

# EIR

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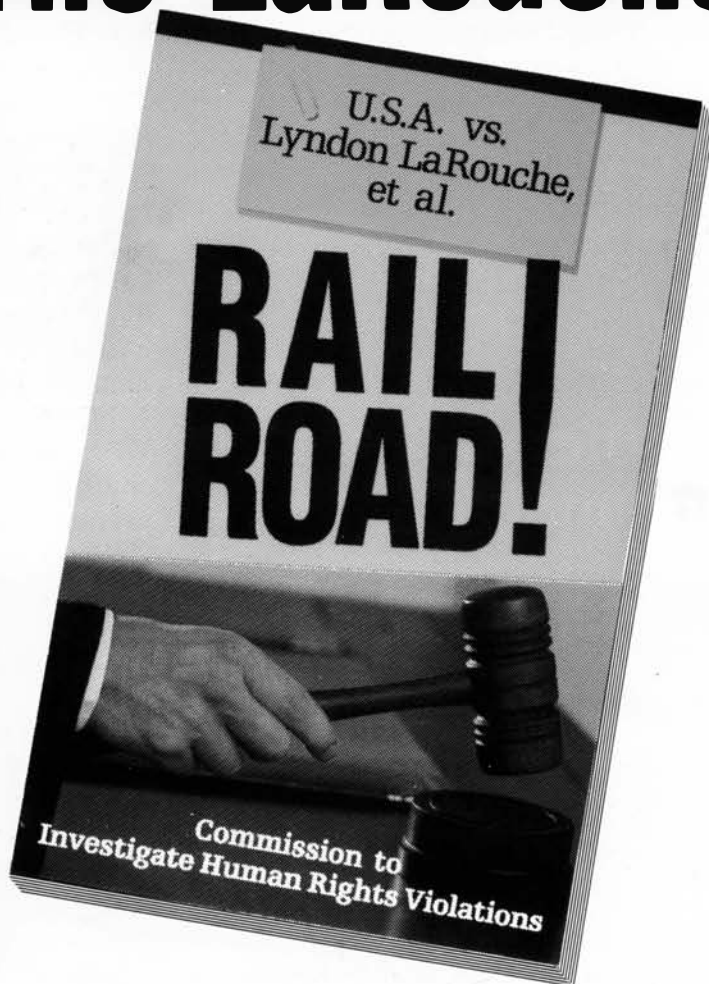
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# EIR

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**P**resident Bush is claiming the Panama invasion as a victory for the War on Drugs, but many people don't believe it. This week's cover story tells why you shouldn't, either.

We begin with Lyndon LaRouche's definition of what a real, *moral* war on drugs—one that would free the youth pictured on our cover from the degradation of the rock-drug-sex counterculture—would require. Then we look at the self-defeating actions of the administration and the calculations of the drug-legalization lobby, ready to move in with their policy of open surrender at the opportune moment. We tell some of the surprising reasons why the Bushmen don't really intend to defeat drugs.

Next, we examine the drug pushers the Bush administration is allying with internationally. This starts with the Cali Cartel of cocaine traffickers, installed as the quisling regime of Panama by the U.S. occupation. Then we present the dossier on Communist China, Bush's friends who run the world's largest narcotics business. We look too at Assad's Syria, recently indicted in a French court for running drugs and for terrorism. Finally, a Colombian tells why the U.S. threatened naval blockade of Colombia would be a gift to the dope-trading armies that have attacked his nation, the only one that has been actually fighting the war on drugs.

Turning to Europe, I direct your attention to our unique coverage of the anti-bolshevik revolution in the East bloc, highlighted by a firsthand report from the heroic city of Leipzig (p. 38) and an interview with a leading Romanian freedom fighter (p. 48).

