding Mexican President Vicente Fox for not having released members of the new terrorists' darlings, the Zapatistas, who are being held on federal drug-trafficking charges. Frequently, the Lindesmith Center has argued that such members of the Zapatista National Liberation Army (EZLN) "were framed."

Shifting the argument, Al Giordano wrote a Feb. 12, 2001 press release for the Lindesmith Center, entitled "One Third of Indigenous Prisoners in Mexico Imprisoned on Drug Charges," which pleads from a report by Mexico's National Commission on Human Rights that the drug-related activity was merely due to poverty:

"The majority of these indigenous prisoners are used by organized crime to transport drugs. . . . Suffering from hunger, with poor-quality lands, without resources to plant and forgotten by development, the indigenous either accept or are obligated to transport drugs. They survive somehow."

Another Lindesmith press release decries the Clinton Administration's decision to send Gen. Barry McCaffrey (ret.), then-Director of the Office of National Drug Control Policy, to Colombia to discuss a \$1.3 billion aid program for Plan Colombia: "Washington has sent Gen. Barry McCaffrey, the chief proponent for the militarization of the war on drugs in Latin America, to ostensibly address issues of social reform. In reality, the mission will lay the groundwork to expand and step up McCaffrey's futile war against drug production in Colombia. The \$1.3 billion aid package targeted for the nation is sure to widen and deepen the decades old civil war in the north, recklessly plunging the U.S. into what could become one of its most disastrous Latin American foreign policy commitments in recent history. Rather than bring a peaceful resolution, Washington's massive contribution to the war on drugs will instead serve to fuel a thinly veiled anti-insurgency campaign that seeks to eliminate Colombia's two surviving guerrilla groups, the Revolutionary Armed Forces of Colombia (FARC), and the National Liberation Army (ELN). Since the FARC network is often intertwined with components and structures of civil society, if the Colombian military launches a strategic campaign against these leftist forces, the fragile semblance of normalcy among a populace already alienated by all sides to the conflict will be fundamentally undermined." In other words, Lindesmith argues that Colombia must do nothing amid a civil war that has virtually partitioned the nation and threatens to spill over the borders, and otherwise should let narco-terrorists such as the FARC traffic in narcotics, pillage, and kidnap whomever they choose.

### 'Narco-Terrorist Huggers'

Human Rights Watch, particularly through HRW/Americas, has written numerous documents in defense of the Zapatistas, as well as reports attacking Plan Colombia's potential for an assault upon the FARC and ELN, and former Peruvian

President Fujimori's assault on narco-terrorists such as the Shining Path and MRTA. In particular, HRW/Americas has gone after the military, which has been the backbone for fighting the narco-terrorist takeover of these nation-states.

Thus, the February 2000 issue of *Human Rights Watch* journal is entitled, "The Ties That Bind: Colombia and the Military-Paramilitary Links." This report not only claims that the Colombian military is behind the equivalent of "paramilitary death squads," but it even applauds the 1998 dismantling of the Colombian military's 20th Brigade, which was composed of military intelligence officers who took too proactive an approach toward eradicating drug lords and their narco-terrorist allies. However, HRW claims that the intelligence personnel continue to function in disparate military units, "where human rights are violated" for narco-kingpins.

As was documented at length in the April 1997 *EIR* Special Report, "The True Story of Soros the Golem—A Profile of Megaspeculator George Soros," HRW/Americas has an extended network of "narco-terrorist huggers" that includes:

**The Andean Commission on Jurists.** Having offices in six Andean countries, its headquarters is in Peru, where it operates as a de facto arm of HRW/Americas, publishing HRW reports in Spanish under its own logo. Its executive director, Diego García-Sayán, authored the foreword for Americas Watch's 1992 book defending the narco-terrorists, *Peru under Fire*. García-Sayán has also met on a regular basis with Ethan Nadelmann, who directs Soros' Lindesmith Center.

**The Andean Council of Coca Leaf Producers (CAPHC)** has worked closely with the Andean Commission on Jurists, as in a March 13-14, 2001 conference featuring one of Nadelmann's British associates, where it was argued that coca had "traditional" uses, and any attempt to eradicate it was a "threat to the environment." CAPHC, whose head is Bolivian radical Evo Morales, has as its goal the organizing of coca growers in Peru, Bolivia, Ecuador, and Colombia into a unified armed insurrectionary force. On April 18, 1995, the Bolivian government raided a meeting of CAPHC's directors and advisers, arresting 24 participants on charges of sedition, as the meeting had been called to spread CAPHC's violent campaign against coca eradication into Peru. In August 1996, Evo Morales, who may have a hand in organizing the People's Global Action third international conference in Cochabamba, Bolivia (see dossier on the PGA, in this *Feature*), travelled to Colombia, where he called upon the narco-terrorist FARC to maintain "strength, unity, and resistance to pressure from the police and the military."

Finally, it is noteworthy that Alejandro Toledo—elected President of Peru in June 2001, after an Anglo-American Establishment operation pulled off a cold coup d'état that drove President Fujimori to seek asylum in Japan—admitted, in the middle of his campaign, that he had received \$1 million from George Soros. The purpose to be served by the funds was to attempt the overthrow of President Fujimori before his

third Inaugural; Fujimori had won re-election by an overwhelming majority, in large part because he freed Peru of narco-terrorism. Toledo arranged the deal personally, in meetings with Soros at the June 2000 meeting of the World Democracy Forum.

# Terrorism Central: People's Global Action

by Scott Thompson

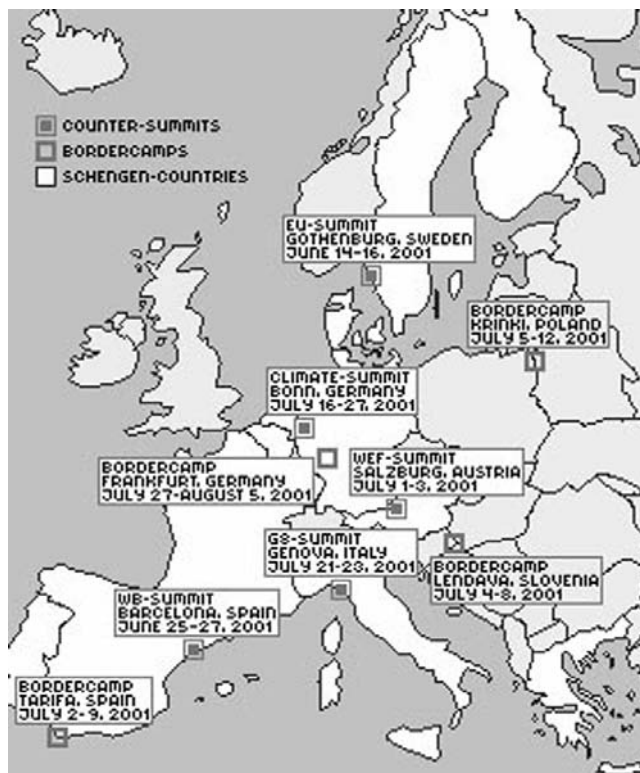
## People's Global Action (PGA)

Address: PGA c/o Canadian Union of Postal Workers  
(CUPW)  
377 Bank Street  
Ottawa, Ontario, Canada  
e-mail address: [pga@agp.org](mailto:pga@agp.org)  
website: <http://www.agp.org>

Days before the Sept. 28-29, 2001 biannual meeting of the International Monetary Fund (IMF) and World Bank in Washington, D.C., People's Global Action will be holding a conference in Cochabamba, Bolivia, to plan how to disrupt events in Washington, D.C., as well as to carry out global protests and terrorist action. The significance of this meeting cannot be underestimated, as PGA is the umbrella under which all of the world's major narco-terrorist, landless, indigenous, and "Black Bloc" anarchist gangs have been assembled.

PGA has been involved in every "global day of action," since the birth of the new terrorism. As PGA-linked events have grown vastly in size and violence, a recent editorial by Michael Albert, on behalf of the PGA, entitled "Resurrect the R-Word," calls for a shift toward "revolution": "To argue that capitalists will freely forsake the economic violence is utopian. . . . We have economic violence. We want economic liberty. The difference is transformative. We need the R-word. . . . We can't win what we won't even name. We can't orient today's reforms to furthering tomorrow's victories if we refuse to define what tomorrow's victories might be. Blind strategy is no strategy at all. Resistance is good. But to get to liberation, in speaking, writing, thought, and action—resurrect the R-word."

U.S. intelligence sources have affirmed, and *EIR* has corroborated, that the PGA is one of the "central coordinating tools" for a minestrone of organizations involved in the new terrorism, ranging from narco-terrorist organizations like Colombia's FARC, to the reborn Autonomists and anarchists that practice "Black Bloc" (see box) terrorist tactics, to an anthropologist's dream-world of "indigenous" organizations,



A group called No Border No Nation advertised this "hot Summer" of 2001 anti-globalization riots and protests.

notably including the Zapatistas (EZLN) of Mexico's southern Chiapas state.

## The Cochabamba Agenda

Apart from the global day of action around the forthcoming Washington, D.C. IMF/World Bank meeting, the agenda for the Cochabamba conference includes plans for the PGA to enter a phase of "sustained action"—a euphemism for terrorist acts. One of the focal points for such "sustained action" is opposition to Plan Colombia, which is ostensibly a major North American intervention to carry out a "war on drugs" in Colombia (the Plan Colombia is actually not a serious anti-drug policy, as *EIR* has reported; see, for example, speech by Gen. Harold Bedoya (ret.), in *EIR*, March 24, 2000). Undoubtedly, despite its pleading poverty in its goal to have 70% representation from the Third World, the PGA's coffers will be stuffed by the narco-traffickers and their terrorist allies. Combatting Plan Colombia was also the subject of a meeting in November 2000 of the representatives of the Andean and Central American regional organization of the PGA.

Other suggested targets of "sustained action" to be taken up at Cochabamba include stopping "the execution of transport megaprojects such as the new interoceanic canal, mega-harbors, finishing the Pan-American road, etc."

Cochabamba will be the third international conference

of the PGA. It will start with a “grassroots” tour through Venezuela, as well as Colombia, Ecuador, and Peru. The agenda is set by a group of “convenors” selected at the preceding conference. Among the Cochabamba convenors are:

**CONFUNASSC-CNC (Confederación Unica Nacional de Afiliados al Seruo Social Campesino-Consejo Nacional Campesino)**, an Ecuadoran peasant movement that has ignited several uprisings;

**MJK (Movimiento de la Juventud Kuna)**, a Panamanian indigenous people’s movement that sparked several actions over the Twentieth Century, and won autonomy for the Kuma people;

**FNT (Frente Nacional de Trabajadores)**, a trade union federation from Nicaragua that includes Sandinista central and other unions;

**ONECA/ODECO**, the organization of escaped slaves in Ibero-America, who formed societies in the rain forest in most nations there;

**Aoteoroa Educators**, the training branch of the intertribal Maori independence movement in New Zealand, called Tino-Rangatiratanga;

**Krishok Federation**, a federation of peasants and landless agricultural workers from Bangladesh, which has been fighting for decades against the “Green Revolution,” as well as against mega-projects, such as dams and levees, that might save hundreds of thousands of lives from flooding;

**MONLAR (Movement for National Land and Agricultural Reform)** from Sri Lanka;

**Ya Basta!** One of the main Autonomist Zapatista-support networks, based primarily in Italy, which has conducted protests against NATO involvement in the Balkans, for rights for illegal immigrants, and held global days of action against the globalization of Europe.

At present, North America is represented by acting convenors—the **Tampa Bay Action Group** and the **Convergence of Anti-Capitalist Struggles** (Convergence des Luttes Anti-Capitalistes)—which will be replaced, once the conference has convened. **Rainbow Keepers**, a network of radical anarcho-ecologist action groups in Eastern Europe and the former Soviet republics in Asia, is the acting convenor for Eurasia. At present, there are no convenors from Africa and East Asia, a matter which will be taken up at Cochabamba.

## Origins of the PGA

The PGA had its origins in a sequence of events in 1996 and 1997. The first event was the Zapatistas’ call in 1996, via e-mail, for an *encuentro* (encounter) of select activist organizations around the world, to meet in specially constructed arenas in the Chiapas jungle, to discuss common tactics. Six thousand people turned up for the several-day-long discussion.

In August 1997, the European Zapatista support network called for a Second Meeting for Humanity and Against Neo-Liberalism, in El Indiano, Spain, which it had planned with

the Zapatistas during the 1996 *encuentro*. Participants included: the **Landless Movement (MST)**, of Brazilian peasants, a potentially armed insurgency organization, which is tied to the Colombian FARC and carries out land occupations; and, for India, the **Karnataka State Farmers Union (KKRS)**, which has run a “cremate Monsanto” campaign, burning fields of genetically modified crops. French farmer activist José Bové, who gained notoriety by destroying a McDonald’s restaurant during protests in Paris, also attacked a Monsanto plant in Brazil, before suddenly appearing as a major voice in the Hemispheric Free-Trade Summit of the Americas in Quebec City, despite a Canadian security all-points bulletin to apprehend him.

Immediately after the meeting in El Indiano, representatives from activist and terrorist organizations of North and South gathered in the same spot, to plot direct action against the Second Ministerial Conference of the World Trade Organization (WTO, which was going to take place in May 1998 in Geneva, to commemorate the 50th anniversary of the General

## The Black Bloc Tactic

The message printed on the inside of 9,000 black ski masks distributed at the June 18, 1999 “Carnival Against Capital,” which had been called for by People’s Global Action (PGA) to vandalize the City of London financial district, read:

“Those in authority fear the mask for their power partly resides in identifying, stamping and cataloguing: in knowing who you are . . . our masks are not to conceal our identity but to reveal it. . . . Today we shall give this resistance a face; for by putting on our masks we reveal our unity; and by raising our voices in the street together, we speak our anger at the facelessness of power.”

This “Black Bloc” tactic, which may also include black dress, black helmets, gas masks, padding, steel-toed boots, and sometimes even the equivalent of riot police shields and batons, has been prevalent at every major PGA-linked “global day of action.”

At the Nov. 30, 1999 demonstration and terrorism against the World Trade Organization Summit in Seattle, Washington, somewhere between 100 and 300 anarchists and others adopted the “Black Bloc” tactic, carrying a rucksack with a change of clothes, so that after attacking police lines, they could blend back into the crowd of less militant protesters.

However, as the online news service “A-Infos” makes clear in a piece entitled, “Autonomia and the Origin of the Black Bloc,” there is nothing new about this tactic, which

Agreement on Tariffs and Trade), and to establish communication and coordination among those who wanted to continue those actions against other free-trade agreements and institutions. This was the origin of the PGA, which held its first international conference on Feb. 23-25, 1998, in Geneva's "alternative culture" centers, with representatives from 300 movements in 71 countries, and all the continents.

### The PGA Swings Into Action

The first major PGA-linked action was on May 16-20, 1998 against the Group of Eight Summit in Birmingham, England, and the WTO Ministerial Conference in Geneva a day later. Apart from direct action at these events, there were over 65 demonstrations in 29 countries. In India, several hundred thousand farmers demonstrated, while in Geneva, 10-15,000 people from all over Europe and other continents carried out three days of the heaviest rioting ever seen in that city.

At a meeting of the convenors' committee in Finland in September 1998, the second international PGA conference

was programmed to take place in Bangalore, India, several months before the Third Ministerial Conference of the WTO, in Seattle, Washington. At this meeting, the convenors endorsed two large projects.

One project was an Inter-Continental Caravan for Solidarity and Resistance, from May 22 to June 20, 1999. This brought together representatives in Europe from 450 movements from the Third World, with the majority from India, but also including: the MST, Zapatista support groups from Mexico, and the Process of Black Communities from Colombia. The Inter-Continental Caravan met with a wide variety of organizations in over 12 European countries. Actions included taking over the Aviano, Italy air field for one day, during which the NATO bombing of Serbia was stopped, and on June 18, the caravan ended up in Cologne, where the G-8 was then meeting.

The second project was a global day of action against financial centers, on June 18, 1999. The June 18 operation ([www.j18.org](http://www.j18.org)) was most notable in the City of London,

---

dates back at least to the May 1968 anarchist barricades in Paris. Soon thereafter, in the "Hot Autumn" of 1969, the Italian Autonomia emerged in what "A-Infos" characterizes as "the rapid proliferation of direct action, strikes, rent strikes, mass squats [of buildings], streetfighting, university occupations and other popularly supported radical actions." With the crackdown against the Autonomia Operaia group in 1979, when Toni Negri and 150 others fled indictment by going underground, the movement spread to what was then West Germany in the early 1980s, as well as to the Netherlands and Switzerland. Especially in West Berlin and Hamburg, vast networks of squatters occupied whole city blocks and built walls around them from which "Black Bloc" members would emerge to battle the police, who sought to evict them.

One notable event in Hamburg occurred in 1986, when police tried to evict a complex of houses occupied by squatters, known as the Hafenstrasse. The police were met with a 10,000-person march (under the banner, "Build Revolutionary Dual Power"), of whom 1,500 people employed the Black Bloc tactic, battling police for 24 hours before the latter went into retreat. The next day, fires were set in 13 department stores, causing \$10 million in damage.

Similar tactics were employed in virtual irregular warfare against Germany's nuclear power plants.

More than ten years before Seattle, 80,000 protesters, of whom many used the Black Bloc tactic, mobilized against a meeting of the International Monetary Fund-World Bank in Berlin in 1988.

In an August 2000 public critique of the eruptions in Seattle and elsewhere, written by the Canadian Security

Intelligence Service in preparation for the Quebec City Third Summit of the Americas, the agency notes: "Circumstances also have promoted the involvement of fringe extremists who espouse violence, largely represented by Black Bloc anarchists. . . . Extremists currently achieving the most notoriety are among anarchists and members of the Third Position. . . . The Black Bloc is a loosely organized cluster of anarchist affinity groups and individuals, estimated in North America to number a few hundred, who come together to participate in protests and demonstrations. The Third Position, largely a European phenomenon but spreading rapidly to the U.S.A., is a curious mixture of extreme Left and Right political motivations which include the use of violent means of protest."

The International Third Position ([http://dSPACE.dial.pipex.com/third position](http://dSPACE.dial.pipex.com/third%20position)), originally based in England, is truly a strange hybrid. Both the British and the American branches are presently involved in a campaign to stop German Chancellor Gerhard Schröder from using the Constitutional Court to ban the neo-fascist National Democratic Party (NPD) of Germany. The two main ideologues of the International Third Position are G.K. Chesterton and Hilaire Belloc, who were the feudal Catholic leaders of a movement in the 1930s known as the "Distributists," who allied themselves at that time with the pro-Confederate Nashville Agrarians. The "Distributists," who initially praised Adolf Hitler, tried to reorganize the economy under medieval craft guilds, which is essentially the outlook of Edward "Teddy" Goldsmith, who has his own fascist ties. (See *EIR* Aug. 3, 2001, "How the 'Lost Corpse' Buried America's Intellectual Tradition," by Stanley Ezrol.)

where a march of nearly 10,000 people (partly from the Ludite organization Reclaim the Streets) rapidly degenerated into a riot, in which 42 people were injured and damage was estimated at millions of dollars. The activities were not confined to London; cities in North America and continental Europe also were involved, and in most cases financial districts were targeted for protests and terrorism, while 10,000 attacks were made upon businesses by computer hackers.

In August 1999, the second PGA international conference took place in Bangalore. According to the PGA's own history: "At Bangalore it was decided by unanimity to redefine it [the PGA] as an anti-capitalist network. . . ."

Already before the Bangalore conference, when the WTO announced that it would hold its third summit in Seattle, various groups from Vancouver to Los Angeles (several of which had participated in earlier global days of action) formed the **Direct Action Network (DAN)**, which adopted the principles of the PGA. DAN announced its intention to block the opening of the WTO Summit in Seattle, where a major failure in intelligence, given the pre-history of actions, left the police totally unprepared for the new terrorism that emerged there on Nov. 30, 1999.

Some 10,000 activists, many adopting the tactics of the "Black Bloc" (see box), managed to block all 13 accesses to the summit, and they were joined by hundreds of young trade unionists, who took part in the direct action, despite AFL-CIO rules to the contrary. Simultaneously, demonstrations occurred in 60 cities around the world.

Since that time, PGA-linked global days of action have become larger and more violent. For example, despite little news attention at the Sept. 26, 2000 IMF/World Bank meeting in Prague, the rioters held the upper hand. Czech organizations that had participated in previous global days of action issued a call that was seconded by the PGA convenors, and 15-20,000 demonstrators took part, coming from as far away as Spain, Italy, Norway, Poland, and Greece. As the PGA official history gloats: "On S26, the opening day of the summit, 15 to 20,000 demonstrators besieged the assembly for hours. Delegates attempting to leave were injured and finally evacuated to the underground. The second day many preferred to stay in the safety of their hotels, while the remainder voted to cancel the third day of the meetings." The new terrorists were able to do this, despite 11,000 police having been deployed.

For more of the events that PGA took part in, see the timeline in this *Feature*.

**To reach us on the Web:  
[www.larouche.com](http://www.larouche.com)**

## World Social Forum

by Gretchen Small

The World Social Forum, founded at the so-called "Anti-Davos Conference" held in Pôrto Alegre, Brazil, on Jan. 25-30, 2001, is yet another wing of the "Seattle movement." Formalized as a permanent organization, with an International Council and plenty of financing (although no fixed address), the WSF is organizing for a second conference to be held in Pôrto Alegre from Jan. 31 to Feb. 5, 2002. Its organizers project that 100,000 people will attend.

The WSF claims that it has no bureaucratic structure, nor any deliberative function, nor does it take decisions as a body, nor commit its members to any particular agenda; it is, rather, "a world process . . . designed to build an international unifying movement of alternatives."

Translated, that means that the WSF's function is to provide the global "Seattle movement" with a central political umbrella, through which to garner publicity and legitimacy, establish networks, coordinate actions, and channel money.

The first WSF conference, touting itself as "part of the movement which has grown since Seattle," surpassed even its organizers' expectations: Anywhere from 12-16,000 people attended, representing hundreds of groups and a smorgasbord of political, academic, indigenous, feminist, gay, Marxist, counterculture, homeless, labor, peasant, student, anarchist, terrorist, drug-trafficking, etc. interests from around the world.

A leading attraction at the conference was Javier Cifuentes, representative of the largest dope cartel in South America, the Revolutionary Armed Forces of Colombia (FARC), who, provided with special protection, waltzed around the conference, speaking publicly.

The WSF "anti-Davos" movement is the brainchild of Teddy Goldsmith, the French daily *Le Monde* reported shortly before the Pôrto Alegre conference opened in January 2001. The two principal agencies used to set Goldsmith's murderous idea into motion were the Brazilian Workers' Party and its Landless Movement (MST), and Bernard Cassen, director of France's *Le Monde Diplomatique*, the leader of the French ATTAC movement (Association for the Taxation of Financial Transactions and for the Aid of the Citizenry), and, more recently, would-be travel agent for the Zapatistas' Subcommander Marcos.

Held at the same time as the annual gathering of world business, financial, and government leaders at the World Economic Forum in Davos, Switzerland, "anti-Davos" was given massive publicity. A teleconference debate between the Davos Forum, featuring George Soros, and leaders from the



*Leaders of the Colombian narco-terrorist FARC are wined and dined during a European tour in 2000: Here, a meeting with Swedish Foreign Minister Anna Lindh (third from left). In the center is Raúl Reyes, the FARC's "financial expert."*

WSF's "anti-Davos" forum, was used to build the credibility of the WSF as the new counterpole to neo-liberal economics and the Davos crowd. That the so-called "Dialogue Between Davos and Pôrto Alegre" boiled down to a heated, but contentless, exchange of name-calling, mattered not.

France's *Le Monde*, as did others, painted the Pôrto Alegre forum as having launched "the bases for 'another globalization.'" "Another globalization" which clearly could mobilize money. The "debate" with Soros, involving four satellite hookups, cost over a million dollars, alone.

### **Luddite Movement**

Filippino activist Walden Bello, a board member of Teddy Goldsmith's International Forum on Globalization and one of the panelists who "debated" Soros, characterized Pôrto Alegre as a "combination of celebration, hard discussion, and militant solidarity." Activists were urged to organize their troops to participate in the numerous global demonstrations planned against various international summits throughout 2001, from Quebec City in April, to Genoa in July, to the International Monetary Fund-World Bank meeting in Washington, scheduled for Sept. 28-Oct. 4.

Over a thousand of those present showed their "militant solidarity" on the spot, Bello wrote, by joining the Brazilian Landless Movement and "the celebrated French anti-McDonald's activist," José Bové, in vandalizing a Monsanto experimental laboratory working on genetically modified seeds, and uprooting several hectares of its experimental plants. Such destruction is characteristic of the Goldsmith movement: Bové's aide, René Riesel, explained in an article in the pre-

mier, Autumn 2000 issue of the French edition of Goldsmith's perverted *Ecologist* magazine (see Goldsmith article, in this section), that their movement models itself on the actions of Ned Ludd, and his "Luddites," who launched an "insurrectional movement" based on destroying machines in the early 1800s.

At its conclusion, the "anti-Davos" crew decided that the WSF would be established as a permanent international institution; that a Forum of Local Authorities, linking up mayors and the like around the world, and a similar Forum of Parliamentarians, be created; and that "anti-Davos" conferences be held yearly.

Rio Grande do Sul Gov. Olivio Dutra, his Secretary of Agriculture, José Hermetto Hoffman, and Pôrto Alegre Mayor Tarso Genro, all leaders of the Brazilian Workers Party, have been back and forth to Europe this year, consolidating the WSF network. Within a month of the anti-Davos meeting, Venezuela's Frantz Fanon-promoting, existentialist rageball, President Hugo Chávez, announced that he had been invited to attend WSF-II, and intends to go. By June, organizers reported that preparatory organizing meetings for WSF-II were planned for Libya, Canada, Italy, Mali, and, possibly, Spain; and the problem faced by organizers was to locate sufficient gymnasiums in Pôrto Alegre to fit 5,000 people at a time, to handle the 100,000 they expect to attend.

### **Who Promotes and Organizes It?**

Delegates of 43 non-Brazilian groups participated as full members in the June 9-11, 2001 meeting in São Paulo, at which the International Council for the WSF was formed.

Many present are well-known by now as the leadership of the mass protests roving from city to city across the globe: the 50 Years Is Enough Network, ATTAC, Focus on the Global South, Friends of the Earth, the Genoa Social Forum, Teddy Goldsmith's International Forum on Globalization, International Rivers Network, the MST-Bové-run Via Campesina (a.k.a., Via Camponesa), etc.

Active also are various figures identified with the previous generation of "guerrilla" terrorism and the 1968 counterculture. The most notable, is University of Louvain's Tricontinental Center, in Belgium, a training ground for the Theology of Liberation guerrillas in Ibero-America for decades, and still going at it. Introducing the WSF International Council's discussion of "the present stage of globalization," was the Tricontinental Center's François Houtart, S.J., who first gained notoriety as the man who trained Camilo Torres, founder of Colombia's National Liberation Army (ELN), in the 1960s. Houtart is very active in the WSF, and keynoted one of the four major panels at the Pôrto Alegre conference.

Nine other groups supported the formation of the Council, but could not attend, and a few others participated as guests. Representatives of the U.S. labor federation AFL-CIO, the European Trade Union Confederation, and the once-staunch "free traders" of the International Confederation of Free Trade Unions (ICFTU) participated as observers, because their organizations are still "evaluating internally" whether to join the WSF's Council.

The WSF proudly lists among the "WSF Partners" which serve as its financial angels, several leading instruments of social control of the Anglo-Dutch-American establishment, most notably:

**The Ford Foundation**, whose seminal role in the creation of the 1968 counterculture, under the personal direction of man known as the patriarch of the Wall Street establishment, McGeorge Bundy, had been identified, and fought, by the LaRouche movement since its outset;

**The International Centre for Human Rights and Democratic Development**, Canada's British Crown-appointed component of the Bush-Thatcher Project Democracy operation, in partnership with the United States' notorious National Endowment for Democracy (NED) of Iran-Contra fame; and

**ICCO**, one of four Dutch co-financing organizations, channeling money from the Dutch Crown's government, the European Union, and unnamed "private funds," which describes itself as "closely connected" with the British Crown's World Council of Churches, founded in 1937 with the mission of crushing, in its own words, "the demonic influence of national sovereignty."