I would also draw your attention to the articles on the grave situation in Cambodia (pp. 43 and 56), and to three background reports which define the historical and philosophical terms of cultural warfare today. In *Books*, Katherine Kanter goes to the heart of the Freemasonic problem, while on p. 46, in our ongoing series on Greenpeace written in West Germany, we show why this kind of organized "environmentalism" is a Satanic religion, by its own definition. On p. 10, something of the other side appears—a thumbnail sketch of an historical example of what LaRouche means by "American System," the forgotten approach that must be applied to making Europe the powerhouse of a world economic recovery.

*Nora Hamerman*

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Patrick Kyhligård

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# Prime rate cut won't stop deflation

by Steve Parsons

One could almost hear the cheers echoing throughout financial establishments on Jan. 8 when several major U.S. banks dropped their prime rate one-half point to 10%. For several weeks, such a move had been anxiously awaited. The Federal Reserve in December had cut its federal funds rate nearly 1% in the face of a sharp economic "slowdown." The banks had delayed, milking the greater interest rate spread as long as they could. But as the economic statistics worsened, the banks finally moved, to the relief of businesses faced with mounting cost pressures and declining profits. Most delighted was the real estate business, which has pinned its near-term salvation on hopes that lower interest rates will spur home-building and purchases.

But the harsh reality is that the interest rate drop will do nothing to ameliorate the galloping economic and financial collapse. The speculative debt bubble is bursting, with red ink pouring out of everything from manufacturing to financial enterprises.

While it is no secret that manufacturing industries are being hit very hard, Wall Street analysts are insisting that other sectors are "slowing down," but that there is no recession. Cited are such sectors as the retail market, where they expected sales to do unexpectedly well over the crucial Christmas season. The line was that overall retail sales in December increased about 5% from 1988's level. "Five percent is a very acceptable number considering that inflation is less than 4%," said one analyst.

This line was destroyed on Jan. 10, when Commerce Department figures showed a mere 3.8% seasonally-adjusted sales increase, and only 2.3% when not adjusted. But even more telling will be the earnings figures when they are calculated in a month or so. The analysts are dismissing the disastrous effect that deep sales discounts and markdowns had on

profits, maintaining that the various cuts and markdowns were "well-planned," and that superior inventory and cost control measures minimized earnings reductions. They say the clothing sector showed much better sales than others featuring durable goods and mass merchandise, which were, at best, disappointing.

The deepest markdowns, however, came in clothing, which make the higher sales figures meaningless in terms of profits. Furthermore, the inflation rate is much higher than the "official" rate. Thus, the negative net sales figure relative to the official inflation rate will turn out to be even worse. Combined with the sharp sales discounts, and slow sales outside of clothing, there are big profit losses that, no matter how masked, will soon result in bankruptcies.

One of the biggest retail bankruptcies may occur on Jan. 15: the Campeau Corp., an over-leveraged, debt-laden conglomerate of department stores that includes the Allied and Federated chains, and such notable stores as Bloomingdale's and Jordan Marsh. On that date, Campeau must certify to a syndicate of banks led by Citibank that it is solvent and can meet a huge \$2.34 billion debt payment.

On Jan. 4, the National Bank of Canada seized 35% of Campeau stock after the company defaulted on \$100 million of debt. But on Jan. 10, Campeau managed to avoid defaulting on payments owed to its suppliers, when the banks permitted the company to use its Christmas cash receipts to pay its vendor bills. That could be a signal that the banks will accede to some kind of debt restructuring, including stretch-out of principal and interest payments, to avoid a bankruptcy that would have a shock effect.

Such restructurings, or "workouts," have become the latest financial rage, as the boom of debt-ridden leveraged buy-outs and speculative mergers disintegrates into insolvency.

Fantasies of turning cascading collapses into a "failures boom" is being spread all across Wall Street and the financial press. "Failure is a growth business," one investment banker told the *New York Times*, summing up the newspeak propaganda for plucking the silver lining out of disaster. Wall Street brokerage houses, whose advice and managerial expertise have caused the spiraling collapse of these corporations, are, to quote the *Times*, "preparing to earn huge fees over the next few years correcting the mistakes they helped make. . . . Making a profit by undoing its own deeds is a rich Wall Street tradition."