The list of their establishment benefactors may expand. East Timor's guerrilla-turned-"Foreign Minister," Jose Ramos Horta, another WSF star, recommended in July, according to Italy's *Corriere della Sera*, that "the Pôrto Alegre people" should cosy up to the "modern Robin Hoods"—Bill Gates, World Bank President James Wolfensohn, and George

Soros himself—as they, he shamelessly proclaimed, have shown "a sincere concern to help the poor."

The full list of the participants and financiers (at least, those publicly acknowledged) is available on their website.

## Narco-Terrorist Core

The nasty networks capability of this allegedly merely political "world process of alternatives" is typified by the Brazilian combo which runs the nitty-gritty WSF organizing: the Workers Party (PT) and its offshoot, the MST. Here, we are looking at the hard core of the studiously ignored, but very active centralized narco-terrorist force in Ibero-America, the São Paulo Forum. The São Paulo Forum was founded in São Paulo, Brazil in 1990, to ensure that centralized coordination among the numerous terrorist forces operating in Ibero-America continued smoothly after the fall of the Berlin Wall and the Soviet Union. Officially co-sponsoring its founding were Fidel Castro's Cuban Communist Party and Brazil's PT. Playing a leading role from the outset was Manuel Piñeiro (alias "Redbeard"), the decades-long head of the Cuban CP's networks—the Americas Department—and his Chilean wife, Marta Harnecker, whose mind-deadening structuralism probably killed more Ibero-American youth than all the terrorist wars advised by her late husband combined.

With Soviet, and therefore Cuban financing cut off, Cuban organizers told the leaders of the erstwhile beneficiaries of Cuban largesse, that the dope trade would henceforth have to finance their operations. While Social Democratic political parties and movements and other ideological movements swell the lists of the São Paulo Forum's members, its central leadership is made up of the war-hardened terrorist forces which first emerged in the 1970s and 1980s: the FARC and its companion, François Houtart's and Camilo Torres' ELN; Nicaragua's Sandinistas (FSLN); El Salvador's Farabundo Martí Liberation Front (FMLN); the Uruguayan Tupamaros; etc. The emergence in 1994 of Mexico's Zapatista National Liberation Army (EZLN) from its decades-long incubation in the jungles of Chiapas, was used to rally enormous international publicity and support for the São Paulo Forum apparatus, into which the EZLN is fully integrated.

Spain's ETA, the Basque separatists whose terrorist specialists provided hands-on expertise in most of those Ibero-American wars, have their representatives, too, in the São Paulo Forum activities—and in those of the WSF. "Hemen eta munduan," an organization within the ETA movement created specifically to intervene in the global "anti-globalization" demonstrations, participated in the first meeting of the Pôrto Alegre gang.

The PT hosts of the "anti-Davos" conference ensured that various representatives of the São Paulo Forum's hard core were present at the WSF, including representatives of the FARC. Governor Dutra personally assured the FARC protection, over the bitter objections of official security forces. By so doing, the PT ensured that the Brazilian drug cartel was



well-represented at the conference: Less than three months later, in April 2001, Colombian military forces arrested the “Pablo Escobar of Brazil,” Luiz Fernando da Costa (better known by his mafia nickname, Fernandinho Beira Mar), who had been living in Colombia under the protection of the FARC for over a year. Beira Mar controlled 60% of Brazil’s enormous drug trade, and was believed to be one of the largest suppliers of cocaine to the U.S. market, with most of his cocaine supplied by the FARC. An estimated 80% of the FARC’s income was said to have come from the Beira Mar operation.

Since the PT took the governorship of Rio Grande do Sul in 1998, the state has become an important center of political and logistical support for the FARC, with state governor and WSF star Olivio Dutra meeting with FARC “ambassadors” at least three times since 1999.

The prominent role of the PT and the MST in the WSF ought to send off alarm bells. While the MST enjoys international prominence as a “grass-roots” idealistic mass movement, chiefly due to promotion by its friends in such British Crown-run organizations as Christian Aid, it is, in fact, fast becoming the “FARC” of Brazil, and represents a very dangerous armed capability for mass insurgency.

Its leadership ranks heavily overlapping those of the PT, the MST has made no secret that when the time is ripe, “the interior of Brazil could turn into another Colombia,” as MST national spokesman João Pedro Stedile threatened in 1997. MST leader Gilmar Mauro reiterated after the MST’s Fourth National Congress, in August 2000, that “the decision to become guerrillas or not,” would be taken on the basis of an evaluation of the state of “mass struggle.”

Collaboration between the MST and Colombia’s FARC is extensive, and one of the most dangerous threats to the security of the Western Hemisphere. Hard evidence of the FARC-PT-MST relationship led Brazilian authorities to arrest the FARC’s unofficial “ambassador” to Brazil, former Jesuit priest Francisco Antonino Cadenas Collazos (a.k.a. Comandante Oliverio Medina) in September 2000. Cadenas had spent much of his time travelling back and forth between the city of São Paulo and the southwestern corner of São Paulo state, known as the Pontal do Paranapanema, a major focus of MST organizing, which, according to statements by MST leader Gilmar Mauro when he returned from the EZLN-hosted July 1996 international gathering in Trinidad, Chiapas, Mexico, was targeted by the MST as the site for a “liberated zone,” where they intend to set up an “MST republic.”

Some European sources suggest that a “side benefit” of the WSF, is to build up the PT’s international prominence, with an eye to the Brazilian Presidential elections of 2002, in which the PT’s Luís Inacio da Silva, better known as “Lula,” is a leading contender. WSF promotional materials emphasize that Pôrto Alegre, the capital of Rio Grande do Sul, was suggested as the site for the founding of the WSF by French organizers, to promote it as a model for “people’s democ-

racy.” The PT has run the city’s administration since 1988, and its current Mayor, Tarso Genro, is rumored as a possible Vice Presidential candidate for Lula. Genro, whose website opens with an existentialist quote from Toni Negri’s mentor Norberto Bobbio, represented the WSF at the recent “anti-globalization” show in Genoa, from where he continued on, to dine with its political godfather, Teddy Goldsmith.

## Mobilization for Goldsmith’s Jacobins

by Arthur Ticknor

One of the umbrella organizations in Teddy Goldsmith’s Jacobin mob planning to disrupt the IMF/World Bank meeting in Washington, D.C., the Mobilization for Global Justice (MGJ)—better called Mobilization for Goldsmith’s Jacobins—provides a support network



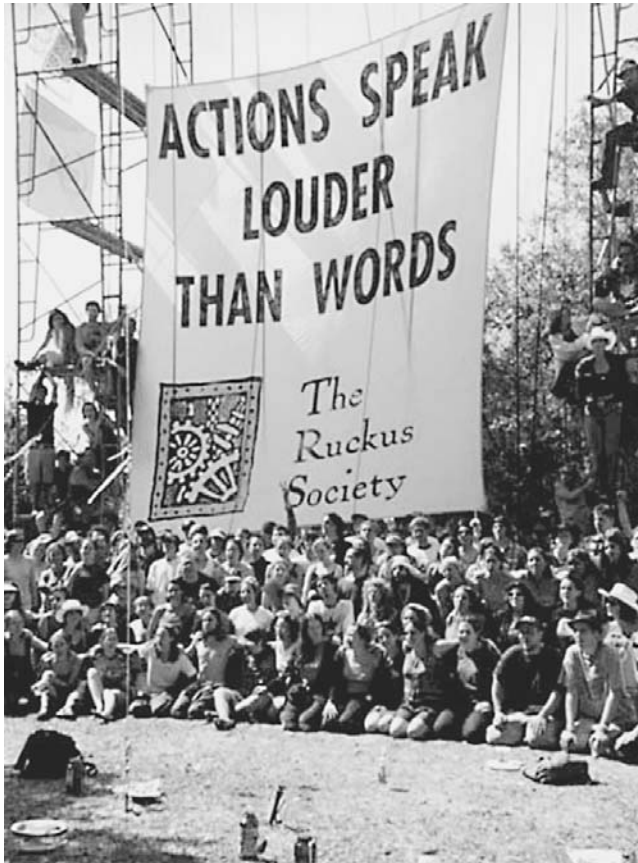
for the hard-core terrorist groups. These are the same forces involved in the riots at the Summit of the Americas in Quebec City in April, the International Monetary Fund (IMF)-World Bank protests in Washington, D.C. in April, and the “Battle of Seattle” during the World Trade Organization (WTO) meeting in November 1999. A spokesman for the MGJ has said that participants at the Washington meeting, who will be staying in a number of hotels, “would be a legitimate protest target.” Among the 400-plus organizations in the MGJ are the following:

### Global Exchange (GX)

2017 Mission St. #303  
San Francisco, CA 94110  
(415) 255-7296  
[www.globalexchange.org](http://www.globalexchange.org)

Founded in 1988 by Medea Benjamin, Green Party candidate for the U.S. Senate (California) in 2000, and Kevin Danaher.

Known as a leading force behind the campaign to force Nike out of the “sweatshop business,” Global Exchange is part of the “pro-democracy” human rights mafia, supporting terrorists such as the Zapatistas in Chiapas, and Brazil’s Landless Movement (MST).



*The Ruckus Society trains its militants to combat riot police in urban confrontations.*

After the 1994 Zapatista uprising, Global Exchange organized international delegations to “monitor” the human rights situation in Chiapas. Medea Benjamin participated with San Cristóbal Bishop Samuel Ruiz—then EZLN commander—in a hunger strike for “peace” in December 1994.

The coordinator of Mexico’s National Immigration Institute (INM), Alejandro Carillo Castro, said in December 1998, that so-called “revolutionary tourism” of the kind offered by Global Exchange, in which foreign visitors arrive as part of a package to visit the highlands of Chiapas and celebrate the fifth anniversary, in January 1999, of the appearance of the EZLN—in Zapatista support base communities—would not be allowed. The tour participants were asked to explain their activities in Chiapas, as INM rules forbid activities of a political nature for those travelling on tourist visas.

In the United States, GX mobilized citizens to pressure Mexican President Vicente Fox (by sending a free fax from its website) to support the San Andrés Accords, under which some 30% of Mexican territory is considered an indigenous region, and therefore to be granted autonomy—reforms which the Zapatistas made a precondition for simply *opening* “peace talks” with the government. Under the accords, passed on July 28, Mexican national law does not govern regions

classified as “indigenous,” but rather local habits and customs.

Since 1995, GX has worked to support Brazil’s terrorist MST, and to support local “human rights” groups. A video documentary of Benedita da Silva, an advocate for the MST who went on a GX 12-city U.S. speaking tour, was directed by a recipient of the Open Society Institute’s Soros Documentary Fund.

GX is a member of the National Mobilization on Colombia, a national coalition that calls for an end to: U.S. military aid to Colombia, the Andean region being used in the war on drugs, and U.S. funding of counter-narcotic aerial eradication in Colombia and the Andean region. The coalition will hold two days of lobbying, workshops, strategy sessions, and demonstrations on Sept. 27-28.

#### **Alliance for Global Justice**

1247 E Street, SE  
Washington, D.C. 20003  
(202) 544-9355  
[www.afgj.org](http://www.afgj.org)

An umbrella organization which seeks alternatives to the “unjust interference of governments” by building “transformational grassroots organizations” such as the Zapatistas, and dedicated to genocidal “sustainable development.” Members include:

#### **Nicaragua Network**

[www.infoshop.org/nicanet](http://www.infoshop.org/nicanet)

Since 1979, Nicaragua Network has worked to carry on the Sandinista Revolution.

#### **Mexico Solidarity Network (MSN)**

[www.mexicosolidarity.org](http://www.mexicosolidarity.org)

A coalition of over 80 organizations, MSN held speaking tours last year for Mexican “human rights experts,” as part of a campaign to implement the San Andrés Accords, build support for human rights monitoring, demilitarize indigenous areas, and end U.S. military aid and training to Mexico. MSN also sponsored a Chiapas Solidarity U.S. campus tour, featuring the film “A Place Called Chiapas,” praising the Zapatista uprising.

#### **50 Years Is Enough Network (50YIE)**

3628 12th St., NE  
Washington, D.C. 20017  
(202) 463-2265  
[www.50years.org](http://www.50years.org)

Emerged in 1994 out of discussions among Oxfam America, the Development GAP, Global Exchange, Interna-

tional Rivers Network, Friends of the Earth, and the Environmental Defense Fund. 50YIE's platform calls for "openness" at the World Bank and IMF, and "sustainable," "resource-conserving development." At the World Social Forum in Pôrto Alegre, Brazil in January 2001, 50YIE distributed thousands of flyers inviting people to Washington for demonstrations between Sept. 28 and Oct. 4.

AFGJ members will be part of a rally on Sept. 29 demanding an end to Plan Colombia, which (supposedly) targets the narco-insurgency there, and an overall takedown of what it calls the "phony War on Drugs." Then it will join in a "symbolic encirclement" of the White House.

### **The Ruckus Society**

4131 Shafter Ave., Suite 9  
Oakland, CA 94609  
(510) 595-3442  
www.ruckus.org

On April 6, 2001, ABC News showed members of the AFL-CIO at a boot camp established by the Ruckus Society for the MGJ April 8-17 events in Washington; the unionists were seen in near-jungle conditions on the banks of Peace River near Arcadia, Florida, training with students on spring break. The Ruckus Society's quasi-military training included how to use "pugo sticks" to combat riot police with shields and batons.

The Ruckus Society was founded in 1995 by Mike Roselle, a former national direct action coordinator for Greenpeace and founder of the Earth First! and Rainforest Action Network eco-terrorist groups, which were all active in Seattle. Director John Sellers was held on \$1 million bail in Philadelphia, Pennsylvania last August, for his role in the riots against the WTO meeting in Seattle in 1999.

According to several sources, one of the leading funders of the Ruckus Society is Ted Turner, who was, until recently, married to "deep ecologist" Jane Fonda. Another top funder is Elaine Broadhead, a Chicago heiress and anti-nuclear activist, who held two of the 18 Ruckus training camps at her 150-acre estate in the Northern Virginia fox-hunting country at Middleburg.

The Ruckus Society will conduct an Action Camp at Broadhead's Middleburg estate during Sept. 14-18.

More broadly, the AFL-CIO is being drawn into providing cover for the hard-core terrorists who are being used by the very people the AFL-CIO is opposing on policy, to discredit the opposition and shut down real debate. Coming out of its Executive Council meeting in August in Chicago, the AFL-CIO issued a "Call to Action" for a month of activities during the August Congressional recess, to "galvanize opposition to Fast Track" of the latest amendments to the North American Free Trade Agreement. The activities will culminate with a Global Justice Week, Sept. 26-Oct. 1 in Washington, D.C., with a massive peaceful rally and march on Sept.

30. While there is nothing wrong with such peaceful protest, the Ruckus Society is training people for terrorism—not peaceful civil disobedience.

### **Homes Not Jails/D.C.**

(202) 737-6444  
www.homesnotjails.org/dc

Founded in 1992 in San Francisco, where it has opened hundreds of abandoned buildings for squatters, Homes Not Jails created a branch in Washington, D.C. coincident with the IMF/World Bank protests last April.

HNJ plans to host a "People's Repo" squatters summit from Sept. 21-24 to "take what we need," and has been linked to the "Black Bloc" anarchist group known as the Anti-Capitalist Convergence.

### **Continental Direct Action Network**

www.cdan.org

Begun as a coalition of activist groups to shut down the WTO meeting in Seattle on Nov. 30, 1999, using large-scale street theater and mass direct action. To coordinate future non-violent direct actions, the affinity groups created a continental network, adopting "Principles of Unity" inspired by and derived from those of People's Global Action.

---

## **Chronology**

---

# **'Anti-Capitalist' Mobs Do Oligarchy's Dirty Work**

by Michele Steinberg

The summit of the Group of Eight in Genoa, Italy in July 2001, saw "anti-capitalist" street fighting that left one person dead and 400 wounded, in a spectacularly staged action that is the latest event in a process that has been funded by the world's wealthiest "capitalists." The backers of the street mobs include leading figures in various echelons of the British royalty, ranging from His Royal Highness Prince Philip, Duke of Edinburgh, to the family of the late, lowly, but "filthy rich" Sir Jimmy Goldsmith.

Since 1997, when the professionals of the new "New Left" and anarchist international gathered in El Indiano, Spain, under the auspices of the European support networks of the Mexican separatist/terrorists, the EZLN-Zapatistas, there has been a systematic deployment of a core of "professionals,"



*The bloody banner of the Genoa riots is being raised to rally the troops for more bloodshed at the IMF meeting in Washington.*

whose job is to perpetually tour world capitals in the wake of the International Monetary Fund, the World Bank, the World Trade Organization, the Group of Eight, the Organization of American States, and other “world-class” organizations that control the world financial system, to grab headlines as the “opposition” to the speculators and usurers who have brought the global financial system to collapse. But as the accompanying dossiers indicate, this “house opposition” is totally coordinated with speculative looters like George Soros and the IMF, with the *same* agenda—destroy the nation-state and annihilate the concept of government “of the people, by the people, and for the people.”

The following timeline identifies the leading street actions, and the planning meetings, conferences, and staged media events that have created a core of veteran “urban guerrillas”—sponsored by the financial oligarchy—leading up to the latest, and most serious level of violence to date: Genoa. The Genoa incident where a protester was killed by police, is now the bloody banner of the next round of protests—target-

ted for Washington on Sept. 30-Oct. 1, where the networks hope to create even more bloodshed.

In the interim, an extremely important conference will be convened in Cochabamba, Bolivia, on Sept. 16-21, that will include the narco-terrorist armies of Colombia, Peru, and Mexico, and will represent a potential further escalation of the terrorist capability.

**January 1994:** Zapatista National Liberation Army (EZLN) took over Chiapas, Mexico.

**1994:** Founding of the International Forum on Globalization, a Goldsmith front.

**1997:** Meeting in El Indiano, Spain, immediately after the Second Intercontinental Meeting for Humanity and against Neo-Liberalism, organized by the Zapatista support network in Europe. At that meeting, the idea for the People’s Global Action (PGA), as a network process, was born, and it was decided to convene a conference to create the PGA in Geneva in February 1998.

**Feb. 23-25, 1998:** Founding conference of the PGA in Geneva, with 300 representatives from 71 countries, and all continents. Organizers of the conference stated: “The global enemy is relatively well known, but the global resistance that it meets rarely passes through the filter of the media. And here we met the people who had shut down whole cities in Canada with general strikes, risked their lives to seize lands in Latin America, destroyed the seed of Cargill in India or Novartis’ transgenic maize in France.”

**September 1998:** Convenors committee met in Finland and planned the second conference of PGA for India, where they would craft the intervention against the WTO meeting in Seattle, an Intercontinental Caravan for Solidarity and Resistance, and the Global Day of Action against Financial Centres on June 18, 1999.

**Nov. 20, 1998:** Siena, Italy, Teddy Goldsmith issued the Siena Declaration, a phony attack on the IMF, blaming world poverty on the Bretton Woods system.

**June 18, 1999:** Rampage in the City of London by witches, warlocks, Reclaim the Streets, and J18. The era of anti-globalization Jacobins has arrived.

**August 1999:** Second PGA conference in Bangalore, India.

**Nov. 30-Dec. 1, 1999:** J18 riots come to the United States (Seattle) on the eve of Y2K and parallel to deployment of groups that were allegedly planning Y2K terror.

**April 8-17, 2000:** Washington, D.C.—very well-organized street guerrilla actions against IMF/World Bank interim meetings.

**September 2000:** S26 in Prague, at the assembly of the IMF/World Bank, was a Global Day of Action, with 110 demonstrations around the world. The PGA considered the Prague action to be one of its greatest triumphs, as the following quotes from its literature show: “15 to 20,000 demonstrators besieged the assembly for hours. Delegates attempting to

leave were injured and were finally evacuated by underground,” on the first day of the meeting. On the second day, “many preferred to stay in the safety of their hotels while the remainder voted to cancel the third day of meetings.” This was a “victory won in the face of 11,000 police,” which also “marked the fall of the Berlin Wall for the anti-capitalist movement.” A new generation of activists from the Czech Republic, Hungary, and Poland “said what they thought of their supposed free world, ten years after freeing themselves from the communist oppression.”

**Jan. 25-28, 2001:** Davos, Switzerland—“Counter-Summit” to the World Economic Forum.

**Jan. 25-30, 2001:** Pôrto Alegre, Brazil—Massive gathering brought “alternative bankers,” intellectuals of the terrorist ideology, narco-terrorists, and anti-IMF forces to week-long planning and indoctrination operations.

**April 20-22, 2001:** Quebec City, Canada—Meeting of the Organization of American States. Occasion for detailed street theater/training of “Black Bloc” terrorist component.

**June 25-27, 2001:** Barcelona, Spain—Day of Action called, but World Bank “cancels meeting in Barcelona due to massive anti-capitalist protests planned,” says the PGA.

**July 19-22, 2001:** Genoa, Italy—200,000 protesters, including thousands of “Black Bloc” terrorists, virtually invade the city, on occasion of the Group of Seven and Group of Eight meetings. One protester killed; and 400 police, protesters, and bystanders wounded.

**Sept. 16-24, 2001:** Cochabamba, Bolivia—Scheduled meeting of People’s Global Action, a gathering of narco-terrorist veterans.

**Sept. 27-Oct. 4, 2001:** Planned assault on IMF/World Bank meeting in Washington, D.C., also targeting Bush Administration “War on Drugs” and Plan Colombia.

## Genoa Riots a Staged Scenario for ‘New Global ’68 Movement

by Claudio Celani

The biggest fairy-tale spread by the media on the riots that took place outside the July 21-22 Group of Eight summit in Genoa, Italy, is that they occurred in the context of a large demonstration against globalization. A second fairy-tale is that the unprecedented “police brutality” deployed in Genoa shows the real “fascist” character of the Italian government of Silvio Berlusconi. The truth is, as we shall show, that both the demonstrations and the riots, were *in favor* of globalization. Moreover, the campaign against the Berlusconi govern-

ment is part of a British-centered operation aimed at fabricating an enemy-image to boost the creation of a synthetic, “new global 1968” movement, as announced by two of its controllers, Anglo-French millionaire Teddy Goldsmith and terrorist leader Toni Negri (see box).

What happened in Genoa was a staged confrontation, in order to prevent the real issues concerning globalization from being addressed—either inside or outside the G-8 meeting. The proof is that neither outside nor inside the G-8 in Genoa, did anybody address the issue of the collapsing financial and economic system, and the urgency of its reorganization. With that, we do not mean to say that all the 200,000 or more people who gathered in Genoa are supporters of globalization; indeed, many of them are reacting to what they see as an unjust economic policy; however, the leaders of the anti-globalization movement are controlled top-down by the financial elites, and have so far ensured that the platform of the movement consists of a leftist variant of the same free-market policies being implemented by the globalizers.

For example, one of the arguments of the Genoa Social Forum (GSF), is that globalization makes poor countries poorer; the remedy they propose, is for Europe and the United States to remove tariff obstacles to importing Third World agricultural products. But, this is exactly what globalization is about! As Italian Foreign Minister Renato Ruggiero, a former investment banker and former director of the World Trade Organization (WTO), stressed before the G-8 meeting, there is no principled difference between G-8 and anti-G-8 leaders on the issue. The final G-8 communiqué, in fact, states that an agreement was reached to re-open the Seattle WTO round of trade negotiations, which were supposed to introduce exactly those “reforms.”

The only GSF proposal that partially addressed reality was the so-called “Tobin tax,” a proposal to curb international financial speculation by a tax on speculative transactions. This measure, however, launched by the French-based organization Attac, led by *Le Monde Diplomatique* director Bernard Cassen, could only work in the context of the kind of world financial and monetary reorganization that Lyndon H. LaRouche, Jr. has indicated. But no such proposal was present in the GSF platform.

In reality, the Genoa events showed that the “peaceful” GSF merely acted as a cover for the deployment of the terrorist assault.

### ‘White Overalls’ and Black Bloc

One dead, 400 wounded (of whom 108 were policemen); 34 banks, 14 shops, and 16 gasoline stations demolished; 83 cars set on fire or damaged. For two long days, Genoa was transformed into a theater of war. Thousands of “Black Bloc” terrorists engaged in systematic demolition of selected targets and guerrilla warfare against the police, in an escalated repetition of what had already happened at international summits since 1999 in Seattle, Prague, and Gothenburg.

The main responsibility for the terrorist assault lies with the Forum, an umbrella organization which assembles more than 700 groups, but is controlled by a “green-red” leadership—i.e., from the ecologist and leftist milieu—whose spokesman is Vittorio Agnoletto. As it emerged after the riots, there is evidence of absolute contiguity between Agnoletto’s militant demonstrators and the Black Bloc terrorists.

Equally responsible, however, are pro-Anglo-American factions within the Italian government, which evidently had received orders to legitimize the GSF as a negotiating partner, knowing that the Forum had neither the capacity nor the desire to prevent violence. This faction is represented by Foreign Minister Ruggiero. Also, serious questions must be raised about the behavior of Italian national police chief Gianni De Gennaro, who, together with Ruggiero, led the “dialogue” with the Forum and is responsible for several dubious choices of police deployment.

Ruggiero and De Gennaro met with a GSF delegation on June 30, and started negotiations, after which the Italian government made concessions to the GSF, including allocating 1.5 million euros, to lodge demonstrators in Genoa. Among the seven members of Agnoletto’s Forum delegation, was a representative of the “White Overalls” goon squads, which proclaim their support of Mexico’s separatist terrorist Zapatista National Liberation Army (EZLN). White Overalls leader Luca Casarini had publicly declared war on the Genoa summit of G-8 heads of state and government.

At the beginning of May, Casarini and a group of White Overalls had demonstratively occupied the hall of the Genoa Ducal Palace, the planned G-8 summit site, proclaiming: “We declare war on the G-8.” Eventually, when the police built a “Maginot line” to keep demonstrators away from the center of Genoa, Casarini announced that his Overalls would assault and penetrate the “red” area, despite the massive

## The ‘White Overalls,’ The New Autonomists

The so-called “White Overalls,” which joined the terrorist Black Bloc in street riots in Genoa, are a continuation of the Autonomist movement of the 1970s. When, in 1979, Padua prosecutor Guido Calogero issued arrest warrants for Toni Negri and 150 leaders and members of “Autonomia Operaia” (Workers’ Autonomy), the terrorist movement appeared to have been neutralized. But, in reality, it only went underground, organized around what are called “Centri Sociali”—proto-terrorist centers, flooded with drugs, connected through a network in every major Italian city. They often are financed by the local city administrations, especially because of protection from the Party of Communist Refoundation (PRC).

The leader of the Centri Sociali del Nordest, the direct heir to Negri’s Autonomia Operaia, is Luca Casarini. Casarini is also leader of the “White Overalls,” which became famous when they escorted Mexican Zapatista terrorist “Commander Marcos” in his march from the Zapatistas’ base in the southern Mexican state of Chiapas to Mexico City, in February-March 2001. Casarini started his career in the 1970s, in Negri’s Padua group. Today, his statements make clear that Negri remains still his intellectual father: Casarini told the daily *La Repubblica* of Aug. 4, that “social conflict is necessary against the violence of empire.”

Negri’s ideological leadership on the Centri Sociali

network is also demonstrated by the language they use. For instance, the Genoa Centri Sociali wrote in their “Call for the G-8” issued in March 2001 that, if the authorities did not guarantee “visibility” to the planned demonstration—i.e., authorize the demonstrators to go into Genoa’s city center during the G-8 meeting—the demonstrators “shall form a multitude.”

The connection between Centri Sociali and the Chiapas terrorists was, of course, organized through the circles of France’s former First Lady Danielle Mitterrand. It was officially celebrated when PRC leader Fausto Bertinotti went to Chiapas, in the Summer of 1996, when the organization “Ya Basta!” was founded. Ya Basta! is a support network for the Zapatistas, and its offices in Italy correspond to the Centri Sociali offices. The PRC and Centri Sociali set up a system, whereby young people targeted for recruitment, were sent to Chiapas to work on some sort of primitive infrastructural project, where they were stupefied with drugs and “ethnic experience,” and came back brainwashed.

In 1975, the Autonomia-Centri Sociali network in Italy’s Veneto region founded Radio Sherwood, which was key in organizing and coordinating violent Autonomist demonstrations for the rest of the decade. Now, with the Internet, Radio Sherwood has become the *Sherwood Tribune*. The *Sherwood Tribune* regularly features articles by Toni Negri and other former Autonomia leaders, such as Oreste Scalzone. Scalzone and Franco Berardi, another Autonomia leader who fled to France, continue to also write for a magazine called *Derive/Approdi*, for members of the Centri Sociali who want more brainwashing than usual.—*Claudio Celani*



*Contrary to commonly believed fairy tales, the riots and the demonstrations at Genoa were in favor of globalization.*

defensive police deployment. “We are building machines to break through the gates,” he said. The tension escalated when a policeman was severely injured by a letter-bomb, and the mayor of Genoa received a letter containing bullets.

### **Terrorist Killed Was ‘Official Delegate’**

All sort of rumors and reports started to circulate in the media, according to which anti-G-8 militant groups were preparing assaults with chemical weapons, contaminated blood, aerostatic balloons, etc. Afghansi terrorist controller Osama bin Laden was reported to be planning a possible terrorist attack. In a climate of deep-going paranoia, the summit started with the idea that a heavy deployment of terrorists would try to assault “Fort G-8.” All mundane events had been cancelled, and after the inaugural session, all meetings would take place on a ship harbored in the port of Genoa, defended by the Italian police, Army, Navy, and Air Force, in addition to U.S. security forces deployed to protect President George W. Bush.

But, as had earlier happened at the June European Union summit in Gothenburg, Sweden, when all police forces were deployed inside the red line, terrorist violence was unleashed outside it. Groups of terrorists, dressed in black, assaulted and demolished bank offices, gasoline stations, and even the Genoa prison, creating considerable damage before police could deploy some forces to counter them. Then, the terrorists moved in the direction of the Genoa Social Forum demonstration, into which they dispersed, pursued by the police. Thus

it happened (by chance or design), that the police charged the demonstrators.

At the same time, another group of terrorists had surrounded and assaulted a police jeep carrying two wounded policemen out of the war theater. A witness reported that the terrorists had smashed the windows and were dragging out the policemen, when one of them allegedly fired, killing a terrorist.

Despite all this, the GSF did not call off the demonstration. A few days after the riots, it emerged that the young extremist killed, a Genoese punker named Carlo Giuliani, was a member of the White Overalls group, whose representative had been part of the Forum’s official delegation that met with the Italian government! This revelation came from a friend of Giuliani’s, who participated in the assault against the police jeep, and whose photo has been published by all newspapers.

It was the next day, Sunday, after a second day of street warfare, that the incident occurred which gave pretext to the international campaign against “police brutality.” In the evening, police received information that a number of Black Bloc terrorists were being protected in the press office of the Genoa Social Forum, in the “Armando Diaz” school. Police decided to raid the school, knowing that the political risk was high, since the GSF was being supported by the media and most of the left. What happened then, is not entirely clear, and it is now the subject of a legal investigation. What is clear is that police encountered violent resistance, and used a heavy hand.

Sixty-one people were wounded, some of them seriously. In the end, 93 people were arrested, but 68 of them were immediately released. Among the 25 detained, were German and British citizens. The weapons collected included knives, sticks, a gas-mask, and they were displayed at a press conference in which no questions were allowed. Not exactly what was expected.

## Was the Italian Government Set Up?

The next day, a well-coordinated international campaign started against alleged Italian “police brutality.” Leading the charge, were the British media, but with French and German media chiming in. The British Foreign Office and the German Foreign Ministry filed a formal request for information from the Italian government; British Foreign Secretary Jack Straw

## Catholic Social Doctrine and True ‘Anti-Globalization’

Although many Catholic organizations have joined the Genoa Social Forum and participated in the “anti-G-8” demonstrations, the Catholic Church has not officially been part of it. Instead, the Church, through Genoa Bishop Cardinal Dionigi Tettamanzi, had organized its own demonstration one week before the G-8 summit, in order to distinguish itself from the GSF. The Church follows the papal encyclicals and speeches on the Catholic social doctrine, which have placed great emphasis on the Common Good of humanity as the goal of economic policy, and have directly criticized some aspects of globalization because of its visible effects in the general impoverishment of nations.

Among these aspects, is the deregulation of capital markets and financial speculation. However, the Pope does not formulate proposals or economic programs, and leaves that task to others. But when it comes to translating principles into programs, the Church finds itself caught on the horns of a dilemma: On one side, Christians cannot accept the definition of globalization as “inevitable,” which derives from a materialistic conception of history. On the other side, the Church is afraid that by totally rejecting globalization, the Church will become identified with its extremist fringes, the enemies of “capitalism” and technology who support the Chiapas and other “indigenous” insurgencies.

In an effort to overcome this apparent paradox, Cardinal Tettamanzi has suggested (a book with his speeches on globalization has been published to coincide with the Genoa summit) that globalization be considered “a sign of the times,” to take an expression from the Bible. This expression offers an interpretation of globalization as “made by man” and therefore changeable by man. At the same time, however, the “signs of the times” mean also that God takes note of globalization in His divine plan. In the Cardinal’s explanation, it is understood as if God wants to see what man makes out of it.

The shortcomings of the Church action were visible in the economic proposals presented by Catholic associations gathered in Genoa on July 7. Leaving aside the call for a debt moratorium, which some Church leaders have been pushing for 14 years, Catholic associations have included in their “manifesto”: a call for a sort of “Tobin tax” on financial transactions; the Kyoto Protocol carbon dioxide emissions; free information; public financing of anti-AIDS medicines; and abolishing barriers (import tariffs) in developed nations to marketing of Third World agricultural products.

An apparently similar, but in reality qualitatively different intervention, was made by Italy’s Sen. Ivo Tarolli, a member of the Catholic CCD party, who introduced legislation calling for an international conference to “regulate the financial markets.” The proposal, supported by 20 Senators from different government parties, was formulated also on the occasion of the Genoa G-8 summit. By introducing the element of a reorganization of the financial system, Senator Tarolli gives effectiveness to all other proposals such as debt cancellation, a tax on financial transactions, etc., which, however legitimate, become impracticable in the context of a collapsing world monetary and financial system.

Senator Tarolli also proposes that, in the context of debt cancellation for the poorest countries, cancellation of interest payment by large developing countries also be discussed. In addition, he proposes to constitute development funds with joint management by industrial and developing countries, to finance development projects in those nations whose debt is cancelled.

Tarolli stresses that his principle is not a redistribution of wealth, but that “if we develop the poor, we all become rich,” in the sense that industrialized nations create markets for their products. Tarolli had earlier introduced, in the previous legislature, a Senate motion calling for a “New Bretton Woods” international conference. He recently repeated that call, during hearings held by the Russian State Duma (lower house of Parliament) economics committee, chaired by Sergei Glazyev; lead testimony at those hearings was provided by the author of the New Bretton Woods concept, Lyndon H. LaRouche, Jr. — *Claudio Celani*



personally issued a statement; German Green Party member of Parliament Hans-Christian Ströble flew to Genoa to visit the persons arrested and called for an international investigating committee on Italian "police brutality." The Italian left was no less hysterical: Former Premier Massimo D'Alema compared Berlusconi to Chilean dictator Augusto Pinochet, while Luciano Violante, head of the parliamentary group of the Social Democratic Party (DS), filed a no-confidence vote against Police Minister Scaiola.

Speaking to Parliament, Berlusconi rejected an international investigating committee. At the same time, an internal investigation by the Italian police admitted that unjustified violence was used by some officers; however, nowhere in the dimensions that the media were implying. As a consequence, now some heads will roll. However, several questions have been left unclear, and indicate a possible set-up, as if somebody inside the police might have helped "create" the case.

The Genoa police leadership is now being used as a scapegoat, but, in reality, it had been entirely replaced by De Gennaro's staff of 220 police officials coming from Rome. De Gennaro and his leadership were also criticized, because they authorized a route for the demonstration which cut the city of Genoa in two. Vincenzo Canterini, commander of the First Police Precinct in Rome, also implicated as scapegoat, asked: "Who authorized that route? A folly, be-

cause in the end, we were divided, isolated. For two days we went around like imbeciles, one small street after the other, without being able to reach the areas where our people were in trouble." A coincidence? Of course, the route was authorized by De Gennaro.

Some sources point to the fact that De Gennaro, before being appointed police chief by the previous government last year, had worked on the investigations against Prime Minister Berlusconi and some of his collaborators. In other words, he is "unremovable." De Gennaro is nicknamed "the American" by his colleagues, because of his close connections to U.S. circles. In particular, De Gennaro collaborated with U.S. Department of Justice attorney Richard Martin in the operation against former Italian Premier Giulio Andreotti, collecting "confessions" by Mafia boss Tommaso Buscetta, which led to the trial against Andreotti (who was acquitted). Such a trial was instrumental in destroying traditional political parties in 1992-93, and opened the way to deregulation and privatization policies in Italy.

Thus, the Anglo-American power centers which push globalization policies are using not one, but two "invisible hands": With the left, they deploy terrorists and anarchists. With the right, they deploy "repression." The result is a mass-brainwashing operation aimed at catalyzing old and new left-factions in the new, "global '68."

**EIR SPECIAL REPORT**

# The True Story Behind The Fall of the House of Windsor

**Reprints of EIR's 1994-1997 groundbreaking exposés**

What political battles lie behind the assassination of Princess Diana?  
 Why do 22 out of 30 top terrorist groups have their headquarters in London?  
 EIR's series on the House of Windsor is indispensable for understanding today's news.

- The Coming Fall of the House of Windsor**  
(Oct. 28, 1994)
- The Sun Never Sets on the New British Empire**  
(May 24, 1996)
- Britain's "Invisible" Empire Unleashes the Dogs of War,**  
(Aug. 22, 1997)
- Epilogue: Can the House of Windsor Survive Diana's Death?**  
(Sept. 12, 1997)



Order from:

**EIR News Service**  
 P.O. Box 17390 Washington, D.C. 20041-0390 Order number EIR 97-004 **\$75**

## President Bush Must Change His Mind Quickly

*This statement by Lyndon H. LaRouche, Jr., was released by the LaRouche-in-2004 Presidential campaign committee, on Aug. 13, 2001.*

I appeal publicly to President George W. Bush, because, first, he is the President of the U.S.A., and, secondly, unless he uses his powers and influence in an appropriate way, there is presently nothing in sight which will prevent that general, spreading war in the Middle East which would lead, of necessity, to a new Masada — Israel's destruction by its own hand.

The present situation is composed of the following leading elements.

1. Fanatics in leading positions in Israel's Defense Force (IDF), are presently committed to a process including systemic murder of the Palestinian Authority, and to other measures of strategic bridge-burning, along the way toward something like the Thirty Years War Europe suffered during the 1618-1648 interval — not only within the Middle East region, but spreading through Central, East, and Southeast Asia, and beyond.

2. Under such conditions, Israel is now in the process of creating for itself a mire of virtually uncontrollable irregular warfare, a condition soon far beyond the capabilities of Israel's security-forces to control. Thus, Israel would bring about its own destruction, as strategic experts whom I know in Israel itself would agree, with which any rational expert there must concur, by definition.

3. The larger, global strategic danger is, that the targetting of Islam's holy places in Jerusalem, by both certain Israeli fanatics and also masses of Protestant fanatics from the U.S.A., is in the process of transforming a long-standing Israeli-Arab conflict into what geopoliticians Zbigniew Brzezinski and Samuel P. Huntington have proposed as a spread of a generalized religious warfare throughout much of Asia. The case of the Taliban of Afghanistan merely typifies the kinds of religious conflicts, among Muslims as also against them, throughout much of Asia and beyond, unless the kind of lunacy typified by Brzezinski and Sharon is stopped.

4. Unfortunately, while a rumbling anger against Sharon's policies is building up in Europe, only an intervention by the U.S. is capable of stopping the IDF-led war machine now running amok in Israel today. This puts President Bush in the position of being obliged to act counter to those sections of both his own Republican and the Democratic parties, in and outside the Congress, who appear to be literally Hell-bent to have a religious war take over much of this planet during the weeks and months ahead.

5. Therefore, the question is, are there leading advisors to the President, who can persuade him to recognize the danger of not intervening in an effective way to halt the Israeli war-drive now, while that might still be possible?

In the effort to define war-avoiding alternatives, certain additional facts must be borne in mind.

6. The problem inside Israel is not Ariel Sharon. Sharon, on record, has always acted primarily as an extension of the Anglo-American intelligence establishment, not as a religious fanatic. President Bush could ask his father, the former President, or James Baker III, about such important matters of background. Look back to the 1980s, beginning about 1982, when Sharon was operating inside what became known later to the U.S. reading public as the "Iran-Contra" complex. Sharon's tendency is to stay within the bounds of what that section of the Anglo-American intelligence community might consider "acceptable behavior."

The danger is, that those who desire to use present atrocities against the Palestinians as a detonator of the kind of geopolitical religious warfare demanded by H.G. Wells-follower Brzezinski, recognizing Sharon's reluctance to break out of his mold, will use the escalation of the situation as a cover for dumping Sharon, in one way or another, and bringing to the fore those elements of the IDF who are disposed to unleash full-scale religious warfare through most of Asia and beyond.

7. The President of the U.S. has the authority, and prospective collaborators abroad, needed to bring the errant impulses of the IDF to a sudden halt. He is in a position to muster the international support he requires for such an effect. No less

dramatic intervention than that, taken suddenly, would be sufficient to ensure that the looming spiral of religious warfare does not erupt very, very soon.

8. The question will be asked: What about those lunatics on both sides of the Congressional aisle, who are so rabidly pressing for Middle East war?

Should the President act, he would have little to fear from those elements of the Democratic and Republican parties.

Presently, except for his position as President, he has very little credibility; but, at the moment, the members of the Congress have even less. The collapsing financial system, and the depression conditions now gripping the U.S. increasingly, create an ideal opportunity for a President who understands the implications of his situation.

The discredit of the leaderships of both the Republican and Democratic parties, especially on all leading economic issues, puts the President in the curious position of having both everything and nothing to lose: like the commander who has discreetly arranged an anti-personnel minefield around his own combat forces.

In a combat situation—and the threat of an ominous, unwanted war is a combat situation—the troops will rally to the commander who has led them to safety. Such is the implicit strategic constitutional authority of a sitting U.S. President.

9. The question is, does this President have the combination of advisors and ability to listen to them, which is required of him in this perilous situation? The question is, do we others have the wisdom and will to act on the basis of that set of facts?

## Temple Mount Fanatics Seek To Blackmail Bush

by Anton Chaitkin

One day after a U.S. intervention moved Israel to block a catastrophic religious provocation at Jerusalem's Temple Mount/al-Haram al-Sharif, Armageddonist "evangelicals" and their right-wing Jewish Zionist allies converged on the White House. Participants in the secretive July 30 meeting interviewed by *EIR*, said the "end-timers" conveyed a chilling blackmail message to President George W. Bush: Approve an all-out war on the Palestinians by the Israeli regime, or your evangelical Christian political supporters will desert you.

The explicit aim of these crazies is to detonate a war which will *destroy* Israel, and provoke Armageddon, the end of the world, and putatively the Second Coming, which they so much desire.

Participant Herb Zweibon, head of the tiny pro-war Jewish group, Americans for a Safe Israel, said that the meeting's purpose was to panic Bush about losing his base among the

purported 70 million evangelical Christians: If only 10% of them are solidly behind our agenda, that is an enormous force that could swing the balance of U.S. political power and destroy your Presidency, they told the President.

Protestant fundamentalist Ed McAteer (who, together with Catholic right-wing spook Paul Weyrich, founded the Religious Roundtable), organized three July 30 events.

The group assembled first at an institution next to Israel's Washington Embassy, where end-time Christians gather to strategize on Israeli operations. They then proceeded across the way to the embassy, and were hosted at a luncheon by Israeli Ambassador David Ivry, to discuss what they would tell the Bush Administration.

They met at the White House with Bush liaison Tim Goeglein, who warned them everything was "off the record"—that, as one participant recalled, "we didn't meet, we didn't talk."

Elwood McQuade, leader of "Christian Friends of Israel," who has a weekly broadcast on *Jerusalem Post* radio, was a senior spokesman at the meeting for the campaign to destroy the Al-Aqsa mosque which now stands on the Temple Mount, and to rebuild the ancient Jewish Temple of Solomon. Under U.S. pressure, Israeli police on July 29 stopped a group of McQuade's Israeli colleagues, bearing a Temple "cornerstone," from provoking an Armageddon war.

McQuade told *EIR* that he is encouraged by the President's recent hard-line stance, blaming Palestinian Authority President Yasser Arafat for the escalation to war. This is what the July 30 meeting insisted Bush must do, and McQuade believes that their message has been conveyed to the highest official levels and has influenced the President.

McQuade said that Muslims claim Solomon's Temple was not on the Temple Mount (or al-Haram al-Sharif, as the holy site is called in Arabic). He says this is just like denying Hitler's Holocaust. "I've worked extensively with the archeologists," McQuade boasted, referring to the British Masons and Anglo-American intelligence operatives pushing for a Jewish-Muslim showdown over the Temple Mount. He raved, "If you destroy the fact that the Temple was there, you destroy the credibility of Judaism! And of Christianity! What Jesus said, was in the Temple. . . . Only Islam will be left."

Also at the meeting were Pat Robertson's Christian Broadcasting Network (CBN), International Christian Embassy in Jerusalem, Christians' Israel Public Action Committee, and the Zionist Organization of America.

### A Push for War

CBN will not comment on the July 30 meeting, but six days earlier, CBN's "700 Club" broadcast a wild attack on Arafat, in which Robertson interviewed Derek Prince, a British "Bible prophecy expert," trained by British imperial authorities in handling Jews. Prince says that 144,000 Israelis will be the first ones "raptured" at world's end; and that Israelis are getting tired of Judaism, and are now looking toward Christianity. Robertson then says that Arafat is a life-long

terrorist, persecuting Palestinian Christians; it is God's will that the Palestinians shall have none of Jerusalem. He justifies all-out war with the claim that Arafat "does not represent the Palestinian people."

Speaking to *EIR* on Aug. 15, McQuade said that there is a new alliance of politically conservative Jews and evangelical Christians, as Jews are stampeded behind Israeli Prime Minister Ariel Sharon. He described a recent meeting in a Philadelphia synagogue, attended by some of the July 30 grouping: "I was so excited by the change in the Jewish community. They sounded just like us!"

Temple Mount provocateur McQuade told *EIR*, "I've been involved with guys like McAteer for a decade and a half."

The organizer of the July 30 White House meeting, Ed McAteer is very close to Temple Mount terrorist leader Stanley Goldfoot, a former British military intelligence agent in Palestine. McAteer has told *EIR* that he was present in the White House basement for many of Oliver North's Iran-Contra fundraising schemes—which had a significant Israeli component.

Among McAteer's guests at his Religious Roundtable in Memphis, Tennessee, has been former Israeli Army Col. Yehuda Levy, whom the Anglo-Canadian Hollinger Corp. made publisher of the *Jerusalem Post* to convert it into a rightist pro-war paper in 1989. McQuade's current radio broadcasts for the *Jerusalem Post*, and Pat Robertson's CBN Jerusalem Bureau, are joint projects of the Israeli, American, and British faction now acting desperately to start a major war.

## Israeli Leader Warns Of Full-Scale War

by William Jones

It was a rather sharp message which Deputy Speaker of the Israeli Knesset (Parliament) Naomi Chazan brought on her visit to Washington on July 13: The Bush Administration can adopt a "wait-and-see" attitude toward the escalating violence in the Mideast at its own peril. "I want to caution against a pull-back" of the U.S. role, Chazan said. "Restraint leaves the door open to a downward spiral of violence . . . and the United States will get sucked in to whatever happens as a result."

Chazan was speaking at a meeting arranged by the Middle East Institute and the Foundation for Middle East Peace. Chazan is a member of the Meretz Party, the most important of the opposition parties in the Knesset.

In the developments leading up to the latest surge in violence, the Bush Administration has done virtually nothing. When Prime Minister Ariel Sharon met with Bush in the Oval

Office on June 26, there was an appearance of some differences between the two. Sharon emerged from the meeting demanding seven days of "complete quiet" before he would agree to a "cooling off" period. But the reticence on the part of the Bush Administration to pressure the belligerent Israeli leader, raised suspicions that Bush was giving a "green light" to Sharon's intended crackdown on Yasser Arafat's Palestinian Authority, part of Sharon's long-term efforts to replace the "partner" in the Oslo Accords with the more militant Hamas, giving Sharon the pretext for reestablishing military rule in the Palestinian areas. This, despite efforts by U.S. Secretary of State Colin Powell, who seemed to understand the need for a U.S. initiative to prevent a full-scale war in the area. Rumors had been circulating that Powell had even told Sharon that his seven days must begin immediately, before Sharon's utopian "100% quiet," although the White House refused to confirm the rumor.

Well-placed sources indicated that Sharon was just waiting for a pretext to launch an all-out attack on the West Bank and Gaza. While Chazan played down such an attack, she stressed that the situation is clearly heading toward war conditions. "It may simply be that there is a steady increase in the violence until it reaches the level of war," she said.

Although Chazan would not put the blame directly on Sharon's policies, and wouldn't make any comments about a possible Bush Administration "green" or "yellow" light to Sharon, she did warn that a growing number of voices within Israel are now calling for a military solution.

She characterized Sharon's demand for "100% quiet" as "ridiculous," and a pretext for letting the situation deteriorate. While there is a need for a reduction of the violence, she said, it is foolish to wait for a situation of total calm before embarking on confidence-building measures. In addition, she said, any cease-fire must be linked to a package of diplomatic concessions for the Palestinians. "A cease-fire without a diplomatic package is a non-starter," Chazan warned. Any cease-fire would also have to be linked to a freeze on Israeli settlements, a measure which, she indicated, 50% of Israelis are now supporting. Chazan also warned against trying to "remove" Arafat as the leader of the Palestinians.

Chazan had no clear path for getting to that point, however. "The present Israeli government has no interest in a cease-fire working," she said. In that case, only "serious brokering" from the outside could bring about a change in the situation.

Nevertheless, she indicated that there are people in Israel "exploring alternatives" to the Sharon war plan, including possible unilateral measures which Israel might take to push the peace process forward.

### There Must Be a Palestinian State

Ironically, the violence has brought to the forefront the absolute need for a Palestinian state existing side-by-side with Israel, Chazan said. Any other option would lead to an "apartheid" state, which is unacceptable to both parties. "There will

also have to be a drastic reduction of settlement,” Chazan said. And the division of Jerusalem as the capital of both Israel and Palestine would have to be a part of any long-term solution. Chazan indicated that the “take it or leave it” attitude of last year’s Camp David negotiations was doomed to fail. Also, the Israeli people had not been prepared for the concessions on Jerusalem that then-Prime Minister Ehud Barak intended to make at that time, concessions which were not sufficient to get Arafat to sign an agreement. Chazan indicated that, given the situation over the last nine months, it would be possible to create a consensus among the Israeli population also over that thorny issue.

The danger now, however, is the attempt by Sharon and his faction to foment war hysteria among the Israeli population. As Presidential pre-candidate Lyndon LaRouche said on June 23, prior to the Sharon meeting with Bush, “If President Bush were to fail to warn Sharon and Sharon’s backers in the circles of the *Washington Post*’s Katie Graham, against any launching of expanded military operations in the Middle East region, Bush’s failure to intervene against Sharon’s imminent launching of escalated warfare, and to intervene in the most forceful and effective way, would virtually ensure that the entire Middle East, and much more, blows up in the Bush Administration’s face.”

As Chazan’s visit shows, if Bush were to rein in Sharon, there are many forces, including within Israel itself, which would rally to support such a move.

---

## Interview: Prof. Nestor Oginar

---

# The Olympian Gods and The Rape of Macedonia

When on Aug. 9, thousands of Macedonian-Americans marched from the State Department — where a delegation met for one hour with Deputy Secretary of State Richard Armitage — to the White House, one man was marching in front of the huge banners, flags, and posters, a megaphone in his hand. He was Nestor Oginar, a professor of English literature in New York City, whose family are still in the city of Tetovo, Macedonia, the center of the Kosovo Liberation Army’s bloody assault. Professor Oginar’s sister had abandoned the family home



after it was targetted by 70 large-caliber shells; but in a “surge of pride,” she had gone back. There were many from Tetovo at the demonstration.

Oginar addressed the crowd in an unusual style, using his classical English to reach the Macedonians and the curious American tourists. It was a strong political and emotional oration, but at the same time a lesson of history, at a level for graduate students and above. Oginar told the demonstrators about the historical roots of the Macedonian and Balkan tragedy: He spoke about the Berlin Congress of 1878, the Conference of Paris of 1919, and the Bucharest Treaty; about the “Arc of Crisis” of Zbigniew Brzezinski and Henry Kissinger’s “geopolitical game”; about Lord David Owen’s plan to “redraw the Balkans’ borders”; and about the ongoing crash of the speculative bubble on Wall Street, and the need for Macedonians to save the world from this, if they want to save their country.

It was an unexpected symbiosis of an insightful political leader and a passionate educator. These are “heavy concepts,” without any concession to the banal or to “entertainment tricks,” very unusual especially in the Washington of 2001. The impact on the Macedonian-Americans was surprising, the level of emotional and intellectual concentration remarkable. When the demonstrators saw an attempt to cut short the Professor’s speech, they broke out into a spontaneous chant, “Nestor! Nestor!” This happens often during Oginar’s speeches. During Macedonia’s last electoral campaign, when he travelled around the United States, these situations were a daily occurrence.

On July 24, at a webcast seminar addressed by Lyndon LaRouche, Professor Oginar had an exchange with LaRouche, which has since been circulated widely in the United States and Macedonia, where it was translated, printed, and posted on the biggest web pages. (See *EIR*, Aug. 3, 2001, p. 19.)

On Aug. 14, the day after the main Macedonian parties signed, under an explosion of Kosovo Liberation Army (KLA) violence, a “peace agreement” that allows the deployment of a 3,500-man British-led NATO force (some officials in Skopje, Macedonia’s capital, believe that the number will be much higher), Professor Oginar was interviewed by Umberto Pascali. Professor Oginar explains that he has been struggling to find an image adequate to communicate the “depth of this historical tragedy.”

**Oginar:** I’m looking for a metaphor to describe the horrors which I as a Macedonian, as a Macedonian-American, as an intellectual, but [also] I believe as a human being, experienced. And I am sure that everyone who is interested in this drama would say: “What goes on in Macedonia is simple rape of an innocent country, of an innocent nation, of an innocent people, by brutal force of the so-called international community.” What goes on in Macedonia is simply legalized mugging, looting of a nation, and it is a crime. I can say that as the United States of America and its NATO allies have squeezed



*The Aug. 9 Macedonian-American demonstration at the U.S. State Department (in background). Professor Oginar gave the demonstrators the history of the fight for the nation-state, and the current campaign for a New Bretton Woods.*

in, and pressured in the Macedonian government and the Macedonian people on every side. The KLA gangs from Kosovo and Albania are armed and trained to their teeth by their American sponsors. The consequences are terrible.

This reminds me of the ancient myth of the “Rape of Europa”; if you remember, the wild bull which was really Zeus—the head of the Olympian gods—disguised as a bull in order to satisfy his perverted, insatiable appetites, simply raping the beautiful maiden and carrying her on his naked, bare back off away from home. The maddened, wild, savage forces of the so-called international community, disguised under the North Atlantic Treaty Organization, and led by the British and the United States governments, as well as some of their witting partners, are doing this to Macedonia, all in the name of the New World Global Order which they have been trying over the last decade or more to impose upon the civilized world.