These parasites are drooling over the imminent Campeau collapse. Investment houses like First Boston, which is stuck with \$500 million in worthless Campeau paper, are aiming to recoup their losses by carving up their host victim and finding mickeys to reabsorb new debt, while sticking smaller creditors with the loss.

### **Real estate is detonating**

But despite the hype, as the Campeau case demonstrates, if bankruptcies and debt write-offs are avoided through such "workouts," the banks and investment houses are not only postponing and extending yet again the insolvent debt, but are saddling themselves with an even larger and more unmanageable debt load. This is what is happening in the biggest bubble of them all—real estate.

Many real estate companies and analysts privately admit that the relatively low rates of mortgage delinquencies and property foreclosures are fictions being maintained not just by lack of reporting of the real situation or by banks not declaring or writing off their non-performing real estate loans. Increasingly, private agreements between lenders and borrowers are being made in which debt is "restructured." That is, banks are agreeing to smaller mortgage and debt payments over a longer term, with effective interest rates often cut sharply. As in the home sales market in Texas, developers and landowners, as well as homeowners, are in effect just walking away from their properties, dropping the deed off at the banks, who then "buy" the properties for the value of the mortgages. The statistics may look good—mortgage delinquencies and foreclosures stay low—but the banks are getting loaded with so-called assets that are deflating faster than ever.

Despite the rhetorical nostrums from the likes of the National Association of Realtors that further interest rate cuts will reverse the real estate downturn, no amount of interest rate cuts, short of a hyperinflation that will totally shred what is left of the economy, will prevent the impending cascade of collapse. Things have gone too far.

Real estate debt is simply too enormous, both in the commercial and homeowner markets, and the income levels of business and individuals is insufficient to maintain the huge bubble. Some key statistics highlight the looming debacle.

Officially, real estate loans, as a proportion of commer-

cial bank assets, have risen from 23% in 1974 to 37% in 1979, according the William Seidman, chairman of the Federal Deposit Insurance Corp. And it's going up, at a time when actual market values are, at best, stagnating, and when 30,000 parcels from savings and loans are about to be dumped on the market by the federal government.

At the same time, inventories of unsold homes in major market areas are skyrocketing, and the listing period for selling homes is doubling and tripling. For example, in the heretofore hot California markets, in the recent past there were three buyers for every house. Now, there are three houses for every buyer. In the San Fernando Valley, listings now exceed 11,000 in what has been typically a 6,500-7,500 listing market. In 1988, homes sold every 45 days; toward the end of 1989, it doubled to 90 days. Realtors in boom markets like metropolitan Washington, D.C. report the worst situation they have ever seen, at a time when defense and other federal budget cuts haven't even hit yet.

In Massachusetts, prices of raw land for development are down 20-30% in Greater Boston and central parts of the state, with several years' supply of building lots on the market. Plymouth has a three-year inventory, Ashland has a six-year inventory. Even worse, three times the current number of lots are about to be dumped on these markets.

In many cities, office vacancy rates are running at 30% or more. In the prime Center City area of Philadelphia, vacancy rates this year are expected to be 20%, a 5.8-year surplus, nearly double from the 3.2-year supply at the end of 1989. Inducements are effectively lowering rents 25%.

Mortgage debt as a percentage of personal income is simply unmanageable. From 1965 to 1973, mortgage debt comprised between 54% and 62% of personal income. Since 1983, it has zoomed from 53% to an impossible 76%, at the same time that consumer installment debt has gone from about 12% to 16% of personal income. In other words, debt alone now takes nearly every penny of individual income.