**EIR:** Why has Macedonia been targeted by the Olympians?

**Oginar:** Let’s start with the determination to redraw the borders in the Balkans on the basis of purely racist criteria—the concept of so-called ethnic purity, which, of course, means nothing else but the creation of a Greater Albania, not for its own sake of course, but a Greater Albania as an entity. As Lyndon LaRouche termed it in our most interesting conference exchange on the 24th of July, if you want to know the problems of where this all stems from, really you have to go and knock on the door of Zbigniew Brzezinski, on the door of Lord Owen, Henry Kissinger, Lawrence Eagleburger. . . .

The idea of this New Berlin Congress and its offensive was launched, as we all know by now, by Lord David Owen, a former British Minister for Foreign Affairs and a former

special envoy of the Balkans. You will be reminded of course, that on March 13th Lord Owen made his plan known in the *Wall Street Journal*, in the commentary that he titled, I believe, “In Order to Secure Balkan Peace, We Must Redraw the Balkan Map,” in which he stated, “What is needed today is a global solution through a modern equivalent of the Berlin Congress of 1878, with previously agreed-upon changes of borders supported by the Great Powers.”

The interesting phrase here is, “with previously agreed-upon changes of borders.” He does not mention who it would be that would be agreeing upon this, but supported by the Great Powers.

This, of course, as we all know by now, was preceded by a seminar—which I spoke about openly during our demonstration—that was held on Feb. 26 and 27 at Columbia University; which, by the way, I learned from eyewitnesses, was organized by the American War College, and was under the title of “The Future of the American Presence in the Balkans.” All participants—generals from the Pentagon and NATO, and other high officers and officials—agreed . . . that the current state borders in the Balkans must be changed, in order to create “more stable and mono-ethnic states” as the only guarantee for a long-lasting peace in the Balkans. According to the participants at this seminar, it could be mentioned that the new borders of the newly created ethnic entities, or cantons, as they are called sometimes, would follow “the historical development of events and the natural instincts of Europe over the last 300 years.”

The former Secretary of State, Henry Kissinger, by the way, is the one who is the precursor of all of this—what has been termed the racist politics of Lord Owen. Should I remind you of what he said on Sept. 18, 1996 in a commentary in the

*Washington Post*, in which he talked about the necessity of creating long-term stability in the Balkans, that you have to correct ethnic cleansing by simply allowing these mono-ethnic entities to remain apart.

And for everyone that knows and understands that, it will be more than clear, more than evident, that the problem does not stem from the flaws of the Macedonian constitution or from the flaws of the Macedonian democracy, but it stems from the flaws and the designs of these forces that we have mentioned, that are simply going to proceed with their policies of destruction of nation states, of the creation of cantons, or mono-ethnic mini-states and protectorates, from which they can carry on their designs of ruining the world until we all go into the abyss.

**EIR:** I noticed that as the moment for signing this agreement was approaching, there was a growing mobilization—especially in the Diaspora in the U.S.—and a determination to do something about this, as Macedonians and as American citizens. I saw also the kind of support that you enjoyed in the Diaspora. It seems you are being pushed more and more into the position of leadership, in a moment of exceptional crisis for Macedonia. But you repeatedly stressed that the assault against Macedonia cannot be defeated in any other way but going to the strategic, economic, and historical roots of that attack. Last May, in a rally in Lafayette Square, you stated, “In order to save Macedonia, we have to save the world!” and you paraphrased Friedrich Schiller, asking the Macedonians to “become bigger than themselves, so that a great historical moment does not find, again, small people.” What do you think can and must be done now?

**Oginar:** It is not really easy to express things in an objective way, when it is something that is so purely subjective. Because as I speak to you, my sister, with whom I spoke today, informed me that she has been hiding in the cellar of our house over the last four days [from KLA gangs], surviving only on bread and milk smuggled to her by a neighbor. Therefore, I need to take an objective distance, and to look at the whole of this terrible scenario. But you are right. I am, if you will, reluctantly, brought into the center of this vortex, because I seem somehow to be perceived by the Macedonian Diaspora—and I will say also, by some Americans who have begun to take notice of Macedonia’s national tragedy—as somebody who seems to embody the desires, the yearnings, and the needs for all of the Macedonian-Americans.

So, of course, there is an obligation toward Macedonia from people like me, in a sense like Mr. Lyndon LaRouche has vis-à-vis the world. By the way, I must report that Mr. LaRouche generated, with his July 24 response, much more interest in the Macedonian Diaspora and in Macedonia proper, and all over the world, than I did with my comment. The key is that we take a moral stand, calling to account our responsibility and pricking the conscience, not only of an individual American citizen, not only of an individual Macedonian citizen, but poking and probing into the depths of

the consciousness of humanity at large, because we cannot remain silent at what is happening around us. Because the Macedonian tragedy is a European tragedy, is a United States tragedy, it is a humanitarian tragedy of gigantic proportions. . . .

What is troublesome to me, is the silence, the complete ignorance of the American public, living in the greatest of the democracies that has been known in modern times; living in a country which, herself, 200 and some years ago, rose up against the brutal colonial domination of the British Empire; living in a country which was founded by the sheer determination of people to shake off the shackles of colonialism and base their existence on the inalienable principles of sovereignty, independence, justice for all of the people of a nation-state. This is really what we have to bring to the American public, and if we can begin to change them, as Mr. LaRouche argues in so many of his articles, as I do also argue, then we can begin to change the opinion of the world.

Let me try to explain what I mean when I tell my fellow Macedonians, “in order to save our country, we have to save the world.” Something that has to be done right now, is to realize that a number of these so-called hotspots that are growing all over the map of the world, have a common characteristic: They have experienced a total financial and economic collapse. That is to say, that this is done by design.

Of course, I am not an expert on that; I do not pretend to be. But following some of Mr. LaRouche’s readings, . . . and, of course, following the readings of other economists in the world who seem to share the same notions and ideas, it is not difficult to see that so many of these financial crises—South Asia’s, South America’s, the Argentine and Brazilian crises, the Western and Eastern European and Turkish problems, and now in the Balkans—are provoked by what we call oligarchical forces. [These forces] seem to have as a last goal, nothing else remaining to them but a complete, full looting and destruction of the sovereignty of the nation-states, and the destruction of their infrastructures and their economies, so that they can become dependent on these monstrous usurers such as the International Monetary Fund, the World Bank, the World Trade Organization, which are under the control of the same financial vultures that sit in London and in New York on Wall Street. And then you have a complete collapse of that system.

We have to go back to a Bretton Woods kind of agreement, as it was conceived historically: the great concept of helping the world based on the principles of national sovereignty, that, as we know, was perverted in the 1970s, as Mr. Lyndon LaRouche has so eloquently explained, with the beginning of President Nixon’s Administration. Only if we are able to contribute to this worldwide process, could we really save Macedonia.

**EIR:** A drama within the drama was the meeting with Deputy Secretary of State Richard Armitage.

**Oginar:** First of all, what I expressed to the Deputy Secretary

was that, despite the terrible things happening to my family at that very moment, I was determined to see the situation from above, and, if you will, disinterestedly. Among other things, I mentioned to him the recent indictment by former Canadian Ambassador James Bissett, who stated that, with the KLA, “we have created a monster.” By using the plural pronoun, “we,” I think that he is implying that his own country bears a portion of the collective guilt of the West for their involvement there. . . . And it is not only the Macedonians who are suffering; it is the Albanians who are suffering. And my sympathies go to all of these Balkan people who have been simply been taken advantage of by this new politics of “divide and conquer.”

The current problems in Macedonia started not only with the collapse of the former Yugoslavia — this was, by the way, Mr. Armitage’s argument. But then, he stopped there. Well, of course, chronologically speaking, we can argue that, but we have to take into account what happened in Albania with the collapse of the Albanian financial system [in early 1997], with this infamous pyramid-scheme explosion, with the collapse of the Albanian government, with the breaking down of the border, with the collapse of the Albanian institutions, that poured into Kosovo and into Macedonia.

We do hold NATO responsible for the ruination of the Macedonian constitutional state as a republican order. . . . The most serious troubles in Macedonia came once NATO moved into Kosovo. And everything that has been happening since then, has been happening under the eyes of the NATO KFOR in Kosovo, and we have the right to accuse these NATO forces for not performing the mandate that was given to them by UN Resolution 1244. If you visited Macedonia today, Mr. Pascali, as I did a few months ago, you would see how ruined the infrastructure is, how ruined the routes and the bridges are. You would see NATO’s forces, with their tanks and armored vehicles, passing through from Salonika [Greece] to their destinations in the Macedonian bases and northward into Kosovo — how ruined these routes and communications are.

I asked Mr. Armitage about the intervention of American troops to rescue the KLA terrorists from the village of Arachinovo near Skopje [see *EIR*’s coverage, Aug. 17]. His position is something that has been officially stated by the State Department: that that was an intervention agreed upon by the Macedonian government. Now, we have never been provided with any evidence that this is true. However, if it had been true, now we’ll go back to what we stated previously: How was it done? Was this government really forced into it, blackmailed into it by these threats of a Hague [war crimes] tribunal, or some other tribunals that might be lurking in the near future for the Macedonian government? But, he mentioned that this was done as a favor by the NATO forces, because the Macedonian Army had been weak and that it had been unable to take Arachinovo territory — something which I considered — and I mentioned this to Mr. Armitage — to have been outrageous. All evidence points to the fact that the Mace-

donian Army did everything to retake that village, and almost had it under control, and that would have really meant a complete turnabout of the entire Macedonian situation.

Now why this mysterious interference? Why the involvement of the 17 American advisers? . . . So, it really resulted in greater and more intense attacks by these Albanian terrorists, because they were only transported to a nearby village, and they continued their attacks. They have not stopped ever since then. This has cost many innocent lives, both Macedonian and Albanian.

**EIR:** I understand that the mention of the Treaty of Westphalia that put an end to the [17th-Century] Thirty Years’ War, produced great interest in Macedonia.

**Oginar:** I should mention that many of my relatives and supporters have called me, since they have gained access to the discussion between Mr. LaRouche and me on the webcast, in which they really learned a historical lesson on Westphalia. I know that many were running to the library to find out all of the details: what century, what country, and so forth. And they seemed to be fascinated with the phrase of the inviolability of the borders, and all of those concepts that were embodied in that Westphalia conference.

But I will go back to a paraphrase of Mr. LaRouche’s statement, in which he calls for the Peace of Westphalia to be a model for ending all religious or ethnic wars, or any wars of any similar kind in Europe, and, of course, to be universally applied all over the world. He stated, and I think we would all agree, that, in that, lies the center of European civilization. And it is in that, I would add, that has to lie the strength of what we have now, the American civilization. It is in the full implementation and the respect of those principles. . . . So, it is with this principle that I want to confront the world, here and in Macedonia, and to say that we Americans have a moral responsibility to go around and not teach the dubious human rights policies as exercised by [former Secretary of State] Madame Albright and those around her, but the policies of this concept of Westphalia, of the respect of the nation-state.

If we accept that in the Balkans, soon I think that we can have Macedonia respecting the sovereignty of Albania, or Yugoslavia, or Greece, and we can all live in peace and cooperation and . . . look forward to the future for many of the generations that are yet to come.

Let me end with a brief paraphrase of a great Elizabethan poet and moralist John Donne, taken from his book titled *Devotions*, in which he reminds us that . . . no man is an island, an entity unto himself: Every man is a piece of the continent, a part of the main; if a fragment is washed away and sunken to the sea, Europe is the less. If Macedonia, that once stood as a bridge between Europe and the East is washed away, will not Europe be diminished? Will Europe be able to cross to Asia and the far East on a broken, burnt bridge? . . . Therefore, do not sit passively and listen to the bell which is tolling for Macedonia; it may be tolling for you.



# Thailand's Government Challenges Ten Years of Subversion

by Michael Billington

Within hours of the announcement by the Constitutional Court that it had acquitted Thailand's Prime Minister, Thaksin Shinawatra, of all charges brought against him by the National Counter Corruption Commission (NCCC), the Prime Minister shocked the nation by openly challenging the entire judicial structure that had threatened to remove him from office. "It's strange," he told the press, "that the leader who was elected by 11 million people had to bow to the ruling of the NCCC and the verdict of the Constitutional Court, two organizations composed only of appointed commissioners and judges, whom the people did not have a chance to choose." He suggested that changes in the Constitution would be in order, in regard to the NCCC, the Constitutional Court, and a third similar "watchdog" body, the Election Commission.

Why did Thaksin not gratefully accept the decision, which was, after all, in his favor? The answer to this question brings up the carefully disguised—but totally public—process, over the last ten years, which has undermined Thailand's sovereignty, its economy, and its political integrity. The international institutions behind that subversion are now howling from their New York and London lairs that Thaksin must not be permitted to pursue his threatened course. The English-language newspaper *The Nation* pointed to the fear among the oligarchy, now that Thaksin is free of the threat of being removed from office, and enjoys a majority in the legislature for his party, the Thai Rak Thai: "Just imagine what Thaksin's superparty can do in the House when it comes to enacting legislation. With Thai Rak Thai in absolute control, he can easily move to amend the Constitution to reduce the power of key independent bodies which he feels are standing in his way."

The *Asian Wall Street Journal* led the attack for the "international community": "Perhaps a little bit of humility is in order after having to defend oneself on corruption charges and coming close to removal from office. But instead, it looks as if he [Thaksin] will take revenge by killing or emasculating the National Counter Corruption Commission, which was created under the new democratic constitution of 1996-97 to investigate graft." Speaking for Wall Street and the City of London, the *Journal* threatened Thaksin, pointing to the rising debt and the looming "recession," writing that with Thaksin's

"tendency toward self-aggrandisement, the extra ego boost from the acquittal may not be what the Kingdom needs right now."

## Wall Street Defends Dictatorial Institutions

The problem with the *Journal's* complaint is that the bodies established by the new Constitution under the guise of "democracy" are in fact dictatorial institutions, capable of removing from office any elected official, including the Prime Minister, often without any opportunity for the accused to defend themselves. The members of these commissions and courts are neither elected, nor are they accountable to any elected body. In fact, they are accountable to no one but themselves. Even more important, they were created by the same individuals who turned the Thai economy into a speculative playpen for the international financial oligarchy over the past ten years, setting up the financial bubble which provided the speculators with the means of looting the economy and the people of Thailand, especially after the 1997 currency collapse. Central to that process is the man who has assumed the position of Thailand's Head Comprador for the Anglo-American colonial policy known as "globalization," Anand Panyarachun.

To get a picture of Anand's character, look at some of the international institutions he heads in Thailand. He is chairman of the Thailand branch of Transparency International (TI), the organization founded as a private spin-off of the World Bank. As a supposedly "independent, impartial" non-governmental organization (NGO), TI declares itself to be the court of the "international community" in passing judgment against nations which fail to follow the dictates of International Monetary Fund (IMF)-World Bank "conditionalities." Besides imposing IMF discipline on Third World countries, TI played a leading role in the destruction of Russia after the fall of the communist regime, and was at the center of the "Clean Hands" apparatus which nearly destroyed the national institutions of Italy. Starting in March of this year, TI's international newsletter began a campaign against Prime Minister Thaksin as a corrupt politician who, if he were not to be removed from office by the Constitutional Court, was expected to try to "redefine the functions of the Commission, which is a core element of Thailand's greatly admired 'anti-corruption' Con-

stitution.” The Constitutional Court, the Commission, and the Constitution itself were all set up by the IT’s own Anand Panyarachun, as we shall see below.

Then there is the American Corporations for Thailand (ACT), run by the Kenan Institute Asia, based in Bangkok, and co-chaired by Anand and Henry Kissinger. The organization represents American corporate interests in Thailand, but, in fact, is a “privatized” U.S. government agency, in the following sense. When the U.S. State Department Agency for International Development (AID) closed its operations in Thailand in 1996, because Thailand had supposedly “graduated” from needing U.S. government aid of that sort, the functions of the AID operation were handed over to the ACT, to be run by Anand and Kissinger. In other words, Anand not only promotes the takeover of Thai corporations by foreign interests, he represents those interests himself!

Anand is also the only Thai member of the Advisory Board to the Carlyle Group, the increasingly powerful arms dealer and investment house of the George H.W. Bush circles. Anand joined Carlyle at Bush’s request, and arranged for the first meeting of the Advisory Board to be held in Thailand.

Ironically, Thaksin Shinawatra was also brought on to the Carlyle Group Advisory Board in 1998. He invited both Bush and Bush’s former Secretary of State James Baker III to Thailand, as part of his effort to build up his own image as a globalizer. In fact, Thaksin was given strong support internationally over the past two years, as he built up the forces for his run for the top office. As a successful telecommunications CEO, Thaksin benefitted from the hot-money binge of the 1990s, and was expected to speak for the globalizers. However, when he ran his campaign on a populist program, promising universal cheap medical care, credits for small business, and a debt moratorium for farmers, some eyebrows were raised in the New York and London boardrooms. Then, upon his election, even though his party had won a majority in the legislature (the first elected party in history to hold such a majority), he nonetheless chose to form a coalition government with Gen. Chavalit Yongchaiyudh (ret.), whose nationalistic policies, and whose close ties to China and Thailand’s Association of Southeast Asian (ASEAN) partners, made him extremely unpopular among the Western financial elite. Thaksin then resigned from the Carlyle Group. He and Deputy Prime Minister Chavalit have since then taken several significant steps toward strengthening Thailand’s relations across Asia, including efforts to bring ASEAN into a working alliance with the Shanghai Cooperation Organization created by Russia, China, and the four of the Central Asian republics. He took these steps even though the threat of being removed by the corruption courts was hanging over his head. Now, in mooted the possibility of dismantling the dictatorial “democratic” bodies created by Anand, and perhaps the globalization apparatus as well, Thaksin is threatening to become a great disappointment to those who thought he was one of their own.



*Thailand’s Prime Minister Thaksin Shinawatra, now cleared of wrongdoing by the courts, is taking aim at those institutions which were set up by the globalists to take over the country.*

### **London’s Anand**

Anand has not given up. In fact, just in the past weeks he has succeeded in getting himself appointed chairman of a new advisory body to the government, the National Economic Social Council, and he was the first to protest Prime Minister Thaksin’s attack on the dictatorial “anti-corruption” apparatus. It will be useful to review Anand’s past services to those who are now bringing the world into depression and war.

Anand Panyarachun, born in 1932, the year of the Revolution that created the modern Constitutional Monarchy that still governs Thailand today, was educated at Cambridge in England. According to a highly critical biography published last year, *Unmasking Anand Panyarachun* by Cholatis Ajamanapap, while in England, Anand “not only gleaned knowledge and learned the customs effected by the nobility, but fostered friendly relations with a number of their ranks.” His circle of British-trained fellow Thais became known as the Rattanakosin Noblemen, and would subsequently make up a significant portion of Anand’s Cabinet in when he headed the government in the 1990s.

He rose quickly in government, being named Ambassador to the United Nations at the age of 34, serving in that post, and then as Ambassador to the United States, during the years of the U.S. war in Vietnam, Laos, and Cambodia, in which Thailand served as an extended airbase for the massive American bombardment of its neighbors. He returned to Thailand after the war, in 1975, and left the Foreign Service for private business.

His greatest service to the new colonial powers began in 1991, when a coup was carried out against the government of Chatichai Choonhavan by Gen. Suchinda Kraprayoon, who then appointed Anand as Prime Minister. (Suchinda had previously worked under Anand at the Royal Thai Embassy in the United States.) Anand was quite aware of the rare opportunity he had, as a non-elected Prime Minister, not answerable to the electorate, to ram through the entire free-trade agenda for the Anglo-American financial interests whom he served. In a September 1991 interview in the magazine *Asian Finance*

in London, Anand pledged to put aside all concern for the population, especially the poor, in service to his globalizing oligarchical brothers: “Perhaps I am lucky because I don’t have the elected representatives that I have to be responsible to. I think the army and the military have given me a fairly free hand in my decision-making process. Now, I do not care for my own popularity. I have no intention of running for an office, *so I don’t have to cater to the whims or the interests of any particular group, be it business, be it the poor, or be it the military*” (emphasis added).

### **Anand Collapses the Economy**

Indeed, Anand immediately set out to dismantle the crucial institutional defenses of the nation-state, both economic and strategic. In his first, 13-month term as Prime Minister in 1991-92, he implemented measures including the following:

- Deregulated foreign exchange and banking;
- Introduced derivatives and related financial instruments, and an American-style Securities Exchange Commission, to assure *unregulated* speculation;
- Cut corporate taxes and introduced regressive value-added taxes;
- Drastically reduced tariffs;
- Facilitated foreign takeovers of Thai-owned businesses;
- Implemented privatization of state sector industries;
- Eliminated unions in all state sector industries, facilitating both wage gouging and privatization;
- In particular, after abolishing the energy sector union, which had led the effort to prevent privatization, Anand changed the energy sector laws to begin the privatization of the State Energy Corp.;
- Deregulated 20 protected industries, allowing foreign competition;
- Set in motion the creation of an offshore banking facility, which was virtually unregulated and virtually tax free.

The speculative bubble set into motion by this “shock therapy” approach led to a collapse of the Thai economy in only five years. Even at the time, the domestic industries which were not thriving on the hot money and easy credit for imports for fast turnover in process industries—i.e., were not part of globalization—screamed that the speculative boom would kill them—and it did. The urban transportation infrastructure in Bangkok was one of the few long-term development projects of any lasting value. Many of the new industries, dependent both on foreign credit and imported raw materials, went bottom-up when the currency crashed in 1997, and by that time many of the traditional industries had been squeezed out by globalization.

Anand also arranged sweetheart contracts with foreign investors for energy and other infrastructure projects, assuming all risk for the Thai government rather than the foreign investors, both for currency fluctuation and raw materials price fluctuations, while even promising that the government

would pay for unneeded supply by foreign contractors. In this he was playing the same role as President General Suharto in Indonesia and President Gen. Fidel Ramos in the Philippines—the latter a fellow Carlyle Group adviser. When the speculators pulled the rug out from under the Southeast Asian bubble economies in 1997, and the IMF imposed draconian debt payment requirements, the governments of all three nations were left holding billions of dollars of fictitious debts, created out of thin air through currency devaluations brought about by the globalization sleight of hand, thanks to such willing compradors as Anand.

Anand went beyond peddling free trade to his own domestic market. At the January 1992 ASEAN meeting, Anand joined forces with Singapore’s Prime Minister Goh Chok Tong to introduce the idea of an Asian Free Trade Area (AFTA), intended to lead the ASEAN nations into a North American Free Trade Agreement-style removal of measures for protecting their national economies. Singapore, more an extension of British banking interests than a nation-state, was the only ASEAN nation that would benefit from mutual tariff reductions, but Anand strongly promoted the concept, and won its acceptance.

Anand was placed in office for a second time when General Suchinda was overthrown in June 1992, staying in office for another four months while new elections were organized. Having adequately set up the economy for looting, he used his second term to dismantle the only institution capable of offering resistance to the loss of economic sovereignty to foreign interests—the military. The Suchinda government had been brought down when the Army overreacted to violent attacks by trained provocateurs during anti-government rallies, leaving many dead, and a general loss of respect for the military. Anand used the prevailing mood to his advantage, removing the top military leaders from their positions, and dismantling the historic role of the military in strategic state-sector industries. The former Army chief was removed as chairman of the Telephone Authority, the Air Force chief from Thai Airways, and the Air Marshal from the Communications Authority. With the military out of the way, and the trade unions banned, the state-sector industries were ready to be deregulated and sold off to the highest bidder. Because the government which took power after the following election was essentially an extension of Anand’s network, the country was on a high-speed course for the pre-programmed crash and looting at the hands of George Soros and the IMF.

### **The Anti-Constitutional Constitution**

Anand was to play one more critical role in the subversion of the nation. When the Soros gang began the speculative assault on Thailand in late 1996, Anand launched a movement for the “reform” of the Constitution. Using the global NGO apparatus (including TI, which he would later lead) and the media, he succeeded in getting the government (by then headed by his enemy Chavalit Yongchaiyudh) to agree to a

commission to draft a new Constitution, headed by himself.

Then, in June and July, the speculative attack broke Thailand's currency, the baht, and sent all the Asian economies into a tailspin. In that atmosphere of chaos, Anand rushed a draft of a new Constitution into circulation, ran a series of staged public hearings, and rammed through the draft's adoption in the legislature — all within about eight months. He tried to include in the Constitution itself a list of "globalization" clauses, mandating, for all time, free trade, deregulation, privatization, open foreign ownership, and so forth. These outrageous and illegal clauses were then "traded" for the creation of the various special police bodies discussed above: the Election Commission, the NCCC, and the Constitutional Court, as well as other similar "popular democracy" measures meant to undermine Constitutional government. One measure allowed any government official to be forced into impeachment proceedings merely on the basis of 50,000 signatures, without regard to the existence of any evidence of wrongdoing.

There was significant opposition to the draft, including by Prime Minister Chavalit, but in the weeks following the collapse of the currency, the IMF stepped in to assure the adoption of these illegal, dictatorial institutions. One of the many onerous conditions imposed by the IMF after the crash was a "good governance" provision, in which IMF officials made it clear that "good governance" included passing the "anti-corruption" Constitution. The internationally financed and controlled NGO apparatus threatened riots if the Constitution were not passed. Only 1 Member of Parliament and 16 Senators had the courage to vote against it.

The first test came in the Senate elections in March 2000. Out of 200 Senate seats up for election, the new Election Commission threw out 78 of the elected candidates, based only on "reports" of illegal campaign activities. Disqualified candidates were given no forum to defend themselves or refute the allegations! The Commission even admitted that there were only three cases where evidence was sufficient to bring civil charges, but the 78 candidates were out nonetheless. In the re-vote, with only 30% of the electorate participating (after 71% had voted in the first round), another group were thrown out, and then another.

Chavalit, who had been forced from office by that time because of the financial collapse, called for an emergency government of national unity, and the suspension of the new Constitution. Others made similar appeals, but it was too late. The nation's fate was now in the hands of TI, George Bush, the Carlyle Group, and Soros, rather than in the hands of the leaders of the nation.

### **Potential for Change**

With the collapse of the world financial system, and the U.S. economy in particular, now apparent to all but the morally blind, the Thai situation, like that of most nations, is in a state of flux. The old rules no longer apply. What direction

the nation will take cannot be predicted, but the disastrous results of continuing on the path of globalization are knowable and certain. Thailand, under the new government of Thaksin Shinawatra, has taken several measures in the direction of joining with its ASEAN-Plus-3 (ASEAN plus China, Japan, and South Korea) neighbors to implement new monetary policies, and possibly a new Asian Monetary System independent of the IMF. The government has also moved toward security and economic cooperation with Russia and the Shanghai Cooperation Organization, while forging ahead with plans for developing the Mekong River region, developing inter-Asian rail and road corridors across the country, and building the Kra Canal. Such measures are not only essential for Thailand's survival, but Thailand can play a major role in making the region a center for solving the global crisis. Prime Minister Thaksin's victory over subversion provides an opportunity to move that effort forward.

## **Southeast Asia Acts To Stop Terrorism**

by Michael Billington

In June 2001, Russia, China, and four Central Asian Republics founded the Shanghai Cooperation Organization (SCO), with the first priority being the joint containment of the Afghanistan-centered terrorist movements which threatened them all, from Chechnya, to the Fergana Valley, to Xinjiang Province. With that priority met, they proceeded to a discussion of the Eurasian Land-Bridge, and related plans for the development of the physical economy of the entire region.

Although it was not stated in the agreements, the parties were well aware of the fact that the so-called "Afghansi" terrorist networks were only nominally "Islamic." They were created by Anglo-American intelligence during the Soviet war with Afghanistan, and remain under Anglo-American control still today, used by those who promote Zbigniew Brzezinski's and Samuel Huntington's "Clash of Civilizations" as a means of breaking up the emerging alliances among Eurasian nations.

A similar process is now beginning in Southeast Asia, where the Afghansi networks have for years run operations in the southern Philippines, Malaysia, Indonesia (notably in the Province of Aceh), and elsewhere. Part of the difficulty in combatting these operations has been the tendency to treat each manifestation of the disease as a local problem, rather than identifying the source of the virus and cooperating regionally to eradicate it.

In June, Thai Deputy Prime Minister Chavalit Yongchai-



*Malaysian Prime Minister Mahathir bin Mohamad (right) and Philippines President Gloria Macapagal-Arroyo (left) began cooperation to isolate Abu Sayyaf terrorists; Macapagal-Arroyo has also publicly discussed Mahathir-style currency controls against international speculators.*

yudh travelled to China to propose that the member-nations of the Association of Southeast Asian Nations (ASEAN) be brought into a security alliance with the Shanghai Cooperation Organization. Thailand has long suffered from being a major transshipment point for Afghansi (and other) arms trafficking and smuggling through the Indian Ocean into Malaysia, Indonesia, and Mindanao, in the southern Philippines. ASEAN cooperation with the SCO will help isolate these networks, while facilitating joint economic projects such as the Asian railroad branch of the Eurasian Land-Bridge.

### **‘Ma-Phil-Lindo’ Cooperation**

In the second week of August, another regional measure was successfully implemented when Philippine President Gloria Macapagal-Arroyo travelled to Malaysia’s capital Kuala Lumpur. There she joined Malaysian Prime Minister Dr. Mahathir bin Mohamad and the leaders of the two major organizations representing the Islamic populations of the southern provinces of the Philippines, the Moro National Liberation Front (MNLF) and the Moro Islamic Liberation Front (MILF). The MILF broke away from the MNLF in 1978, precisely over talks with the Marcos government. In a two-step sequence in Kuala Lumpur, the Philippines government and the MILF signed a cease-fire agreement, followed by the signing of a “unity agreement” between the MNLF and the MILF, laying the basis for ending the rivalry between the two.

Conflict between the government and the Moros has continued since the mid-1970s, at horrific cost to the population, both Muslim and Christian. A peace agreement in 1996 with

the MNLF created a four-province autonomous region within the Philippines, the Autonomous Region of Muslim Mindanao (ARMM), under MNLF governorship. But fighting with the MILF continued. Although both groups had outside supporters, the Islamic nations of Malaysia and Indonesia, with help from Libya and under the sponsorship of the Organization of the Islamic Conference, helped bring the parties together to forge a peaceful solution in keeping with Philippine sovereignty.

The urgency of finding a solution to the legitimate interests of the Islamic population in the south of the Philippines was driven home by the recent expansion of kidnap-for-ransom operations by the Afghansi-linked Abu Sayyaf terrorists. Kidnappings in both Malaysia and the Philippines, including gruesome beheadings of several victims, threaten the peace and stability of the entire region, while the gang has used the ransom money to purchase highly sophisticated arms and boats. All parties involved became convinced that peace and development were only possible by regional and local cooperation in isolating and destroying this Afghansi asset. The Abu Sayyaf are still loose, but their freedom of operation is being curtailed.

Most importantly, as was true with the SCO in Shanghai, the agreement to secure the region has created the conditions needed to act upon the plans for regional economic cooperation which have been stalled. President Arroyo and Prime Minister Dr. Mahathir discussed the revival of the East Asian Growth Area, which covers the southern Philippines, eastern Malaysia, Brunei, and northern Indonesia. The potential to unlock the wealth of this still-underdeveloped area will have

positive repercussions throughout the region, and contribute to the broader integration of Southeast and East Asia generally.

These plans also revive a dream that flourished in the 1950s and early 1960s for integration between Malaysia, the Philippines and Indonesia, called "Maphilindo." The idea was sponsored by Indonesia's revolutionary leader and first President, Sukarno, whose daughter, Megawati Sukarnoputri, has now been inaugurated as the new President of the Republic of Indonesia.

Perhaps the most striking aspect of the Arroyo-Mahathir meeting was the transformation of President Arroyo herself. Arroyo was placed in power last January through a "people's power" campaign, orchestrated by the international promoters of globalization and free trade. Yet, she shocked her free-trade sponsors by telling reporters in Kuala Lumpur that she would not rule out using a fixed exchange rate or currency controls, as Malaysia did in 1998, to protect the Philippine peso! "I don't envision it," the Georgetown University-trained economist told the press, "but I don't want to rule it out—à la Mahathir. . . . 'Let the speculators be warned!'" President Arroyo's shift, in the context of her discussions with Dr. Mahathir, was clearly due to the growing evidence of the systemic and catastrophic breakdown of the global economy now in process.

She praised Dr. Mahathir as a "brother to us, a brother to me." Dr. Mahathir, she said, "has the right blend of pragmatism, vision, and management capability."

Back at home, Arroyo's discussion of currency controls was greeted with a torrent of criticism, especially from her own administration! Central Bank Governor Rafael Buenaventura was the most vocal: "I do not envision using currency controls, nor do I see it as being likely," he said, adding that it would be one of the "worst things" the country could do, and would only occur if they had "no choice."

However, Arroyo stood her ground, responding to such statements by pointing out that there may be circumstances ahead which require such measures: "Basically, I believe in market forces," she said, "but even in orthodox economics, when there is a failure of market forces, then you look at other options, *and when you have extreme speculation, that is partly a failure of market forces.*"

### **Afghansi in Malaysia and Indonesia**

The Malaysian government has moved on another front as well. Ten members of an organization called the Kumpulan Mujahidid Malaysia (KMM), with direct ties to the Taliban in Afghanistan, were arrested under the Internal Security Act. The KMM is accused of involvement in the murder of a political figure, the bombing of a church and a Hindu Temple, and other crimes. Eight of those arrested are members of the opposition Islamic Party of Malaysia (PAS), including the son of the spiritual leader of PAS. PAS has dissociated itself from the KMM, but nonetheless, the international terrorist-

protection mechanisms of non-governmental organizations (NGOs) and the media have gone to work in their defense. The *Washington Post* ran a front-page feature on Aug. 12 denouncing Malaysia's use of the Internal Security Act to crack down on this terrorist apparatus.

On Aug. 13, it was revealed that an Islamic fanatic arrested earlier by Indonesian police for the bombing of two churches and a shopping mall in Indonesia, was a Malaysian citizen. He was part of a group waging a "holy war," *jihad* in Indonesia, including participation in the murderous riots in Maluku, and was believed to be planning similar activities in Malaysia upon returning home. Although the group was not reported to be part of the KMM, the connections are under investigation.

In Indonesia, the greatest threat facing the new President, Megawati Sukarnoputri, is the separatist movement in the northern Sumatra Province of Aceh, the Free Aceh Movement (GAM). GAM's leader, Sultan Hasan diTiro, goes back to the days of John Foster Dulles and the British efforts of the 1950s to bring down the nationalist Sukarno regime in Indonesia, by supporting separatism in Aceh and numerous other regions of Indonesia. Drug-running and smuggling operations (weapons and other goods) have been run under the cover of diTiro's "Islamic freedom fighters" since the 1950s. During the Suharto New Order regime, extreme and brutal measures by the Indonesian military aggravated the tensions in the area, and efforts by subsequent governments to solve the problem peacefully have failed. The international NGO and media campaign which supports the GAM is aimed at creating conditions which would be used to justify international intervention on the East Timor model, as many openly admit. Eight hundred were killed in fighting last year, and over 1,000 have died already this year.

President Megawati has made clear that she will not permit the disintegration of the unitary state created by her father and the revolution of 1949. She has taken personal responsibility for Aceh (and Irian Jaya, the other area facing separatist pressures), and on Aug. 9 signed a bill authorizing extensive autonomy for Aceh within the unitary state of Indonesia. She will visit the region in early September to discuss the autonomy plan with the political leaders of the province, but it is not clear whether she will meet with representatives of the GAM. Her visit to Aceh will come immediately after a tour of the other ASEAN nations, where it is likely that she will discuss the need for collaboration among the ASEAN nations in cutting off the supply of arms to the region, and isolating the terrorist networks.

In Aceh, and across Southeast Asia, there is no time to lose in securing the region from these internationally sponsored and supported terrorist networks, so that the process of real development—the prerequisite for sustained peace—can begin. With the world financial system crumbling at an accelerating pace, failure to act will lead inevitably to even greater intervention by the architects of the Clash of Civilizations.

# The Foreign Hands in South Asian Terrorism

by Ramtanu Maitra

There is a growing body of evidence that Nepal is steadily succumbing to the violent Maoists, the way Peru became a victim of terror and narco-terrorism. As in the case of Peru, Nepali Maoists are getting substantial support from outside.

The mentor of the Nepali mayhem, named the Maoist movement, is the London-based Revolutionary International Movement (RIM). What is ominous for the whole of the Indian subcontinent, is that the foreign-directed violent movement has consolidated its network and has developed direct links to various land-based agitations, indigenous peoples, and the drug- and gun-based secessionist movements. Adding fuel to the fire are some of the militant religious groups, such as the Jamaat-e-Islami in Pakistan, similar groups in Bangladesh, and Shiv Sena in India, among others.

In July, after the Maoists in Nepal had kidnapped 70 policemen and shot down an Army helicopter, Nepal's general secretary of the underground Maoist group, Commander Prachanda, told an Ibero-American newsmen that they attributed their success so far achieved in Nepal, to the lessons of the experiences of the Maoist movements in India, Sri Lanka, Bangladesh, the Philippines, Iran, Turkey, and Peru. The Maoist-related violence has already claimed more than 1,400 lives in Nepal.

## Pawprints of London

Prachanda describes the influence of the "international proletariat" on their movement as follows: "In the whole process of this final preparation, . . . there was consistent international involvement. First and foremost, there was the RIM committee. There was important ideological and political exchange. From the RIM Committee, we got the experience of the PCP [Communist Party of Peru, i.e., the Sendero Luminoso], the two-line struggle there, and also the experience in Turkey, the experience in Iran, and the experience in the Philippines.

"Ultimately, we will have to fight with the Indian Army. That is the situation. Therefore, we have to take into account the Indian Army. When the Indian Army comes in with thousands and thousands of soldiers, it will be a very big thing. But we are not afraid of the Indian Army."

Commander Prachanda is not indulging in empty rhetoric. Recently, the Maoists in South Asia have formed the Coordination Committee of Maoist Parties and Organization of South Asia (CCOMPOSA). This group involves nine ultra-

## South Asia



left outfits of India, Nepal, Bangladesh, and Sri Lanka. Of the nine, the People's War Group (PWG) and the Maoist Coordination Committee (MCC) from India, and the Nepal Communist Party (NCP) are the best armed and most active.

The CCOMPOSA, which models itself on Peru's narco-terrorist Shining Path (Sendero Luminoso), has asked all revolutionary forces in the region to join arms with the Nepal rebels to liberate themselves from the oppressive and exploitative rule in both India and Nepal. It has called up all the forces struggling for "self-determination" to launch a "people's war in South Asian countries."

Observers point out that this is the first time that these radical groups have formed a cross-border confederation. Earlier, such groups in India had fraternal ties with like-minded outfits abroad at an individual level, but not as a part of confederation.

The PWG, which has its influence in Andhra Pradesh, Bihar, and Jharkhand in India, forged fraternal relations with the Liberation Army of Peru and the Kurdish Workers' Party (PKK).

The CCOMPOSA has also agreed to provide assistance to "organization-based agitation for self-determination." The Maoists extend support to the conflict in Jammu and Kashmir, the Khalistan (Punjab separatist) movement, Bodoland, Gorkhaland, Telengana, and Nagaland in India, and the Liberation Tigers of Tamil Eelam (LTTE) in Sri Lanka, all of which are allegedly waging a war for self-determination. The group's support extends to the ethnic separatist Khambhuwan and the Limbuwan movements for independence in Nepal, the Gorkhaland movement in the hills of West Bengal, and the Kamtapuri movement in the northern part of India's West Bengal State, "besides, liberating the Nepalese people from

the imperialist forces,” according to a release signed by the organization’s president, Comrade Angami.

### Another Colonial Power Steps In

South Asian agencies see a larger design to expand the base of the Maoists from southern India to Kathmandu in the north, and from Colombo, Sri Lanka to Dhaka, Bangladesh. The Indian intelligence service notes that beside Britain, the other major European colonialist power in the region, the Netherlands, has remained active in promoting the Maoists.

An Indian Intelligence Bureau document released some years back indicates the Dutch connection with those hostile elements in India. The Dutch involvement with secessionist groups in India began to surface in 1993. Vijay Kumar Arya of the MCC organized an international conference on the “Nationality Question” on Feb. 16-19, 1996, in New Delhi. Around the same time, the Dutch Foreign Ministry sponsored a conference on “National Identity and Its Crisis,” which was held in New Delhi, Patna (where the MCC has its base), and Calcutta, under auspices of the South-South Exchange Program on History of Development (SEPHD).

The Dutch team was led by Peter Geschiere of the University of Leyden, an anthropologist who has specialized in African witchcraft. A more explicit connection between Dutch non-governmental organizations (NGOs) and a secessionist group occurs around the same time—the mid-1990s. Leo van der Vlist, director, Netherlands Center for Indigenous People (NCIP), based in The Hague, was coordinating with the Dutch Foreign Ministry to support the National Socialist Council of Nagaland (Isaac-Muivah) and the United Liberation Forces of Asom (ULFA).

Around the same time, an Utrecht-based NGO, Land Like India War Group (LIW), formed by the Ministry of Development Cooperation of the Netherlands, developed links with the Northeast Indian secessionists and other militant groups known for drug and gun trafficking. The LIW had organized an “information mart on indigenous people” in Utrecht in August 1996. The LIW adopted, according to the Indian intelligence background, the “Human Rights of Indigenous People in India” resolution.

On the ground, the Maoists are a powerful force, not because they have a large following (which they don’t). What they do have, is the money power (generated by drug trafficking), arms, and outside support. In this politics of terror, which the RIM has masterminded from London, other players have joined. Pakistan’s intelligence service, the ISI, has been identified as one that provides explosives to the Nepali Maoists. Sri Lanka’s Tamil Tigers, which coordinate drug and arms trade in the region and carry arms from Afghanistan to the Philippines for the Muslim extremists, have also become active partners of these underground Maoist rebels. What should also not be underestimated, is the support that the Maoist and militant ethnic groups receive from the international human rights organizations, which promote violent groups in their efforts to legitimize their demands.

## Contradictions Erupt Within British Elite

by Mark Burdman

In the new phase of global economic and strategic crises and upheavals, a new dynamic is becoming manifest in Great Britain. The contradictions within the British Establishment are sharpening, and two radically divergent tendencies, or reflexes, are being expressed. This has extreme international importance, because the British Establishment plays a special role: As Lyndon LaRouche has emphasized, together with the United States and Russia, the United Kingdom is one of the three countries that regards itself as having never been defeated in war, and whose elites tend to think in a comprehensive global context.

On the one hand, what *EIR* has determined, from recent discussions with a number of well-placed English and Scottish figures, is that there is emerging, an influential group of British elites who understand the magnitude of the crises that the world is now facing, and who are deeply concerned that the U.K. itself will not survive unless some sane and sober economic and strategic policies are put on the table. Characteristically, such individuals have a better historical sense of the current conjuncture, than the great majority of their counterparts in the United States—typified by the circles in and around the George W. Bush Administration—and even continental Europe. In many cases, they are of the “World War II generation,” and vividly recall the dynamics of global depression, fascism, and war of the 1930s and 1940s. They tend to be at least receptive to, if not supportive of, the New Bretton Woods/Eurasian Land-Bridge policy package, of global bankruptcy reorganization and infrastructure-vectored reconstruction, that LaRouche has put forward.

What motivates and exacerbates their concern, is that the physical economy of Great Britain has been ripped to shreds, under the successive regimes of Prime Ministers Margaret Thatcher (1979-92), John Major (1992-97), and Tony Blair (1997-). In Britain, employment in manufacturing has shrunk, in three decades, from 30% of the workforce to 14%. Formerly crucial areas of defense, aerospace, electronic engineering, steel-making, and shipbuilding have been decimated. The pace of this primitive accumulation has intensified, in recent months.

To date, such-minded British influentials have not coalesced into a coherent party or public faction, and have not put forward a specific alternative leadership, to that of Blair and his gang. But there are already significant rumblings,





*British Prime Minister Tony Blair is facing significant rumblings of discontent from factions inside and outside his own party, who are alarmed at the onset of global financial disintegration.*

among the “Old Labour” opponents of Blair within the ruling Labour Party, who seek a more traditional approach, of strengthening public sector investments in infrastructure, and related measures that have been rejected by Blair’s “New Labour” mafia. It is possible, that new forms of leadership will, indeed, emerge over the weeks and months to come. As one well-connected London source told *EIR* in early August, “We can expect a new round of big challenges to the ‘Blair Project,’ in the period ahead.”

### **The Bestialists**

The “Blair Project” is exemplary of what a powerful opposing grouping within the British Establishment has been promoting, as policy. This centers around deindustrialization and the replacement of traditional industry by “New Economy” and “post-industrial society” fetishes; priority to financial flows and unbridled speculation, over productive investments; and full-scale destruction of the institutions of the sovereign nation-state.

Such policies emanate from a powerful group of individuals, ideologically or otherwise allied to Royal Consort Prince Philip and the most crass “Thatcherite” elements, who can best be labelled “deconstructionists.” They are in the tradition of the 20th Century’s “New Dark Age” proponents H.G. Wells, Lord Bertrand Russell, and the Huxley brothers, Aldous and Julian, as well as the earlier bestialist tradition of Charles Darwin, T.H. Huxley, Thomas Hobbes,

and Jeremy Bentham.

For such individuals, the current conjuncture is seen as a “window of opportunity,” to force through a neo-feudalist, world-federalist utopia, in which the sovereign nation-state is eliminated, and what remains of science, industry, and advanced technology is wiped out, with the exception of limited domains in information technologies and certain military-related items.

Exemplary of what this species thinks, or considers as thinking, was an Aug. 9 commentary in the London *Daily Telegraph*, one of the newspapers owned by Thatcherite magnate Conrad Black of Toronto, Canada. The piece was authored by a certain Terence Kealey, Vice-Chancellor of the University of Buckingham, and was entitled, “The Myths of Leonardo Do Italy No Good.” Under this title, the bizarre Kealey launched into a no-holds-barred attack on the Golden Renaissance’s great figure Leonardo da Vinci, claiming that Leonardo was nothing more than a mediocre artist and engineer, with no special accomplishments or capabilities, and that it was fascist leader Mussolini “who revived the idea of Leonardo the universal genius.”

The Kealey article is consistent with a pattern that *EIR* has noticed over recent years. Leonardo is the *bête noire* of the Prince Philip faction in the British Establishment, as he represents precisely those qualities of “universal genius” that Kealey mocks, the which are necessary to bring about a new Renaissance today. In fact, there are numerous Britons who would be aghast at what Kealey has written, since Leonardo’s works are often celebrated in Britain, and it is certain that new celebrations in the U.K. and worldwide are in motion, for the 550th birthday commemoration, next year, of his birth in 1452.

### **‘Pyramid Built on Sand’**

In some form, there will have to be a resolution of this paradoxical situation within the British Establishment. Already, panic is mounting fast, among key Establishment institutions, about the pace and magnitude of the process of global financial disintegration that LaRouche has forecast.

On Aug. 8, the Bank of England released its gloomiest report in years, anticipating a significant economic slowdown and surging unemployment, over the year ahead. The report expressed alarm, that the personal debt of the British population has reached alarming proportions, and could become much grimmer, under conditions of economic slowdown. Three days later, Aug. 11, the *Telegraph* issued a warning under the title “Pyramid That Is Built on Sand,” forecasting a crash of the vastly overpriced London property market, leading to misery and suffering for untold numbers of Britons.

Under such conditions, the question, “Which Way, Britain?” will have to be answered fast, and those with a more sane and sober understanding of the world, will hopefully grasp the moment, to outflank their murderous conceptual opponents within Establishment circles.

# Dominican Republic Is Listening to LaRouche

by Carlos Wesley

On Aug. 9, the Schiller Institute released a new book, in Spanish, whose translated title is, *The ABCs of Nation Building*. The event took place in Santo Domingo, Dominican Republic, under the glare of television cameras, and in the presence of newspaper reporters and scores of people, including many well-known Dominican personalities.

That *The ABCs of Nation Building* has attracted so much interest, is because people are increasingly aware that the International Monetary Fund-imposed “free trade” globalization system has failed and the financial crash is on, and the question now is, what’s next?

As in much of Ibero-America and in many other places in the world, including the United States, the policy of selling off everything in sight in the Dominican Republic, in the name of privatization, has meant astronomically high utility bills and daily blackouts that sometimes last for 20, 22, or even 24 hours. The country largely depends for its survival on remittances from immigrants in the United States, and on exporting cheap goods, chiefly clothing, to the United States, a market that is fast disappearing with the economic downturn in the giant to the north.

## LaRouche and Hamilton

The alternative is offered by *The ABCs of Nation Building*, which contains Lyndon LaRouche’s ground-breaking essay, “The Economics IQ Test” (*EIR*, May 14, 1999), and the famous *Report on the Subject of Manufactures*, by Alexander Hamilton, LaRouche’s predecessor as the leading exponent of American System economics.

Written in 1791, Hamilton’s report helped transform the fledgling U.S. republic into an economic powerhouse, and is one of the seminal documents of the American System of economics, whose principles have guided every economic recovery in the United States, and transformed Germany, Japan, and other nations into industrial powers.

But, as far as we know, it was not until 1988, that it first appeared in Spanish, in a translation published by the LaRouche movement. (A Portuguese translation of the report, the first in that language and published by the LaRouche

movement in 1995, has now become a touchstone for politicians, businessmen, labor leaders, and other nationalists opposing globalization in Brazil.)

In the prologue, journalist Jorge Meléndez, the Schiller Institute’s representative in the Dominican Republic, notes that Hamilton is in certain ways connected to the Dominican Republic. First, Hamilton hails from the neighboring Antilles island of Nevis. And, more important, he helped draft Haiti’s first Constitution for Toussaint L’Ouverture, at a time when what is now the Dominican Republic was part of Haiti, with which it shares the island of Hispaniola.

At the Aug. 9 unveiling in Santo Domingo, one of the speakers, attorney Marino Elsevyf, praised LaRouche, who has become a household name in the Dominican Republic. Elsevyf said that he had known LaRouche for years, and that he had always been right in his forecasts.

Political leader Ramón Emilio Concepción, famous for bringing suit against the government’s privatization policy as anti-Constitutional, said that meeting Meléndez and, through him, LaRouche, “changed my life.”

Father Lautico García, S.J., who gave the invocation at the event, and who is a regular columnist for the daily *El Nacional*, also had laudatory words for the Schiller Institute and for LaRouche.

Several people came up to Meléndez during the reception, sponsored by the Brugal Rum company, which provided the refreshments, and identified themselves as regular readers of his column in the daily *El Siglo*. One of them said: “Everything you write that says ‘LaRouche,’ I read right away.”

## Extensive Media Coverage

The release of *The ABCs of Nation Building* was reported by television, radio, and nearly all the major daily newspapers in the Dominican Republic, including *El Siglo*, *Listin Diario*, *Hoy*, and *El Nacional*.

The daily *El Caribe* published an article on Aug. 7, which said that the book is “necessary reading for government leaders, economists, politicians, businessmen, and trade unionists.” *El Caribe* reported that the book “contains two reports, one written in 1791 by Alexander Hamilton, the U.S. first Secretary of the Treasury, titled *Report on the Subject of Manufactures*, the first time this report has appeared in book form in Spanish. The second report, by Lyndon H. LaRouche, ‘The Economics IQ Test,’ is a thorough assessment of the speculative process that is driving economic globalization.” *The ABCs of Nation Building*, said *El Caribe*, “offers a true programmatic alternative to the disaster of globalization, based on the example of the American System, and the principles of physical economy of LaRouche.”

In addition to the coverage in the print media, Schiller Institute representative Meléndez has appeared on several television programs to talk about the book, which he edited.

# Colombia's Pastrana To Rob Pensions To Pay Debt

by José Restrepo

The International Monetary Fund (IMF), Wall Street bankers, and their accomplices in Colombia, headed publicly by Finance Minister and Inter-American Dialogue member Juan Manuel Santos, intend to use the pensions of Colombia's elderly to reduce fiscal deficit and increase the profits of the private pension funds at the same time.

In "Wall Street Looks at Colombia," a forum under the auspices of the National Association of Financial Institutes (ANIF) and the New York Council of the Americas on Aug. 3 in Bogotá, Santos explained that the Andrés Pastrana government has met all the conditions demanded by the IMF, with the exception of pension and labor reforms. Santos explained that all the other conditionalities—slashing financial transfers to the provinces, budget cutbacks, and so-called "tax reform"—had been fully complied with. He also offered assurances that the Pastrana government would soon be presenting Colombia's Congress with legislation for carrying out the delayed pension and labor reforms.

The Wall Street representatives at the event left it very clear to all those in attendance that these reforms are not merely the minister's whim, but an imposition accepted by President Pastrana himself. "The pension reform must be carried out before the end of the year," insisted Lacey Gallagher, research director on Latin America for the New York bank Crédit Suisse First Boston. "Colombia needs to reform its pension system, if it doesn't want to become another Argentina. Without that reform, the Colombian public debt is unsustainable," stated Rafael de la Fuente, economist from the bank BNP Paribas. "Wall Street looks with favor on Colombia, but . . . Wall Street is worried about the labor reform, pension reform, and other reforms that are missing," said Susan Kaufman Purcell, vice president of the Council of the Americas. Similar sentiments were expressed by Federico Kaune and Michael Gavin, of Goldman Sachs and UBS Warburg, respectively. Standing in for the City of London was Malcolm Deas of Oxford University, who claimed to be Great Britain's most important "Colombianologist."

## 'Reform,' Bankers' Style

In other words, the bankers' message was that the Colombian government must reduce wages, and reduce, suspend, or eliminate pensions, to continue payment on the foreign and domestic debt. According to their logic, everything can be cut except debt service.

To a sovereign nation-state, its defense forces and teachers are essential. For Colombia's creditors, these are the primary targets of the latest round of "reform."

Members of the Colombian military normally retire after 20 years of service, notwithstanding their age. It is understood that this special regimen is because the nation's soldiers must be available 24 hours a day, and are at constant risk in defending the nation. This has now come under attack. Although the legislation has yet to be officially unveiled, Santos has announced that a single, unified pension system will be established, doing away with the military exception.

According to *EIR*'s sources, the legislation would force all Colombians, men and women both, without exception, to retire at age 68. Currently, retirement age is 65 for men and 60 for women, and they are obligated to contribute to their pension fund for a minimum of 25 years. There are a few exceptions—for teachers, professors, the military, judges, and other public servants. The new norm would extend the mandatory years of contribution to the pension fund to 35, applicable to all.

DANE, the state statistical agency, reports that life expectancy for Colombians was, as of three years ago, 67 years of age. The new pension plan would mean that more than 50% of Colombians would be unable to enjoy the fruits of their pensions, because they will be dead by the time they attain retirement age. Further, any analysis of the crisis in the country would lead to the obvious conclusion that life expectancy in Colombia today has, in fact, noticeably declined. Some of the causes include: economic collapse and unemployment, decline in food consumption, deterioration and near paralysis of the health system, and the violence caused by the narco-terrorist groups that operate throughout the country. It is probable that life expectancy today is closer to 65 years, and that Colombia is fast approaching a demographic collapse, because of economic and social disintegration.

However, the government is busily fabricating new statistics. The planned increase in the retirement age is justified by claims of Colombia's "superior" economic performance, which has magically improved the quality of life and raised life expectancy from 67 to 72 years of age!

The labor "reform" is simple: reduce the salary of Colombians, including that of public employees. In fact, these cutbacks have been ongoing since the early 1990s. Over the past decade, the average salary has fallen 27%, and unemployment has risen from 12% to 21% of the workforce. Reality appears to have come smack up against IMF reasoning, as usual. According to the IMF, the lower the wage, the more jobs will be available. This, of course, was the "logic" behind Hitler's concentration camps: slave labor which requires little or nothing to maintain, and which can always be replaced by others.