It should be no wonder that bankruptcy filings, both personal and corporate, are accelerating. For example, in Massachusetts, 1989 bankruptcy filings nearly doubled from levels of two years ago, and rose 59% last year alone compared to 1988. While the number of major corporate bankruptcies in 1989 have risen only moderately from 1987 and 1988 levels, the assets involved are skyrocketing. Through Dec. 11, some 133 companies had filed for Chapter 11, and the assets of these firms totaled \$70 billion. In 1986, there were 159 companies that filed, but only \$12.7 billion in assets were at stake.

Even though delinquent real estate loans overall are reported to be low at just 4.7% nationally, they are beginning to increase dramatically. From the end of 1988 to mid-1989, delinquencies in 10 states, 8 of which are in the Northeast, have increased 55%. Delinquencies in Massachusetts have nearly doubled (up 94.5%), and have risen 85.7% and 82.7% in New Hampshire and Connecticut.

# Bush's 'thousand points of light' snuffed out as homelessness grows

by Marcia Merry

In the midst of one of the harshest winters on record, on Jan. 11 President Bush announced cuts in the federal budget affecting the homeless. His action merely dramatizes the hoax that the unmet needs of millions of Americans would be taken care of by charity, which was a promise made by George Bush in his presidential campaign. At his inauguration, Bush used the expression, a "thousand points of light," to refer to his view that hundreds of local charities and initiatives should spring up to take care of the hungry, the homeless, and the needy. After only one year of the Bush administration—following eight years of Reagan—the lights are going out.

A report issued at year end of 1989 by the United States Conference of Mayors shows the extent of deprivation and want in 27 major cities. Titled "A Status Report on Hunger and Homelessness in America's Cities: 1989," the survey gives the results of an extensive canvas of city offices in charge of providing food and housing for emergency and chronic need.

Out of the official census population of 25,632,000 in the 27 cities surveyed, at least 4,742,000 are officially in the poverty category. In fact, this is an understatement, because this calculation is based on 1988 population estimates, and 1986 poverty rates, and the latter category has worsened since then.

**Table 1** shows the 27 cities surveyed, listed by region. Also shown are the percentage rates of increase and decrease in demand by city residents for food or shelter aid over the past year. Overall, requests for emergency food assistance increased by an average of 19% in the cities surveyed from year-end 1988 to 1989. And requests for emergency shelter increased by an average of one-fourth over that time period.

What these rates of increased requests for help show is that neither the general economy, nor "points of light" charity, is able to ameliorate the worsening conditions for people.

The United States Conference of Mayors first brought the problem of the shortage of emergency services (food, shelter, medical care, energy and income assistance) to national attention in 1982, by doing a 55-city survey, in collaboration with the U.S. Conference of City Human Services Officials. That survey showed that the demand for emergency services

was on the increase, and that only 43% of that demand was being met. Since then, the crisis has worsened.

## Permanent damage to the workforce

In 1983, the Conference of Mayors appointed 20 mayors to a "Task Force on Hunger and Homelessness," which meets twice a year, and provides information to Congress and to the public. Today, Boston Mayor Raymond L. Flynn heads the task force, now numbering 32 mayors. Flynn will chair a session of the group at the Conference of Mayors mid-winter meeting on Jan. 24 in Washington, D.C.

The material that could be made public at that meeting exposes what a mockery the "thousand points of light" concept was from the start. The underlying problems facing people are not those of temporary, personal dislocations. Millions of Americans are facing the lack of jobs, housing, and the physical means to continue the basic existence of their families.

In addition, because of the underlying decay of the real economy of the nation, city and state budgets, as well as the