No matter how much they massage the statistics, the policy of the IMF, London, and Pastrana, is clear. Juan Manuel Santos said it himself upon taking office a year ago, when he promised Colombians a lot of "sweat and tears."

## Vindicated on Economic Crash, LaRouche's Campaign Takes Off

by Debra Hanania-Freeman

As of mid-August, Lyndon LaRouche's 2004 Presidential campaign has taken off, with a series of webcast events in the United States, Europe, Russia, and Ibero-America, and steady recruitment of American youth to his campaign organization. LaRouche's leadership is far more widely discussed, internationally, than that of any prospective Democratic candidate, because of the vindication of his forecast of the current global financial collapse, and his strong initiatives in the Mideast war crisis.

Newspapers and websites worldwide are reporting the growing confirmation of LaRouche's economic forecasts, particularly the new evidence that "the party is over for the dollar," as one Danish paper headlined it. The discussion and adoption of LaRouche's policy alternatives is particularly widespread in Russia; and there, his proposals for action by Bush, in concert with Russia and Europe, to stop the Mideast war spiral, are bearing fruit.

In contrast, U.S. Democratic leaders are busy "positioning themselves" to swallow unpalatable Bush economic policies; their acceptance of the Bush-Cheney "energy plan," has infuriated leaders of core Democratic constituencies. Al Gore's recent re-emergence only posed the question for the Democratic leadership: Will the party repeat, already in 2001, the hideous blunders of the 2000 campaign — ignoring the terrible economic reality hitting the American population and allowing ersatz-Republican Gore to lead Democrats to self-destruction?

### Running on His Record

In retrospect, the LaRouche-in-2004 campaign for the Democratic Presidential nomination, began on Nov. 7, 2000, when Al Gore failed to carry the state of Arkansas — where Gore had enraged Democratic voters by openly stealing 53,000 votes from LaRouche in the primary — and thus gave an Electoral College victory to Bush by default. LaRouche's

announcement of his 2004 campaign, came as his timely response to the U.S. Supreme Court majority's outrageous intervention to appoint Bush as President.

From the beginning, LaRouche emphasized the basis for his unique qualifications for leadership as, on the written record, the most successful, and consistently accurate economic forecaster of the past 35 years. During that time, all other leading candidates had been flatly wrong about the U.S. and world economy — painfully wrong, during the 2000 Presidential campaign.

In a recent discussion with organizers for his campaign for the 2004 Democratic Presidential nomination, LaRouche said, "We've now come to the point that the traditional beliefs, the habitual beliefs, of most of the population . . . show that they are on the edge of going down, on the edge of doom; that they reflect a society which, at some early point, will suddenly cease to exist. But we have the choice of changing those values, and surviving."

A few days later, on July 24, the Presidential pre-candidate delivered that message to an audience of about 250 in Washington, D.C. and at the United Nations in New York, in an address that was also broadcast live via the Internet. (The full transcript appears in *EIR*, Aug. 3.) LaRouche pronounced the global "floating-exchange-rate" or "post-Bretton Woods" financial system to be in an unsalvageable collapse.

In the face of this, LaRouche stressed that the American "elites" have absolutely nothing to offer a frightened citizenry, and a frightened world. But, he insisted that the primary problem was not Bush's incompetence, but the fact that the citizens of the United States chose him. LaRouche asked his audience, "Why can't we choose a person for President who's qualified for the job? . . . Why do we keep picking people who are dedicated to the wrong purpose, dedicated to a particular interest, not the nation as a whole, and people who aren't even competent to do an incompetent job?"



*LaRouche campaign recruitment among students, such as these young Americans gathered for a weekend “school” in California, is occurring through wideranging seminars and workshops on the candidate’s scientific and economic ideas.*

In a videoconference address to an association of Mexican accountants on Aug. 2, LaRouche made the point that leadership consists of giving people a sense of optimism about the possibility of changing the world (see *EIR*, Aug. 17). How else, he asked, can people find the courage to face the horrors they see exploding around them?

### **Gore Can Help No One**

When a barely recognizable Al Gore, bearded and blimpy, emerged from vacation at the beginning of August, to announce that he was planning to set up a political action committee to “help” fellow Democrats in the 2002 election cycle—in return for which he obviously expects support for the revival of his own moribund political prospects—his announcement was not greeted joyfully.

And, forever the victim of bad timing, Fat Albert’s “offer” happened to come just as former President Bill Clinton, whose relationship to his former VP is at best very strained, decided to come out of political hibernation. At the same time that Clinton’s political reemergence drew enormous enthusiasm from party activists, many Democrats seeking reelection in 2002 politely declined Gore’s “offer” of help.

But, it still is not clear whether significant sections of the Democratic Party leadership, including Bill Clinton, are prepared to make a decisive break from the disastrous pseudo-Republican policies that characterized Gore’s Presidential campaign.

So far, although Congressional Democrats have talked a good game since the June defection of Vermont Sen. Jim Jeffords from the Republican Party, gave them a majority in the Senate, their leadership has failed.

The first, and perhaps the most dramatic failure, was the decision of the Democratic leadership in both the House and

Senate to reverse their previously stated position, and back off from the fight to save D.C. General Hospital—the capital city’s only public hospital. That capitulation to pressure from the Gore Democrats, not only resulted in the shutdown of the revered institution, but has, so far, resulted in the deaths of at least 29 people who would, in all likelihood, still be alive had the that top-quality hospital not been closed. This underlines the point that LaRouche Democrats have made repeatedly, that the policies of the “Third Way” Gore Democrats result in murder.

The capitulation on D.C. General has been paradigmatic of the utter failure of the Congressional Democrats to do anything effective to protect the general welfare of their constituents. Indeed, since June, there has been a virtual sweep in favor of Bush’s policies, with none of the hard-nosed opposition which Democrats across the nation

expected, particularly when their party attained the majority in the Senate.

Bush has succeeded in passing his energy bill, despite the fact that it represents an acceleration of the very deregulation and pro-cartel policies that have already brought California to the point of bankruptcy and devastated households across with country with soaring energy costs. And, his outrageously phony Patients’ Bill of Rights similarly looks to become law without any serious effort by the Democrats to stop it.

Part of the blame for the lunatic Democratic support of Bush’s energy bill, must be shouldered by organized labor. In exchange for a highly questionable promise of jobs, building power plants and such, the AFL-CIO abandoned the principle of the general welfare, whereby the Federal government is constitutionally and morally obligated to exercise its power in favor of the vast majority American people, and threw its weight behind the Bush policy.

The only way that Democrats, be they Congressional Democrats or local and state Democratic elected officials, will take on the catastrophic policies of the Bush Administration, is by facing the reality that the economic depression cannot be blamed on the pathetic performance of this Bush Administration during the last eight months. In fact, the great Greenspan Bubble and myth of the New Economy of the Clinton years was nothing but a chimera of prosperity for the few.

Increasingly, as the crisis intensifies, and as the grim reality facing the vast majority of the population becomes more and more impossible to avoid or deny, the simple truth is, that the Democratic Party, if it is going to provide the necessary leadership to beat this depression, is going to have to bring LaRouche in.

# Washington Post, Control Board Exposed, As D.C. Health-Care Contract Collapses

by Edward Spannaus

Just as predicted by *EIR* and others, the corrupt health-care privatization contract for the District of Columbia, promoted by the *Washington Post*, and rammed through under police-state conditions by the D.C. Financial Control Board on April 30, is falling apart. In the three months since the signing of the contract, the death toll resulting from the shutdown of D.C. General Hospital's trauma center and the closing of its emergency room to ambulance traffic continues to rise, conditions at emergency rooms throughout the city are in gridlock, and medical professionals report that doctors and nurses are overworked and subject to major stress at most of the city's private hospitals.

And now, to add insult to injury, the privateers who took over the public-health system, whose anchor had been D.C. General, are trying to weasel out of their obligations under the contract they signed just a few months ago. Doctors Community Healthcare Corporation (DCHC), the accused racketeers who operate Greater Southeast Hospital in D.C., are attempting to slip out of the requirement to establish a new trauma center at their Greater Southeast site—now that the Control Board has finished shutting down the Level I trauma center at D.C. General, which was the busiest trauma center in the District, with no replacement!

## Public Land, Private Hospital

Moreover, in what constitutes a damning admission that the new contract is unworkable, DCHC has just submitted a proposal to the mayor, to build a for-profit, limited-function hospital on public land at the site of D.C. General; this comes only a month after D.C. General itself was dismantled as a full-service public hospital, leaving only a walk-in emergency room and various 9:00-5:00 clinics. The proposed new hospital would set aside 50 beds for jail inmates. Even though Greater Southeast was supposed to take over the provision of medical services for D.C. Jail inmates, it has refused to do so, in violation of its April 30 contract with the Control Board.

Astoundingly, the DCHC/Greater Southeast proposal, a copy of which has been obtained by this news service, makes no mention of how the new hospital is to be financed. In its coverage on the DCHC proposal on Aug. 12, the *Washington*

*Post*, which was trying to present the proposal in the most favorable light, claimed that the new construction would be "privately financed" through DCHC. This portends even more of a rip-off; DCHC and its financing arm, National Century Financial Enterprises (NCFE) have been sued, or are under investigation, in at least four jurisdictions around the country, for fraud and racketeering. The pattern, as documented in court papers, is that NCFE loots the income-stream from the hospitals that DCHC operates, the income being derived largely from government Medicaid and Medicare payments, and private HMO and insurance payments.

Despite demands from the D.C. City Council, the Control Board never made public the "due diligence" investigation of the financial bona fides of DCHC and NCFE; what was finally disclosed, showed that the accounting firm of Pricewaterhouse Coopers had been unable to obtain financial information about DCHC, and so it said that it could make no representation as to the financial soundness and stability of DCHC.

The move to reopen a hospital on the D.C. General site was not totally unexpected. Charlene Gordon, a nurse who worked for 19 years at D.C. General, and now works at other hospitals, told *EIR* that reports have been circulating among hospital personnel that Greater Southeast would have to reopen D.C. General, because they have no place to put patients, especially jail inmates and the homeless. Prisoners are still being kept at D.C. General, and homeless patients who used to go to D.C. General are now going to other hospitals, which don't want them. Greater Southeast and other hospitals have often turned away uninsured patients who have been sent to them from D.C. General.

The still very active Coalition to Save D.C. General Hospital immediately denounced the new proposal, and called upon District officials to reverse the privatization and to restore a full-service public hospital on the grounds of D.C. General. Dr. Abdul Alim Muhammad, spokesman for the Coalition, commented that the DCHC proposal "confirms the Coalition's contention, that this privatization plan is not a health-care plan at all, but a money-grabbing scheme, which has already jeopardized the lives and health care of the poor and uninsured."

## Washington Post Continues To Deny Death Toll

Another casualty of the collapse of the privatization contract, is the credibility of the *Washington Post*, which advocated the shutdown of D.C. General for years, while consistently lying about both D.C. General and the privatization scheme. But, trying to cover its own rear end, the *Post* had always made it clear, that it would blame its lackey, Mayor Anthony Williams, if the new plan failed, and this is exactly what it is now trying to do: The plantation masters at the *Post* are holding the servants responsible for the disaster.

But the *Washington Post* cannot stop itself from lying. In its editorial on the breakdown of the DCHC contract, the *Post* cites as true, the senior medical officer of the D.C. Health Department, Larry Siegal, making the outrageous claim that “no patient has suffered or experienced a disruption in care as a result of the new arrangement.”

In truth, the documented death toll resulting from the closing of D.C. General is at least 29 just in a scant month, and probably much higher, since complete data on mortality and morbidity are impossible to obtain. Paramedics are now being forced to take trauma cases long distances, to Maryland or Virginia, for emergency treatment. Paramedics are making triage decisions in the ambulances. “Reroute has caused so many unnecessary deaths,” nurse Charlene Gordon said, and the paramedics “are totally exasperated with this.”

## Judge Says Congress Can Do It

Still one more casualty of this whole affair, and equally exposed as a liar, is the District of Columbia’s non-voting Delegate to Congress, Eleanor Holmes Norton. In the two months following the signing of the privatization contract, Norton, along with other holdover “Gore Democrats,” worked overtime to prevent the Congress from taking up the D.C. General issue. She deliberately misled members of the Congress—particularly the Congressional Black Caucus—into believing that the privatization contract and the shutdown of the D.C. General “is not subject to approval by the Congress.”

Norton was especially frantic to stop members of Congress from listening to Lyndon LaRouche, and to D.C. residents organized by LaRouche’s movement. She told the Black Caucus that it was LaRouche who was behind all the lobbying and the materials on D.C. General being circulated on Capitol Hill, and that other members of Congress should let her handle the issue. “Letting Eleanor handle it,” in fact meant for Congress to permit the dismantling of a top-flight public hospital, centrally located less than two miles from the Capitol itself.

But then, on Aug. 3, the Federal judge presiding over the lawsuit brought by two D.C. Council members challenging the Control Board’s actions, affirmed that Congress *does* have the power to accept or reject the privatization contract. In the course of his opinion in which he dismissed the lawsuit, Judge Richard Roberts wrote: “As the ultimate legislative authority

for the District, Congress could have rejected the plan if it believed that it exceeded the Control Board’s authority or was otherwise inappropriate.”

This is exactly what Norton was telling everybody, that Congress could not do!

But, at the same time, Judge Roberts made a bizarre statement which has many observers scratching their heads: “The court also attaches some importance to the fact that Congress reviewed the Control Board’s and subsequently approved it.”

As far the public record shows, Congress did no such thing. The apparent reference in the footnote is to a statement by the Control Board, that it “consulted with the appropriate Congressional committees.”

But perhaps there is more to it; perhaps there was a secret deal among the Congressional committees, Eleanor Holmes Norton, the mayor, and the Control Board. The background would be Rep. Ernest Jim Istook’s (R-Okla.) previous threats to jail Mayor Williams if he attempted to spend any money to keep D.C. General operating, as well as the implicit threat to give Williams and other District officials the “LaRouche treatment” in the news media, unless they went along with the Control Board.

The plaintiffs in the lawsuit, Council members Kevin Chavous (D) and David Catania (R), are now considering whether to appeal the judge’s dismissal of the lawsuit. Although the suit was filed on April 30, and a full hearing was held on June 8, the judge waited almost two months to issue his ruling—until after D.C. General had been dismantled, and despite being informed that people were dying and otherwise being harmed, by the closure of the hospital.

It may not be irrelevant to all this, that Judge Roberts was recommended for his position by Eleanor Holmes Norton. Norton recommended Roberts in October 1997, after he had applied to her to fill a vacant position on the Federal bench. During President Clinton’s term in office, Clinton gave Norton the same privilege as U.S. Senators, to make recommendations for Federal judges and the U.S. Attorneys in their states.

Previously, Roberts had been the lead prosecutor in the 1989 trial of D.C. Mayor Marion Barry, in which Barry was convicted of a misdemeanor charge of cocaine possession. Barry was relentlessly targeted by Federal prosecutors, after the *Washington Post* turned against him in the late 1980s.

## LaRouche Health-Care Initiative

Meanwhile, building on the momentum of the D.C. General battle in Washington, Lyndon LaRouche’s 2004 Presidential campaign has taken the initiative to form a national Medical Task Force, to mobilize the forces to return the nation to the principle of the General Welfare, and to restore all hospitals, clinics, and health facilities that have been closed over the past several years, as well as building the new health-care infrastructure necessary for the nation’s well-being.

# Eugenics Axioms Clear In ‘Human Cloning’

by Paul Gallagher

On Aug. 10 Lyndon LaRouche issued the statement below, exposing the evil principle underlying the current public discussion of “cloning of human beings,” and pointing to the clearly anti-human intent of such as the “manifesto” in support of human cloning, which we also report below. That pro-human-cloning manifesto is being circulated by the likes of “apes’ rights” advocate Richard Dawkins and other leading neo-Darwinists.

The Aug. 7 U.S. National Academy of Sciences seminar on this subject, revealed the eugenics axioms underlying the current cloning proposals. Scientists who have pioneered in the cloning of animals, strongly opposed attempts to clone human beings; they made clear, among other reasons, that most cloned animals have suffered from genetic illnesses, defects, or malformations. In other words, the attempt to copy, by molecular biology alone, even the barest beginning of life—the embryo—does not function in the same way, for reasons, the scientists acknowledge, that are unknown to them.

The Italian and Swiss “fertility experts” so-called, Antinori and Zavos, who now propose to try human cloning, publicly assert the intention to overcome these defects by “pre-selection” of the embryos they clone: In other words, to practice aggressive eugenics. Implicit is the intention to create, by cloning, a certain “separate race” of human beings. Though such intentions as those of Antinori and Zavos are themselves illusions, LaRouche’s judgment of them is rigorously valid.

## The Political Issue Of ‘Human Cloning’

by Lyndon H. LaRouche, Jr.

*LaRouche in 2004, the campaign committee of Democratic Presidential pre-candidate Lyndon LaRouche, issued this statement on Aug. 10, 2001.*

The essence of the political issue of “cloning,” is underscored by a current series on this subject appearing in the German popular-entertainment daily *Bildzeitung*. There we find fea-

tured a reported intention to clone a replica of Adolf Hitler, using material extracted from Hitler’s skull. Ironically, this scandalous news item accurately underscores the fact, that the current rash of proposals for cloning do, like much of current trends in U.S. health-care policy, parody the Nazi regime’s views on the biology of mankind.

The inhuman views of the Nazis, and those Americans who, back then, shared and praised the Nazis’ eugenics policies, are echoed widely today among those susceptible persons who have been duped into admiration for the cult of “molecular biology.” What is new, is the revival of the kinds of thinking on eugenics associated with the Nazis then, as is to be seen now in the influence of the science-fiction cults of the “New Economy” cult of “information theory,” and “artificial intelligence,” today. There has been a recent spillover of those science-fiction cults, into the spread of such wildly reductionist doctrine of molecular biology as the infamous “Bell Curve” racism spilled out of locations such as Harvard University.

The clear and present danger from the spread of this “human cloning” fad, is to be recognized in the mass slaughter of cows and sheep in the United Kingdom and elsewhere. That killing, in conscious and malicious violation of all well-established, successful methods for dealing with the control of the spread of hoof-and-mouth disease, is being explained by some official circles in Britain, as a probable precedent for the application of the same mass-killing policies against human beings, in the case of major epidemics among human populations.

If we look around us, in the world at large today, no honest and intelligent person could deny, that there is, indeed, the smell of Auschwitz in the currently panicked efforts to ram through such wild-eyed assertions of the universal authority of molecular biology, as seeking clearance for human cloning.

---

### Documentation:

---

## Man Is an Animal, Say Human Cloning Advocates

*Ape Advocate Richard Dawkins and other prominent Darwinist “socio-biologists” are among the signers of the following call for human cloning, found on a website ([www.human-cloning.org](http://www.human-cloning.org)) dedicated solely to the project. The following “Declaration in Defense of Cloning and the Integrity of Scientific Research,” is from Free Inquiry magazine, Vol. 17, No. 3.*

We, the undersigned, welcome announcements of major ad-



vances in the cloning of higher animals. Throughout this century, the physical, biological, and behavioral sciences have placed important new capabilities within human reach. On balance, these advances have contributed to enormous improvements in human welfare. Where novel technologies have raised legitimate ethical questions, the human community has in general demonstrated its willingness to confront those questions openly and to seek answers that enhance the general welfare.

The cloning of higher animals raises ethical concerns. Appropriate guidelines need to be developed that will prevent abuses, while making the benefits of cloning maximally available. Such guidelines should respect to the greatest extent possible the autonomy and choice of each individual human being. Every effort should be made not to block the freedom and integrity of scientific research.

No one has demonstrated a present capability to clone humans. Yet the very possibility that contemporary achievements may open a path toward cloning has sparked a hail of protests. We view with concern the widespread calls to delay, defund, or discontinue cloning research which have come from sources as disparate as President Bill Clinton in the United States, President Jacques Chirac of France, former Prime Minister John Major of Great Britain, and the Vatican in Rome.

We believe that reason is humanity's most powerful tool for untangling the problems that it encounters. But reasoned argument has been a scarce commodity in the recent flood of attacks on cloning. Critics have delighted in drawing parallels to the myth of Icarus and Mary Shelley's *Frankenstein*, predicting terrible consequences if researchers dare to press on with questions whose answers "man was not meant to know." Behind the most vituperative critiques seems to lie the assumption that human cloning would raise moral issues more profound than those faced in connection with any previous scientific or technological development. What moral issues would human cloning raise? Some religions teach that human beings are fundamentally different from other mammals—that humans have been imbued with immortal souls by a deity, giving them a value that cannot be compared to that of other living things. Human nature is held to be unique and sacred. Scientific advances that pose a perceived risk of altering this "nature" are angrily opposed.

Deeply rooted as such ideas may be in dogma, we question whether these should be used to decide whether human beings will be permitted to benefit from new biotechnology. As far as the scientific enterprise can determine, *Homo sapiens* is a member of the animal kingdom. Human capabilities appear to differ in degree, not in kind, from those found among the higher animals. Humankind's rich repertoire of thoughts, feelings, aspirations, and hopes seems to arise from electrochemical brain processes, not from an immaterial soul that operates in ways no instrument can discover.

The immediate question raised by the current debate

over cloning is, therefore, do advocates of supernatural or spiritual agendas have truly meaningful qualifications to contribute to that debate? Surely everyone has the right to be heard. But we believe that there is a very real danger that research with enormous potential benefits may be suppressed solely because it conflicts with some people's religious beliefs. It is important to recognize that similar religious objections were once raised against autopsies, anesthesia, artificial insemination, and the entire genetic revolution of our day—yet enormous benefits have accrued from each of these developments. A view of human nature rooted in humanity's mythical past ought not to be our primary criterion for making moral decisions about cloning. We see no inherent ethical dilemmas in cloning non-human higher animals. Nor is it clear to us that future developments in cloning human tissues or even cloning human beings will create moral predicaments beyond the capacity of human reason to resolve. The moral issues raised by cloning are neither larger nor more profound than the questions human beings have already faced in regards to such technologies as nuclear energy, recombinant DNA, and computer encryption. They are simply new. Historically, the Luddite option, which seeks to turn back the clock and limit or prohibit the application of already existing technologies, has never proven realistic or productive. The potential benefits of cloning may be so immense that it would be a tragedy if ancient theological scruples should lead to a Luddite rejection of cloning. We call for continued, responsible development of cloning technologies, and for a broad-based commitment to ensuring that traditionalist and obscurantist views do not irrelevantly obstruct beneficial scientific developments.

The signers of the Declaration are Humanist Laureates of the International Academy of Humanism [partial list]:

- Pieter Admiraal, Medical Doctor, The Netherlands
- Rubén Ardila, psychologist, National University of Colombia, Colombia
- Sir Isaiah Berlin, Professor Emeritus of Philosophy, Oxford University, U.K.
- Sir Hermann Bondi, Fellow of the Royal Society, Past Master, Churchill College, Cambridge University, U.K.
- Vern Bullough, Visiting Professor of Nursing, California State University at Northridge, U.S.A.
- Mario Bunge, Professor of Philosophy of Science, McGill University, Canada
- Bernard Crick, Professor Emeritus of Politics, Birkbeck College, University of London, U.K.
- Francis Crick, Nobel Laureate in Physiology, Salk Institute, U.S.A.
- Richard Dawkins, Charles Simonyi Professor of Public Understanding of Science, Oxford University, U.K.
- José Delgado, Director, Centro de Estudios Neurobiológicos, Spain
- Paul Edwards, Professor of Philosophy, New School for Social Research, U.S.A.

---

## Book Review

---

# 'Anti-Kissinger' Book Arouses Suspensions

by Mark Burdman

---

### **The Trial of Henry Kissinger**

by Christopher Hitchens

New York: Verso Publishers, 2001

159 pages, hardbound, \$22

---

In February 2000, this reviewer was a participant on "Talking Point," a weekly talk show of the British Broadcasting Corp. (BBC). The subject of the show, was the state of democracy in the United States, in light of that year's Presidential elections. During my brief contribution, I mentioned that American democratic processes were being seriously called into question, by the farcical way in which the 2000 American Presidential campaign was being conducted. I briefly cited, as an example, the way in which the Lyndon LaRouche Presidential campaign was being excluded, by the Democratic Party leadership, from rightful participation in the primary process in Michigan.

At the bare mention of the name LaRouche, the Washington-based guest on the show, (British-born) journalist Christopher Hitchens, went ballistic, denouncing LaRouche as a "neo-Nazi," and thereby attempting to dismiss the entirety of what I had said. Washington observers noted, that this was only the latest, in a series of wild outbursts, by this odd creature, against LaRouche and his movement.

The BBC anecdote must be kept in mind, in evaluating Hitchens' book. His violent hostility to LaRouche, helps to explain the strange phenomenon, that in enumerating the "crimes of Henry Kissinger," Hitchens would never once refer to the fact, that the most notorious case of Kissinger utilizing extra-legal facilities of the U.S. government, was in his 1982-83 initiation of the persecution, conviction, and incarceration of LaRouche, the man whom he regarded as his chief adversary, inside the United States, throughout the 1970s and 1980s.

This omission by Hitchens is all the more notable now, at a time when Kissinger's role in putting LaRouche behind bars, became a *cause célèbre*, among Russian political figures and newspaper commentators who are sympathetic to

LaRouche, during and since LaRouche's late-June visit to Moscow.

It is also strange, that Hitchens never once refers to any document published by the LaRouche-founded *Executive Intelligence Review (EIR)* magazine, even though his book is extensively researched, and even though *EIR* is recognized as the authoritative source on Henry A. Kissinger, and the latter's crimes. *EIR* has published explosive exposés on Kissinger, for nearly three decades.

So, Christopher Hitchens is somewhat of a latecomer, who might find it problematic to explain, why he and his despised Kissinger, share a similar view about Lyndon LaRouche.

### **Advice From Friedrich Schiller**

Such points are necessary to make at the outset, because Hitchens' book has been causing quite a flurry, worldwide. It was recently the subject of a short news-feature on the "Aspekte" show of Germany's second television station, ZDF. The book is soon to appear in a German edition. This occurs in a time frame when, in France and Chile, there are ongoing efforts to bring Kissinger to court, for his role in the 1973 overthrow of the Salvador Allende regime, and his backing for the brutal Augusto Pinochet dictatorship there.

Elements of the Chile matter are documented in *The Trial of Henry Kissinger*, as are other high crimes and misdemeanors of "Fat Henry," in Bangladesh, Cyprus, Vietnam, and elsewhere. Respecting Vietnam, for example, Hitchens documents criminal acts that Kissinger undoubtedly committed. One, was the extension of the war into Cambodia and Laos. He otherwise charges, that Kissinger was key to an effort to prolong the war, in 1968, in order to get Nixon elected President, by discrediting the peace-negotiation efforts of President Lyndon Johnson, and to thereby sabotage the campaign of Democratic Presidential candidate Hubert Humphrey, Johnson's Vice-President.

But the question quickly arises: Why such a legalistic approach to the Kissinger criminality? If these crimes are reduced to a strictly legal issue, it is hardly difficult for Kissinger's well-paid lawyers to come up with legalistic refutations. A law court, these days, is not the best venue for dealing with *political crimes*.

In such moments, it is always best to remember Friedrich Schiller's injunction, "World history is the world court." From the standpoint of that great dramatist and poet, Kissinger is already guilty.

The second problematic element, is that, since it is clear to Hitchens and others that Kissinger would not be tried in the United States, as would be just, since he abused U.S. official power, then it must be done through the mechanism of an "international criminal court." This is an extremely dangerous mechanism, overriding vital institutions of national sovereignty, and establishing preconditions for world government. It puts into question the entire complex of nation-state

institutions that were developed during the Italy-centered Golden Renaissance, and that were greatly strengthened by that 1648 Treaty of Westphalia—ending the 1618-1648 Thirty Years' War—that Kissinger himself so violently abhors.

Ultimately, that raises the question, whether the Hitchens enterprise against Kissinger is an attempt to legitimize the notion of “universal jurisdiction,” the which notion should be avoided like the plague, when powerful oligarchical forces want to exploit the massive financial, economic, and strategic crises of the current conjuncture, to establish a neo-feudal, imperial system.

### **The Ghost of Bertie Russell**

Suspicion of Hitchens' motives, is reinforced by a couple of curious facts. First, is that Hitchens is one of a select few so-called “Honorary Associates,” of an entity known, variously, as the Rationalist International, or the Rationalist Press Association. The self-professed “Rationalists” are a collection of militant anti-religious atheists, euthanasia advocates, and Darwinist fundamentalists.

One such “Honorary Associate,” Dr. Pieter Admiraal, is the godfather of the pro-euthanasia movement in Holland. Two others, Oxford Prof. Richard Dawkins and London School of Economics Prof. Helena Cronin, are the two most prominent neo-Darwinists in Britain. Dawkins issued a notorious statement, in 1992, that belief in God is equivalent to a virus, in response to which, LaRouche wrote the devastating refutation, “On the Subject of God.” Another of the group, U.S. Prof. Paul Kurtz, has been a bitter and nasty opponent of LaRouche for some three decades. All in all, it is not surprising to learn, that “Rationalists,” and their allies, have recently been active in efforts against LaRouche associates in France, Sweden, and Germany.

The most revealing thing about the “Irrationalists,” is that, in the 20th Century, one of their chief associates and collaborators, was Lord Bertrand Russell. The Rationalist Press Association published several of Russell's works. Russell was a fanatical proponent of ending nation-states, and bringing about a world government, and was, frankly, more than willing even to unleash nuclear war to achieve these aims. He was a close ally of the degenerate writer H.G. Wells, and has justifiably been called by LaRouche, “the most evil man of the past century.”

So, “Kissinger-hater” Hitchens keeps some very bad company. The Russell-Wells conception of the world, was shared, in crucial respects, by Henry Kissinger!

### **Who Is Henry Kissinger, Really?**

That latter point, forces us, in conclusion, to demolish the ultimately fictional view of Henry Kissinger presented by Christopher Hitchens.

In Hitchens' depiction, Kissinger is some sort of *deus ex machina* on the American scene, inflicting his evil, as if out

of nowhere. But Kissinger, in and of himself, is a pathetic nothing. So the story goes, he was a Jewish escapee from Nazi Germany, who was then picked up by the U.S. Army, and “moved through the ranks” of Army Intelligence. Then, he was seconded to the prestigious Harvard University where, like his alter ego Zbigniew Brzezinski, he was patronized by a certain William Yandell Elliott, head of the Harvard Department of Government.

William Yandell Elliott is an obscure name, both to most Americans and certainly to almost all Europeans, yet he did more evil than his protégé Kissinger. Elliott, a fanatical Anglophile, was a chief ideologue and propagandist of a group called the “Nashville Agrarians.” Founded in the 1930s, the Agrarians sought to revive the anti-industrial (and ultimately, anti-American) *Weltanschauung* of the 1861-65 slaveholders' “Confederacy” of Southern U.S.A. states. Their extraordinary and baneful influence over 20th-Century America, is ably documented, in the Aug. 3 edition of *EIR* by Stanley Ezrol.

The Agrarians may have some curious direct links to Hitchens, since one of their leading lights, the aging degenerate writer Gore Vidal, has designated Hitchens as his “dauphin,” his heir apparent.

It was apparent to Elliott and his collaborators, that Kissinger was a malleable non-entity, who would, eagerly and with no questions, carry out the oligarchy's wishes, and publish all sorts of abominable ideas. So, “Fat Henry” was soon sent into the New York Council on Foreign Relations (CFR), the American branch of the London Royal Institute of International Affairs (“Chatham House”), to promote a doctrine on nuclear weapons deployment, that fit 100% into the one-world, anti-nation-state doctrines of Lord Russell! At the CFR, Kissinger worked under the tutelage of Anglo-American establishment bigshot McGeorge Bundy. In ensuing years, as Kissinger himself boasted during an infamous May 10, 1982 Chatham House speech, he had served the British Foreign Office more faithfully, than he did the American government that he was part of.

It is more than strange, that “Kissinger-hater” Hitchens covers none of this. Strangest of all, is that Hitchens never mentions Kissinger's sponsorship, in the early to mid-1970s, of the U.S. government's “National Security Study Memorandum-200: Implications of Worldwide Population Growth for U.S. Security Overseas Interests,” the which defined reducing population in numerous developing sector nations, as the highest priority for the United States. This policy, fully in line with the Agrarians' idea of a “post-industrial society,” has been the driving factor in the genocides worse than Vietnam, most drastic in Central Africa, for which the Anglo-American oligarchy has been responsible.

For such actions, Kissinger is already deeply ensconced in the lowest levels of the Inferno described by the great Italian poet Dante Alighieri. That is clear. But what final verdict will be reserved for Christopher Hitchens?

---

## Book Review

---

# What the Eulogists Didn't Tell You About Katie Graham and the Post

by Edward Spannaus

---

### **Katharine The Great: Katharine Graham And Her Washington Post Empire**

by Deborah Davis

New York: Sheridan Square Press, 1991 (third edition)

322 pages paperbound, \$14.95

---

It would be hard to exceed the hypocrisy of the days following the official announcement of the death of Katharine Graham on July 17. Even in death, Graham still had the power to make those, otherwise considered powerful in their own right, grovel at her feet.

Eulogy after eulogy cited Graham's alleged courage, and even gutsiness, with respect to two publishing events: the Pentagon Papers, and Watergate. In both cases, the truth is directly contrary to the legend. In both cases, the Post was spoon-fed material from a section of the U.S. intelligence community, designed to discredit President John F. Kennedy in the first instance,<sup>1</sup> and to bring down President Nixon in the second. Neither involved the least bit of courage on the part of Graham and her partner Ben Bradlee.

The second, related area of stomach-churning hypocrisy was the stream of adulations of Graham as a champion of free speech and freedom of the press. In truth, Graham and the *Post* stood for censorship, suppression, and distortion of the news; her expressed view was that there are certain things that the public does not have a right to know.

---

1. According to Fletcher Prouty's 1992 *JFK: The CIA, Vietnam, and the Plot to Assassinate John F. Kennedy*, the so-called "Pentagon Papers" are very misleading, only marginally from the Pentagon, and were carefully selected to paint JFK as the villain of the story, and to shield the role of the CIA.

The decision by Graham and Bradlee to publish the Pentagon Papers, after the *New York Times* did so first, was primarily a business decision; it was widely known at the time that the *Post* had the Papers, and other newspapers also had them and were prepared to publish; had the *Post* failed to publish, the *Post's* reputation would have been seriously damaged, according to the thinking of Graham, Bradlee, and their advisers at the time.

A most useful antidote to this falsification of history, is the book *Katharine the Great* by Deborah Davis. Two aspects of it must be considered. First, what Davis wrote about the *Post* and its relationship to U.S. intelligence community. And second, what happened when Davis tried to first publish the book in 1979.

In her preface to the third edition, Davis writes: "This is the third edition of a book originally written shortly after President Nixon resigned as a result of the *Washington Post's* investigation of the Watergate scandal. The conceptual center of the book is the question: Could Katharine Graham, as publisher of the *Post*, have been in the position to end the Presidency of Richard Nixon by chance, or was that ability the result of something deeply rooted and systemic?"

Davis goes on to note that such an idea is at odds with the conventional versions of Watergate, "in which *Post* reporters Bob Woodward and Carl Bernstein are portrayed as finding out about Nixon's crimes essentially by accident."

As she researched Katharine Graham's power, Davis continues, she found that both Katharine's late husband Philip Graham, and Ben Bradlee, whom Katharine hired as executive editor in 1965, had handled strategic intelligence during World War II, and that "they had gone on to use their skills in propaganda or intelligence to create and reinforce peacetime definitions of patriotism."

We will describe Davis's findings — and add a few of our own — in the course of this review. But meanwhile, let's jump



ahead, to the story of how Katharine Graham and Ben Bradlee set out to stop the publication and circulation of this book — ultimately resulting in the shredding of 20,000 copies of the first edition.

## Champion of Free Press?

The mainline New York publisher Harcourt Brace Jovanovich (HBJ) bought the rights to *Katharine the Great* in early 1978, and announced publication for the Fall of 1979. HBJ's chairman William Jovanovich had reviewed the final manuscript and declared that Katharine Graham was not going to tell him what he could publish. He lined everything up to make the book a best-seller, including selling rights to the Literary Guild, and selling an excerpt to *New York* magazine.

Just before *New York* magazine went to press with the excerpt, Ben Bradlee went bananas and threatened to sue, and succeeded in stopping the publication of the excerpt. Two weeks later, *Wall Street Journal* intelligence reporter David Ignatius called Davis, lying to her that he was going to say that she was right about "Deep Throat." (Davis had hypothesized that the *Post*'s mysterious source was actually Richard Ober, the CIA's deputy chief of counterintelligence, and the author of the Agency's "Operation CHAOS," who had been working in the White House basement for Henry Kissinger at the time of the Watergate revelations. Ober was ideally situated: Bradlee had known him at Harvard, and Woodward knew him when Woodward was a Navy intelligence and communications officer.)

Ignatius demanded that Davis come to his office immediately, and that she bring her interview notebooks with her, so he could be sure of the facts. However, when she answered his summons, Ignatius proceeded to grill her in an aggressive, hostile manner. His subsequent review in the *Wall Street Journal* ridiculed the book as "rubbish," claiming it was full of errors and wild conclusions. The *Journal* neglected to tell its readers that its reviewer, David Ignatius, was the son of Paul Ignatius,<sup>2</sup> the former president of the Washington Post Co.!

Bradlee didn't stop there. He sent a list of 26 alleged inaccuracies to HBJ, and advised the publishing house that he probably wouldn't sue for libel (no wonder, since he could have been subject to court-ordered discovery), but Bradley threatened HBJ that he was prepared "to brand you as completely irresponsible, to tell author friends to steer clear of you as though you had the plague, to brand Miss Davis as a fool, and to put your company in that special little brand of publishers who don't give a shit for the truth."

Davis's editor at HBJ came unglued, saying later, "I was

quite scared," being up against "*Ben Bradlee*, the hero of American journalism. . . ."

In addition to his threat to sue *New York* magazine, Bradlee also got the *Washington Journalism Review* to schedule an article attacking the book. Soon thereafter, HBJ "unpublished" Davis's book, recalling all unsold copies and shredding them—even requiring affidavits to ensure that no unsold copy of the book survived.

In 1982, Davis sued Harcourt in Federal court in New York. The court granted her request for discovery, to see HBJ's internal documents concerning the book. At that point, a new law firm (Fried Frank Harris Shriver and Kampelman—no strangers to intelligence matters themselves) entered the case for HBJ, and offered Davis a \$25,000 settlement if she would waive her right to see the HBJ documents. She declined the offer, and she got some of the documents. Among them, were letters from Katharine Graham to Jovanovich, appealing to their personal friendship, and deriding Davis's "CIA fantasy" about "Ben, Phil and others." In a later letter to Jovanovich from Katharine, that free-press champion gushed, "I was full of admiration anyway for what you did and how you did it."

Ultimately, HBJ admitted that they knew of no specific misstatements in the book, and they settled the case with Davis out of court.

## The Bradlee Puzzle

What really bothered and intrigued Davis, was Bradlee's hysterical reaction to the book. Why had he cared so much about what she wrote about him? He seemed most upset about the charge that he had done propaganda work for the CIA in the 1950s—one sentence out of the entire book. So Davis went to work to see what more she could find out, including from the FBI's files on the espionage case against Julius and Ethel Rosenberg.

The product of a Boston Brahmin banking family, Ben Bradlee had come to work for the *Post* around 1948; in 1951, Phil Graham sent him to Paris to become the press attaché at the U.S. Embassy. Soon, Bradlee was on the staff of the U.S. Information and Educational Exchange, the predecessor of the U.S. Information Agency, which was utilized as a propaganda arm by the CIA and the State Department.

The documents examined by Davis described a massive overseas propaganda campaign run by the U.S. government around the Rosenberg espionage case, to attempt to counter what the U.S. government considered Communist propaganda defending the accused spies. Bradlee played a key role in this, from his position in Paris. In December 1952, Bradlee flew from Paris to New York and appeared at the U.S. Attorney's office. According to a Justice Department memorandum, Bradlee said that "he was sent here to look at the Rosenberg file in order to answer the Communist propaganda about the Rosenberg case in the Paris newspapers." The memo also

2. Katharine Graham had hired Paul Ignatius, who had served as Secretary of the Navy and in other high civilian Pentagon positions, upon the advice of her close friend and adviser Robert McNamara in 1969. His son David later went from the *Wall Street Journal* to the *Post*, where he still works today.

states that Bradlee “advised that he was sent here by Robert Thayer, who is head of the CIA in Paris.” (Thayer was in fact the CIA station chief in Paris at the time.)

When Bradlee returned to Paris, he wrote a lengthy dossier defending the prosecution of the Rosenbergs. Embassy personnel provided the Bradlee report to a number of French editors, and it was used as the basis for a number of articles and editorials. After distributing Bradlee’s analysis in France, the State Department then circulated it to its embassies worldwide, to counter the global protests against the pending execution of the Rosenbergs.

It was in Paris that Bradlee met the Pinchot sisters: Tony Pinchot Pittman and Mary Pinchot Meyer. Mary was married to the CIA’s Cord Meyer, who was running covert operations in Europe for Phil Graham’s friend Frank Wisner. Bradlee immediately began an affair with Tony, whom he later married.

A decade earlier at Vassar, the Pinchot sisters had become close friends with Cicely d’Autremont, who then married James Jesus Angleton at the time Angleton was recruited into the Office of Strategic Services (OSS). Angleton later became the CIA’s chief of counterintelligence. It was all a very tight circle.

In 1961, a few years after Bradlee had returned to the U.S. to work at *Newsweek*, he learned from CIA official Richard Helms that *Newsweek* magazine was for sale. Bradlee contacted Phil Graham, who gave Bradlee a \$1 million check to convey to Helms’s grandfather as a down payment.

Then, in 1965, at the urging of Walter Lippmann, Katharine Graham brought Bradlee into the *Post*, to become executive editor, where he more or less became Katharine’s alter ego for the rest of his career.

## Washington’s Version of the London ‘Times’

Ben Bradlee was not an anomaly. To understand how Bradlee and Katharine Graham were able to shape the *Post* in the ’60s and ’70s to play the role that it does today, it is essential to understand how Phil Graham molded the *Post* in the post-World War II period into a propaganda organ for U.S. intelligence.

The key to Phil Graham, as the late Col. Fletcher Prouty advised *EIR* some years ago, is that Phil was hand-picked by his father-in-law Eugene Meyer to run the *Washington Post*, because Bradlee was part of the Wall-Street/intelligence circles in which Meyer himself was ensconced.

In the late 1940s, the *Post* under Phil Graham became part and parcel of the “old-boy” intelligence network that coalesced, during World War II, around military intelligence and the OSS. But, as a caveat, we would note that what these networks represented under Franklin Roosevelt’s leadership during the war, and what they became after FDR’s death, under conditions of the British-inspired Cold War, are not necessarily the same thing.



*Philip Graham’s model for the Washington Post was The Times of London, the establishment mouthpiece for the British Foreign Office.*

One of the most revealing anecdotes about Phil, is found in the book *The Imperial Post*, by Tom Kelly. Graham handed Wes Barthelmes of the Newspaper Guild a two-volume history of the *Times* of London, and told him, “That’s the kind of the paper I want the *Post* to be.” Said Barthelmes, “the significant thing . . . was how close the alliance of the *Times* and the British Foreign Office had been all through the height of imperial power. The *Times* was always covering up stories. I think Phil wanted me to understand that he wanted the *Post* to be accepted, established, like the *Times*.”

And that is what Phil did. Certainly since the late 1940s and early ’50s, if not before, the *Post* has been a mouthpiece

and propaganda organ for the increasingly corrupted U.S. intelligence community; and, in the period of the 1950s and ’60s—before the 1970s exposure and dismantling of the CIA—the *Post* was virtually the house organ in the nation’s capital for the CIA and related intelligence circles. That is simply a fact, without which one cannot understand the *Washington Post* to this day.

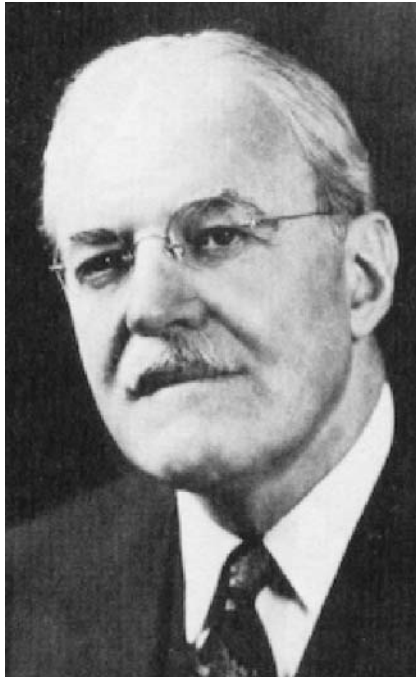
Exemplary of the character of the *Post*, is the policy announced on its editorial pages in 1976 toward Lyndon LaRouche and his associates. “We of the press should be chary about offering them print or air time. There is no reason to be delicate about it.” Don’t cover LaRouche, unless you present him as a violence-prone fascist, was the line which went out, and has been followed by the *Post* and its camp-followers in the media to the present day.

## Wisner’s Wurlitzer

Deborah Davis’ book provides much essential background on the *Post*’s intelligence ties, and role as a propaganda mouthpiece, which is not found, in as an elaborated of form, in any other published source.

Starting in the late ’40s, Phil and Katharine Graham ran a salon in their Georgetown home frequented by top CIA officials such as Frank Wisner, Richard Helms, Desmond Fitzgerald, and Allen Dulles. Of these, Frank Wisner, the head of CIA covert operations, and his wife, were the closest to the Grahams.

“It was widely known that Phil Graham was somebody you could get help from,” said a former deputy director of the



*Allen Dulles, Wall Street lawyer, OSS operative and later CIA Director, was part of the social circle of Phil and Katharine Graham, as well as Eugene Meyer; he personally directed much of the CIA's news media operations.*

Agency. “Frank Wisner dealt with him.”

Wisner, probably Phil’s closest friend, ran “black operations,” and he described his widespread covert propaganda network as “mighty Wurlitzer”—an instrument which he built and played.

At the Graham salon Sunday gatherings, Wisner would discuss with Phil Graham which journalists were for sale and at what price; how to handle them, what stories to place, and so on, according to a former CIA officer interviewed by author Davis. “You could get a journalist cheaper than a good call girl,” the former Agency officer said, “for a couple of hundred dollars a month.”

Graham helped Wisner to create Operation MOCKINGBIRD, a CIA program to manipulate and control friendly journalists; this was conceived of as a counter to the pro-Communist journalist groups. This was first comprehensively described in a 1977 article “The CIA and the Media,” by Carl Bernstein of Watergate fame, who had left the *Post* by that time.

Bernstein’s piece was in part intended to expose, what the Senate Select Committee on Intelligence (the “Church Committee”) had covered up. Bernstein reported that CIA contacts with the heads of news media organizations were handled directly by Allen Dulles and other top officials, such as Frank Wisner, Cord Meyer, Jr., Richard Bissell, Desmond Fitzgerald, Tracy Barnes, Thomas Karamessines, and Richard Helms. (All of these were in the circle of friends and associates of the Grahams.)

Bernstein’s description of how this worked, is important

to note, to dispense with Romantic “cloak and dagger” notions of such things, popularized, for example, by the *Post*’s Bob Woodward.

“Within the CIA,” Bernstein writes, “journalists were accorded elite status, a consequence of the common experience journalists shared with high-level CIA officials. Many had gone to the same schools as their CIA handlers, moved in the same circles, shared fashionably liberal, anti-Communist political values, and were part of the same ‘old boy’ network that constituted somewhat of an establishment elite in the media, politics and academia of postwar America.”

The Agency’s relationship with editors, publishers, and broadcast executives, says Bernstein, was fundamentally different than that with working reporters and stringers. The former did not need formal understandings or secrecy agreements; these relationships were usually social, “the P and Q Street axis in Georgetown,” as one source put it.

Bernstein reported, for example, that CIA files contain documents pertaining to the Agency’s relationship with Stewart and Joseph Alsop (the latter a *Post* columnist). Joseph denied that his brother was a CIA agent, telling Bernstein, “I was closer to the Agency than Stew was, though Stew was very close. I dare say he did perform some tasks—he just did the correct thing as an American. . . . The Founding Fathers [of the CIA] were close personal friend of ours. Dick Bissell was my oldest friend, from childhood. It was a social thing, my dear fellow. I never received a dollar. I never signed a secrecy agreement. I didn’t have to. . . .”

### **Cravath, Swaine and Moore**

At this point, we should delve a bit more deeply into the institutional networks, centered on Wall Street, in which both the Graham operations, and the intelligence agencies themselves, were embedded.

Davis outlines this in *Katharine the Great*, and to her credit, notes what many writers on intelligence matters ignore: the crucial importance of the Wall Street law firms. Davis brings this up in the course of describing how Graham’s CIA friends, Wisner and Allen Dulles, as well as *Post* executives Wayne Coy<sup>3</sup> (then chairman of the Federal Communications Commission) and John Hayes<sup>4</sup>, had assisted Graham in

3. Phil Graham worked for Wayne Coy, a friend of Eugene Meyer, in the Office for Emergency Management in 1940. In 1944, Meyer hired Coy as assistant to the publisher at the *Post*. In 1947, Coy left the *Post* to become chairman of the FCC. In 1949-50, Coy was instrumental in setting up Radio Free Europe and Radio Liberty, working closely with the CIA and State Department.

4. John S. Hayes, *Post* executive vice-president for radio-television, had worked in the OSS with CBS’s William Paley, and then headed the Armed Forces Radio Network in Europe. Later, Hayes was instrumental in convincing Paley to sell WTOP to the *Post*. In 1964-65, Hayes served on a “supersecret CIA task force” along with Zbigniew Brzezinski, and Richard Salant of CBS, the CIA’s Cord Meyer, McGeorge Bundy, Leonard Marks of the USIA,

making the *Post* the dominant news vehicle in Washington. They facilitated the *Post*'s acquisition of the rival *Times-Herald* in 1954, and the purchase of the WTOP radio and television stations from CBS's William Paley in 1949.

Allen Dulles, Davis observes, had been a director of the Hitler-financing Schroeder Bank; and through his involvement in the merchant-banking community, Dulles was well-acquainted with Lazard Frères and Eugene Meyer. From his law firm Sullivan and Cromwell, Davis reports, Dulles had become close to the key attorney for the Washington Post Co., Frederick Beebe, of Cravath, Swaine and Moore.

Beebe, Davis reports, had been recruited out of Yale by Cravath senior partner Roswell Gilpatrick, who was later to become Assistant Secretary of Defense during the Vietnam War under Robert McNamara; McNamara, of course, was to become known as one of Katharine's closest friends and advisers.

"Fritz" Beebe was the chief corporate counsel, as well as personal counsel, for the Meyer family, from the 1940s until the early 1970s. He was involved in every significant transaction of the Meyer family, and the *Washington Post*, for three decades.<sup>5</sup>

Going beyond what Davis reports, it is obvious that Cravath Swaine and Moore, one of the oldest and most powerful Wall Street law firms, was the key institutional control point for the *Post* during this entire period. Cravath, along with Allen Dulles's Sullivan and Cromwell, largely controlled both civilian intelligence (the OSS), and military intelligence, during World War II. John J. McCloy, Assistant Secretary of War from 1941-45; then president of the World Bank; then High Commissioner for Germany; was a Cravath

---

and others, to explore methods of beaming American propaganda broadcasts into the People's Republic of China. Hayes said he cleared his participation in the project with Fritz Beebe, chairman of the Washington Post Company.

5. After Eugene Meyer's death in 1959, Beebe became the guardian of the Meyer-Graham family interests, and he sat on the board of every company in which the Meyer family, or the Graham family in Florida, was involved. In 1961, at Phil's request, Beebe resigned from Cravath, to become chairman of the board of the Washington Post Company.

After Phil's death in 1963, Beebe guided and trained Katharine. Beebe cautiously gave Katharine the go-ahead to publish the Pentagon Papers in 1970. A year later, Beebe advised Kay Graham that the Washington Post Co. should go public; the offering was handled by the family financial firm Lazard Frères, and it was crafted by Cravath partner George Gillespie III.

It is reported that Beebe was the only person who knew everything around Phil's affair with Robin Webb and Phil's mental illness. When Phil had a bizarre episode in Phoenix, in which he took the podium at a newspaper editors' convention and started babbling about JFK's affair with Cord Meyer's former wife (and Ben Bradlee's sister-in-law), Mary Pinchot, Beebe flew out to Arizona with Katharine to get Phil, and bring him back to Washington.

The late Fletcher Prouty, a preeminent specialist on the intelligence community and on the Kennedy killing, once suggested to *EIR* that Phil Graham's removal from the *Post* by his death should be seen in the context of the assassination of JFK three months later. Prouty pointed out that Graham was too unstable to cooperate in the coverup of the assassination which followed, a coverup in which the *Post* played a crucial role.

partner from 1924 to 1946.

Nor is it irrelevant for our purposes, to note that the chief counsel to the Church Committee, which among other things, largely suppressed its findings on the CIA's relation to the news media, was Cravath partner F.A.O. Schwartz, Jr.

Interestingly, the firm was previously known as Cravath, de Gersdorff, Swaine and Wood. Carl de Gersdorff was Ben Bradlee's grandfather.

And, as we will see, the man who recruited Phil Graham into his active assignment in military intelligence in World War II, was Cravath partner Alfred McCormack.

## Phil Starts His Intelligence Career

After graduating from Harvard Law School in 1939, Phil went to Washington and clerked at the U.S. Supreme Court, first for Justice Stanley Reed, and then for Justice Felix Frankfurter, whom Phil knew very well from Harvard. Frankfurter was also a long-time friend of Eugene Meyer, going back to the period around World War I.

After Phil finished clerking for Frankfurter in June 1941, he went to work in the Lend-Lease Administration. He was soon transferred to the Office of Emergency Management, under Wayne Coy, working with, among others, Joseph Rauh. Phil would remain closely associated with Rauh, in the liberal anti-communist Americans for Democratic Action (ADA), and elsewhere, for the rest of his life.

After Pearl Harbor, Phil applied to join the Army Air Corps, and he asked Felix Frankfurter to write a letter of recommendation for him. After basic training, Phil went to Army intelligence school in Harrisburg. One instructor there was Alfred Friendly,<sup>6</sup> a long-time family friend of the Meyers, who had been hired by Eugene Meyer at the *Post* in 1939. It is likely that Eugene Meyer arranged through Friendly, for Phil to attend the intelligence school.

Another instructor at the Army Intelligence School was James Russell Wiggins, who was later to become managing editor of the *Post*.

After intelligence school, according to Katharine's autobiography *Personal History*, Phil went to OSS school, but he left after a week or so, and shortly thereafter he was recruited

---

6. Friendly had been hired by Eugene Meyer at the *Post* in 1939, and he listed himself as an employee of the *Post* from 1939 to 1951, although he was in government service much of that time. He served in Army Air Force intelligence (1942-45), and was posted to Britain's Code School at Bletchley Park in 1944. Friendly ran the public information campaign for the Marshall Plan under Averell Harriman, and was director of overseas information for the Economic Cooperation Administration, created by the anti-communist Smith-Mundt Act of 1948 to promote "worldwide cultural information."

It is also reported that during the 1965 U.S. invasion of the Dominican Republic, LBJ was furious with the *Post*'s coverage, and Friendly ordered the coverage changed to conform to the Administration and State Department line. Friendly encouraged *Washington Post* staffers to cooperate with the CIA, and he was regarded as a pipeline to the Agency; reporters who interviewed Soviet diplomats had to file a copy for Friendly to pass on to the CIA.



by Alfred McCormack<sup>7</sup> of Cravath Swaine and Moore, into the Special Branch of the Army's Military Intelligence Service (MIS). McCormack was extremely selective as to his officers. In his April 1943 report on the creation of the Special Branch, McCormack said that cryptanalytic intelligence "could be done effectively only by persons with very special qualifications . . . only individuals of first-rate ability and suitable training should be taken into the work."

In the middle of 1944, Phil was transferred to the southwest Pacific, as an intelligence officer on the staff of Gen. George Kenney, commander of the Army Air Corps in the Pacific, directly under Gen. Douglas MacArthur. Phil made himself the expeditor for Generals Kenney and MacArthur, and reportedly facilitated FDR's approval of MacArthur's plan to attack the Philippines and destroy the Japanese fleet — which plan was opposed by the Joint Chiefs. Phil pulled together intelligence on the Philippines and supposedly delivered it directly to FDR, who gave MacArthur the go-ahead. For his role in the Leyte and Luzon campaigns (as a non-combatant), Phil was made a commissioned officer and awarded the Legion of Merit.

Eugene Meyer had already arranged, during the war, that Phil would come back and work at the *Washington Post* after his military service. Once back at the *Post*, Phil brought in a number of men with intelligence backgrounds, including: Al Friendly and Russell Wiggins, whom he knew from the Army Intelligence School; Alan Barth from the Office of War Information; and OSS veteran John Hayes. Phil Geyelin, who was urged upon Phil by Walter Lippmann for the editorial page, and who later became editorial page editor, had worked di-



*John J. McCloy (center) was a partner in Wall Street's Cravath, Swaine and Moore law firm, which controlled Meyer family affairs and the Washington Post Company for decades.*

7. Alfred McCormack was a litigator at Cravath, when he was tapped by Secretary of War Henry Stimson — after Stimson had consulted with Cravath partner John J. McCloy — to investigate the handling and use of signals intelligence intercepts. McCormack's recommendations led to the creation of the Special Branch (SB) of MIS, of which McCormack, newly commissioned as a Colonel, was made deputy chief.

McCormack led a delegation to Bletchley Park in April 1943, consisting of Col. Telford Taylor of MIS, and cryptologist William Friedman; they conducted a two-month study of British signals intelligence operations.

In May 1943, McCormack's work led to the signing of the "BRUSA" agreement on signals-intelligence sharing; later updated as the 1947 "UKUSA" agreement, this provided the basis for the subsequent intimate cooperation between the United States and Britain which has continued to the present day. (See "British Key in 'Echelon' Controversy," *EIR*, April 14, 2000.)

In 1944 McCormack became Director of Intelligence for MIS. In 1945, when Truman split up OSS, and put the Research & Analysis section of OSS into the State Department, McCormack became Special Assistant to Secretary of State Jimmy Byrnes, in charge of Intelligence and Research. He was tasked with developing a plan for a post-war intelligence organization, and was even under consideration to be the first director of what became the CIA. McCormack opposed the creation of an independent intelligence agency, and preferred it to be under an inter-agency committee, with the State Department in the lead. He was at odds with the military, which promoted an independent agency, and ultimately, McCormack lost out. He was later forced out of the State Department in a Senate-instigated purge of "liberals" alleged to be soft on Communism.

rectly for the CIA before going to the *Post*.

This has taken us a considerable distance beyond what Davis has in her book, but there is much more that we still haven't covered, including her detailed descriptions of what actually happened around the "Pentagon Papers" and "Watergate" episodes, as well as a new postscript on "Katharine Graham and the Years after Watergate," which brings the story more up to date.

It is here that the "liberal" Katharine Graham is quoted, when asked if she would be voting for Jimmy Carter in 1976, as responding, "Why no. Meyers have always voted Republican."

Here also, another anecdote is reported, indicating that Graham knew that the *Post's* editorial line had a role to play, but shouldn't always be taken that seriously. Shortly after President Nixon was forced out of office, largely due to the *Post's* orchestration of the Watergate scandal, Katharine told an interviewer that "very sophisticated people knew enough to disregard" the criticisms of them in her newspaper, and not to let this interfere with their friendship with her. She pointed out, for example, that Henry Kissinger had never let the *Post's* investigation of the President he allegedly served, Richard Nixon, come between himself and Katharine. Kissinger himself echoed this point in his eulogy at Katharine's funeral on July 23, praising "Kay of the permanent establishment" and Kay as "a symbol of the permanent Washington that transmutes the partisanship of the moment into national purpose. . . ."

Deborah Davis's book sheds a lot of light, on the *Post's* place in this "permanent establishment."

*Katharine the Great* can be ordered at a cost of \$15 plus \$2 shipping from: Deborah Davis, P.O. Box 27323, Washington, D.C. 20038-7323.

# *If Dollar Goes, It's the System at Risk*

From IMF headquarters, to Moscow, to Singapore, the word is out that the almighty U.S. dollar, as it is proverbially called, is going into the tank. What is not yet clear is whether many of the commentators on these matters understand what a dollar crash will mean: the bankruptcy of the entire world financial system.

In August 2000, two economists at the Federal Reserve's yearly Jackson Hole meeting had already projected a collapse in the dollar's value by 50%. Maurice Obstfeld and Kenneth Rogoff argued in an extensive paper that the huge current account deficit of the United States—which amounted to over \$450 billion in 2000—left the U.S. vulnerable to a pullout of capital, which could be caused by a sharp downturn in the U.S. economy.

That downturn—which *EIR* founder Lyndon LaRouche is just about the only prominent figure in the world to have named, honestly, as a depression—is in process. And the dollar, which has been backed primarily by the political—if not military—power of the U.S. government, has begun to see an outflow of capital, which is quickening. The dollar has, until now, been held up by a \$500 billion-a-year *inflow* of capital, so a very strong tidal shift is under way.

This outflow has been signalled in some of the European press, but is now becoming more generally known. A London financial source told *EIR* on Aug. 15 that Japanese investors are no longer reinvesting the proceeds of their investments in the United States, but taking the money home. The Danish paper *Borsen* implied that similar moves were happening with European investors. And there's no arguing with the fact that the dollar has gone down at least 9% against the euro over the past months. It is also going down against the yen.

There will be idiots, of course, who will respond to this development by talking about "competitive advantage." This has been the line of certain European investors, and, from the other side, U.S. manufacturing interests. The latter are arguing that the dollar *should* be collapsed, in an effort to expand U.S. exports abroad,

while some Europeans are deluded enough to think that a weakened dollar will help their stillborn common currency. And then there's Treasury Secretary Paul O'Neill, who is constantly beating his chest about the need to keep a "strong dollar."

The truth is, that a dramatic collapse in the dollar's value presages the collapse of the entire world financial system, already rotten to the core, and utterly bankrupt. Ninety percent of all transactions in the world are denominated in dollars. As the Singapore *Business Times*, the leading financial daily of Southeast Asia, said in its lead editorial on Aug. 16, every country which is hooked into the "floating exchange-rate regime"—which means most nations in the world—will be devastated by a dollar collapse. That development will call the question on what is actually required—the establishment of a new international financial system, which bans currency speculation, and promotes a new credit regime which funds long-term investment in production instead.

What that means is that the implementation of LaRouche's New Bretton Woods system will be the only feasible means of survival for the world economy.

It is not at all clear that world leaders are ready to take such a step yet. They had better hope that Prof. Tatyana Koryagina, the Russian economist who has come out front and forecast a dollar blowout to occur around Aug. 19, is not correct. Koryagina, who accurately forecast the Russian bond market blowout in 1998, has taken lead headlines in the Russian press with her dramatic statements about the impending development.

Lyndon LaRouche has resisted pressure to forecast such a dollar collapse on any particular date. He has concentrated on getting across the message that this is a *systemic* crisis, in which the dollar system cannot be saved, and an alternative based on the best aspects of the old Bretton Woods system must be found. His forecast is already confirmed; the dollar collapse is under way. What's important is to focus on the political steps toward creating the alternative system.

# SEE LAROUCHE ON CABLE TV

All programs are The LaRouche Connection unless otherwise noted. (\*) Call station for times.

## ALABAMA

- BIRMINGHAM—Ch. 4  
Thursdays—11 pm
- UNIONTOWN—Ch.2  
Mon-Fri every 4 hrs.  
Sundays—Afternoons

## ALASKA

- ANCHORAGE—Ch.44  
Thursdays—10:30 pm
- JUNEAU—GCI Ch.2  
Wednesdays—10 pm

## ARIZONA

- PHOENIX—Ch.98  
Tuesdays—12 Noon
- TUCSON  
Cox Ch. 72/73/74  
Thu.—12 Midnight

## ARKANSAS

- CABOT—Ch. 15  
Daily—8 pm
- LITTLE ROCK  
Comcast Ch. 18  
Tue—1 am, or  
Sat-1 am, or 6 am

## CALIFORNIA

- ALAMO  
AT&T Ch. 1/99  
2nd Fri.—9 pm
- BEVERLY HILLS  
Adelphia Ch. 37  
Thursdays—4:30 pm
- BREA—Ch. 17\*
- BUENA PARK  
Adelphia Ch. 55  
Tuesdays—6:30 pm
- CHATSWORTH  
T/W Ch. 27/34  
Wed.—5:30 pm
- CLAYTON  
AT&T Ch. 25  
2nd Fri.—9 pm
- CONCORD  
AT&T Ch. 25  
2nd Fri.—9 pm
- COSTA MESA—Ch.61  
Mon—6 pm; Wed—3 pm  
Thursdays—2 pm
- CULVER CITY  
MediaOne Ch. 43  
Wednesdays—7 pm
- DANVILLE  
AT&T Ch. 1/99  
2nd Fri.—9 pm
- E. LOS ANGELES  
Adelphia Ch. 6  
Mondays—2:30 pm
- FULLERTON  
Adelphia Ch. 65  
Tuesdays—6:30 pm
- HOLLYWOOD  
MediaOne Ch. 43  
Wednesdays—7 pm
- LAFAYETTE  
AT&T Ch. 1/99  
2nd Fri.—9 pm
- LANC./PALM.  
Adelphia Ch. 16  
Sundays—9 pm

- LAVERNE—Ch. 3  
Mondays—8 pm
- LONG BEACH  
Charter Ch. 65  
Mondays—1:30 pm
- MARINA DEL REY  
Adelphia Ch. 3  
Thursdays—4:30 pm  
MediaOne Ch. 43  
Wednesdays—7 pm

- MARTINEZ  
AT&T Ch. 1/99  
2nd Fri.—9 pm
- MID-WILSHIRE  
MediaOne Ch. 43  
Wednesdays—7 pm

- MODESTO  
AT&T Ch.8  
Mondays—2:30 pm

- MORAGA  
AT&T Ch. 1/99  
2nd Fri.—9 pm

- ORINDA  
AT&T Ch. 1/99  
2nd Fri.—9 pm

- PALOS VERDES  
Cox Ch. 33  
Saturdays—3 pm

- PLACENTIA  
Adelphia Ch. 65  
Tuesdays—6:30 pm

- PLEASANT HILL  
AT&T Ch. 1/99  
2nd Fri.—9 pm

- SAN DIEGO—Ch.16  
Saturdays—10 pm

- SANTA ANA  
Adelphia Ch.53  
Saturdays—6:30 pm

- SANTA CLARITA  
MediaOne/T-W Ch.20  
Fridays—3 pm

- SANTA MONICA  
Adelphia Ch. 77  
Thursdays—4:30 pm

- TICE VALLEY  
AT&T Ch.3  
2nd Fri.—9 pm

- TUJUNGA—Ch.19  
Fridays—5 pm

- VENICE—Ch.43  
Wednesdays—7 pm

- WALNUT CREEK  
AT&T Ch. 6  
2nd Fri.—9 pm

- W. HOLLYWOOD  
Adelphia Ch. 3  
Thursdays—4:30 pm

- COLORADO

- DENVER—Ch.57  
Saturdays—1 pm

- CONNECTICUT

- CHESHIRE—Ch.15  
Wednesdays—10:30 pm

- GROTON—Ch. 12  
Mondays—10 pm

- MANCHESTER—Ch.15  
Mondays—10 pm

- MIDDLETOWN—Ch.3  
Thursdays—5 pm

- IOWA

- QUAD CITIES  
AT&T Ch. 75  
Mondays—11 pm

- KENTUCKY

- LATONIA—Ch. 21  
Mon.—8 pm; Sat.—6 pm

- LOUISVILLE—Ch.98  
Fridays—2 pm

- LOUISIANA

- ORLEANS PARISH  
Cox Ch. 78  
Tue., Thu., Sat.  
4:30 am & 4:30 pm

- MARYLAND

- A. ARUNDEL—Ch.20  
Fri. & Sat.—11 pm

- BALTIMORE—Ch. 5  
Wed.: 4 pm, 8 pm

- MONTGOMERY—Ch.19/49  
Fridays—7 pm

- P.G. COUNTY—Ch.15  
Mondays—10:30 pm

- W. HOWARD COUNTY  
MidAtlantic Ch. 6  
Monday thru Sunday—  
1:30 am, 11:30 am,  
4 pm, 8:30 pm

- MASSACHUSETTS

- AMHERST—Ch. 10\*

- BOSTON—BNN Ch.3  
Thursdays—3 pm

- GREAT FALLS  
MediaOne Ch. 6  
Mondays—10 pm

- WORCESTER—Ch.13  
Wednesdays—6 pm

- MISSISSIPPI

- JACKSON  
T/W Ch. 11/18  
Mondays—3:30 am

- MISSOURI

- ST. LOUIS—Ch. 22  
Wednesdays—5 pm  
Thursdays—Noon

- MICHIGAN

- BATTLE CREEK  
ATT Ch. 11  
Mondays—4 pm

- NEBRASKA

- LINCOLN  
Time Warner  
Channels 80 & 99  
Citizen Watchdog  
Tue.—6 & 7 pm  
Wed.—8 & 10 pm

- CANTON TOWNSHIP  
MediaOne Ch. 18  
Mondays—6 pm

- DEARBORN HEIGHTS  
MediaOne Ch. 18  
Mondays—5 pm

- GRAND RAPIDS  
GRTV Ch. 25  
Fridays—1:30 pm

- KALAMAZOO  
Cablevision  
Thu—11 pm (Ch.31)  
Sat—9:30 pm (Ch.33)

- MT. PLEASANT  
Charter Ch. 3  
Thursdays—5:30 pm  
Wednesdays—7 am

- PLYMOUTH—Ch.18  
Mondays—6 pm

- MINNESOTA

- ANOKA—Ch. 15  
Thu.—11 am, 5 pm,  
12 Midnight

- COLD SPRING  
U.S. Cable Ch. 3  
Nightly after PSAs

- COLUMBIA HTS.  
MediaOne Ch. 15  
Wednesdays—8 pm

- DULUTH—Ch. 24  
Thursdays—12 Noon

- FRIDLEY  
Time Warner Ch. 5  
Fridays—7 pm

- SATURDAYS—8:30 pm

- MINNEAP.—Ch.32  
Wednesdays—8:30 pm

- NEW ULM—Ch. 12  
Fridays—5 pm

- PROCTOR/  
HERMANTOWN—Ch.12  
Tue. btw. 5 pm - 1 am

- ST.CROIX VALLEY  
Valley Access Ch. 14  
Thursdays—4 & 10 pm  
Fridays—8 am

- ST. LOUIS PARK—Ch.33  
Friday through Monday  
3 pm, 11 pm, 7 am

- ST. PAUL (city)  
SPNN Ch. 33  
Saturdays—10 pm

- ST. PAUL (S&W burbs)  
AT&T Ch. 15  
Tue & Fri—8 pm

- ST. PAUL (NE burbs)\*  
Suburban Community  
Ch.15

- ST. PAUL (S&W burbs)  
AT&T Ch. 15  
Tue & Fri—8 pm

- TEXAS

- EL PASO—Ch.15  
Wednesdays—5 pm

- HOUSTON  
Houston Media Source  
(call station for times)

- GLENWOOD, Etc.  
SCAT-TV  
Ch. 26, 29, 37, 38, 98  
Sundays—about 9 pm

- VIRGINIA

- ARLINGTON  
ACT Ch. 33  
Mondays—4:30 pm  
Tuesdays—9 am

- CHESTERFIELD  
Comcast Ch. 5  
Tuesdays—6 pm

- FAIRFAX—Ch.10  
Tuesdays—12 Noon  
Thursdays—7 pm

- LOUDOUN  
Adelphia Ch. 23/24  
Thursdays—7:30 pm

- ROANOKE—Ch.9  
Thursdays—2 pm

- WASHINGTON

- KING COUNTY  
AT&T Ch. 29/77  
Mondays—4 pm

- SPOKANE—Ch.14  
Wednesdays—6 pm

- TRI-CITIES  
Falcon Ch. 13  
Mon-noon; Wed-6 pm  
Thursdays—8:30 pm

- YAKIMA—Ch. 9  
Sundays—4 pm

- QUEENS—OPTV  
Thu, 8:30, 2 pm
- QUEENSBURY—Ch.71  
Thursdays—7 pm
- RIVERHEAD—Ch.27  
Fri-11 pm; Sun-11 am
- ROCHESTER—Ch.15  
Fri-11 pm; Sun-11 am
- ROCKLAND—Ch. 27  
Wednesdays—4 pm
- SCHENECTADY—Ch.16  
Tuesdays—10 pm
- STATEN ISL.—Ch.57  
Thu.—11 pm; Sat.—8 am
- SUFFOLK—Ch. 25  
2nd, 4th Mon.—10 pm
- SYRACUSE—T/W  
City: Ch. 3  
Suburbs: Ch. 13  
Sundays—8 pm
- TOMPKINS COUNTY  
Time Warner  
Sun.—9 pm (Ch.78)  
Thu.—7:30 pm (Ch.78)  
Sat.—8 pm (Ch.13)
- TRI-LAKES  
Adelphia Ch. 2  
Sun: 7 am, 1 pm, 8 pm
- LUTICA—Ch. 3  
Thursdays—6 pm
- WATERTOWN—Ch. 2  
Tue: betwn. Noon-5 pm
- WEBSTER—Ch. 12  
Wednesdays—8:30 pm
- WESTFIELD—Ch.21  
Mondays—12 Noon  
Wed., Sat—10 am  
Sundays—11 am
- W. MONROE  
Time Warner Ch. 12  
4th Wed—1 am
- W. SENECA—Ch.68  
Thu.—10:30 pm
- YONKERS—Ch.71  
Saturdays—3:30 pm
- HUDSON VALLEY  
Cablevision Ch. 62/90  
Fridays—5 pm
- ILLION—T/W Ch. 10  
Saturdays—12:30 pm
- IRONDEQUOIT—Ch.15  
Mondays—7 pm  
Thu.—9:30 am & 7 pm
- JOHNSTOWN—Ch. 7  
Tuesdays—4 pm
- MANHATTAN—MNN  
T/W Ch. 34; RCN Ch.109  
Alt. Sundays—9 am
- NASSAU—Ch. 71  
Fridays—4 pm
- NIAGARA FALLS  
Adelphia Ch. 24  
Thursdays—10:30 pm
- ONEIDA—T/W Ch.10  
Thursdays—10 pm
- PENFIELD—Ch.12  
Penfield Community TV\*
- POUGHKEEPSIE—Ch.28  
1st, 2nd Fridays—4 pm

- NEVADA
- CARSON CITY—Ch.10  
Sun-2:30 pm; Wed-7 pm  
Saturdays—3 pm
- NEW JERSEY
- MONTVALE/MAHWAH  
Time Warner Ch. 27  
Wednesdays—4 pm
- NEW MEXICO
- ALBUQUERQUE  
Jones Ch. 27  
Thursdays—4 pm
- LOS ALAMOS  
Adelphia Ch. 8  
Sundays—7 pm
- MONTEZUMA—Ch.8  
Mondays—9 pm
- TAOS  
Adelphia Ch. 2  
Mondays—7 pm
- NEW YORK
- AMSTERDAM  
Time Warner Ch.16  
Thursdays—4:30 pm
- BROOKHAVEN  
(E. Suffolk)  
Cablevision Ch.1/99  
Wednesdays—9:30 pm
- BROOKLYN—BCAT  
Time Warner Ch. 35  
Cablevision Ch. 68  
Sundays—9 am
- BUFFALO  
Adelphia Ch. 18  
Tuesdays—7 pm
- HORSEHEADS—Ch.1  
Mon., Fri.—4:30 pm
- HUDSON VALLEY  
Cablevision Ch. 62/90  
Fridays—5 pm
- ILLION—T/W Ch. 10  
Saturdays—12:30 pm
- IRONDEQUOIT—Ch.15  
Mondays—7 pm  
Thu.—9:30 am & 7 pm
- JOHNSTOWN—Ch. 7  
Tuesdays—4 pm
- MANHATTAN—MNN  
T/W Ch. 34; RCN Ch.109  
Alt. Sundays—9 am
- NASSAU—Ch. 71  
Fridays—4 pm
- NIAGARA FALLS  
Adelphia Ch. 24  
Thursdays—10:30 pm
- ONEIDA—T/W Ch.10  
Thursdays—10 pm
- PENFIELD—Ch.12  
Penfield Community TV\*
- POUGHKEEPSIE—Ch.28  
1st, 2nd Fridays—4 pm

- RHODE ISLAND
- E. PROVIDENCE—Ch.18  
Tuesdays—6:30 pm
- TEXAS
- EL PASO—Ch.15  
Wednesdays—5 pm
- HOUSTON  
Houston Media Source  
(call station for times)
- GLENWOOD, Etc.  
SCAT-TV  
Ch. 26, 29, 37, 38, 98  
Sundays—about 9 pm
- VIRGINIA
- ARLINGTON  
ACT Ch. 33  
Mondays—4:30 pm  
Tuesdays—9 am
- CHESTERFIELD  
Comcast Ch. 5  
Tuesdays—6 pm
- FAIRFAX—Ch.10  
Tuesdays—12 Noon  
Thursdays—7 pm
- LOUDOUN  
Adelphia Ch. 23/24  
Thursdays—7:30 pm
- ROANOKE—Ch.9  
Thursdays—2 pm
- WASHINGTON
- KING COUNTY  
AT&T Ch. 29/77  
Mondays—4 pm
- SPOKANE—Ch.14  
Wednesdays—6 pm
- TRI-CITIES  
Falcon Ch. 13  
Mon-noon; Wed-6 pm  
Thursdays—8:30 pm
- YAKIMA—Ch. 9  
Sundays—4 pm

- WISCONSIN
- KENOSHA—Ch.21  
Mondays—1:30 pm
- MADISON—Ch.4  
Tue-2 pm; Wed-11 am
- MARATHON COUNTY  
Charter Ch. 10  
Thursdays—9:30 pm;  
Fridays—12 Noon
- OSHKOSH—Ch.10  
Fridays—11:00 pm
- WYOMING
- GILLETTE—Ch.36  
Thursdays—5 pm

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

# Executive Intelligence Review

U.S., Canada and Mexico only

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

## Foreign Rates

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

I would like to subscribe to *Executive Intelligence Review* for

1 year     6 months     3 months

I enclose \$ \_\_\_\_\_ check or money order

Please charge my  MasterCard  Visa

Card No. \_\_\_\_\_ Exp. date \_\_\_\_\_

Signature \_\_\_\_\_

Name \_\_\_\_\_

Company \_\_\_\_\_

Phone (             ) \_\_\_\_\_

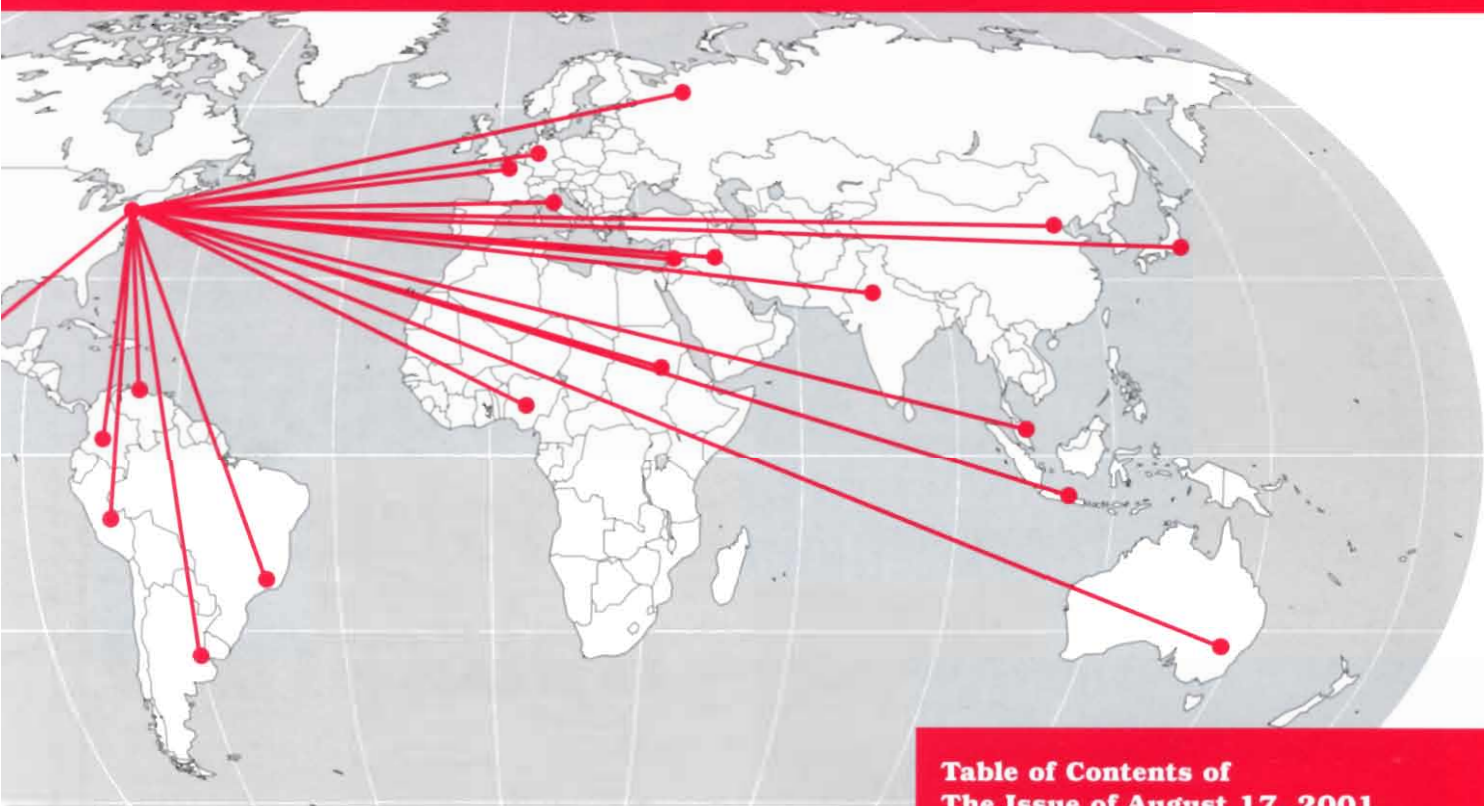
Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

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

**Exclusive, up-to-the-minute stories  
from our correspondents around the world**

# **EIR** EXECUTIVE ALERT SERVICE



## **EIR Alert**

brings you concise news and background items on crucial economic and strategic developments, twice a week, by first-class mail, or by fax or by Internet e-mail.

**Annual subscription (United States) \$3,500**

**Special introductory price \$500**

for 3 months

Make checks payable to:

**EIR News Service**

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

### **Table of Contents of The Issue of August 17, 2001**

- U.S. and Russia collaborating in Mideast
- Some Israelis expect Intifada to last to 2006
- Russia flooded with dollar crash forecasts
- New Putin advisory council contains economic nationalists
- Thai Prime Minister restricts foreign ownership
- D.C. General-Coalition forecast confirmed
- Includes **'Energy Alert'**—breaking developments in the fight to re-regulate the U.S. energy industry