FIGURE 1  
**40% of the homeless are youth and families**

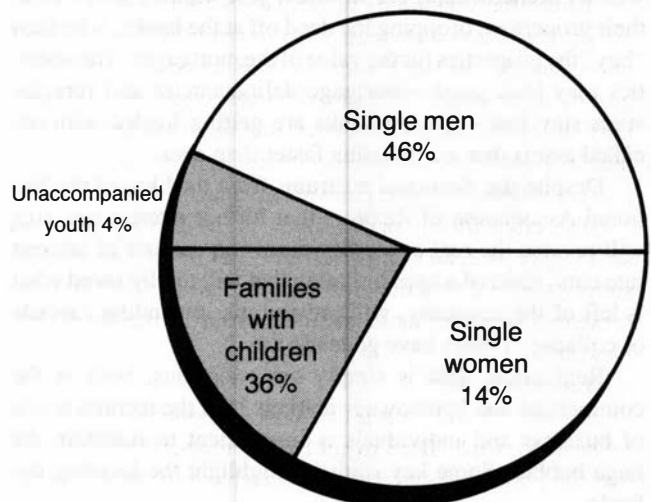
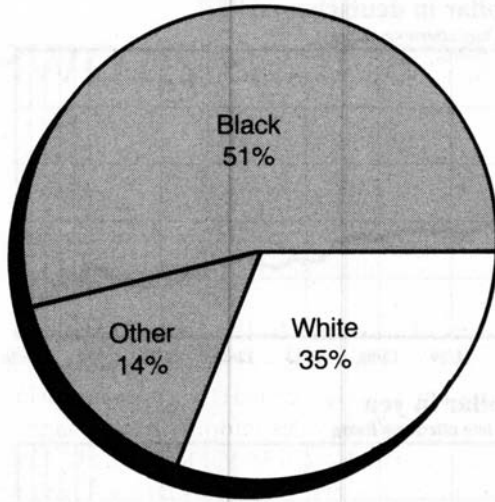




FIGURE 2

**65% of the homeless are non-white**



Source: U.S. Conference of Mayors annual report, "A Status Report on Hunger and Homeless in America's Cities: 1989," published December 1989.

federal budget, are less able to deal with the growing needs. In the first week in January, for example, New York City officials announced a projected \$150 million in cuts in city services because of the plunge in tax revenues.

States previously haughty about their balanced budgets are now in crisis, too. Virginia officials have announced the need for draconian cuts of \$1 billion this year. At least \$223 million in agency service cuts are being planned.

Figures 1 and 2 show that of the number of homeless in the 27 cities surveyed, 40% are families with children, or are underage minors themselves. About 51% of the homeless are black, 35% are white, and 14% are other groups.

Under the conditions of despair, 44% of the homeless are drug addicts or alcoholics—a miserable situation that is unfortunately not surprising. In connection with this large group, an estimated 25% of the homeless are severely mentally ill. However, what is new, and shocking to realize, is that 26% of the homeless are veterans, and 24% of the homeless are employed, but cannot afford a place to live.

The city officials participating in the survey completed an 11-page statistical questionnaire, and also provided descriptions of the situation in their jurisdictions. The following presents a summary national picture from the reports of these local areas.

**Eastern states:**

*Boston:* "Food pantries in Boston report an increase in requests for food. The Project Bread Hunger Hotline reports that the phone calls to their services have increased significantly. . . . The state's fiscal crisis and accompanying budget reductions have directly impacted families with children.

The insufficient level of public assistance payments has not kept pace with the rising cost of living. High housing and fuel costs have also resulted in more families turning to emergency food programs for help."

*New York City:* "The number of families with children requesting emergency food assistance in New York City has increased 5%, from approximately 1.5 million to more than 1.6 million."

**Midwestern states:**

*Kansas City:* "This figure—16% increase for food—is

TABLE 1

**Hunger and homelessness in 27 major U.S. cities**

City	Persons in poverty category as of 1988 (thousands)	Percent increase in food relief requests 1988-1989	Percent increase in housing relief requests 1988-1989
<b>Eastern states:</b>			
New York City	1,059	5	3
Philadelphia	389	n.a.	0
Washington, D.C.	131	43	44
Boston	133	15	15
Trenton	22	25	70
Providence	37	28	88
Alexandria	11	6	54
Subtotal	1,782	20	39
<b>Midwestern states:</b>			
Chicago	786	0	20
Cleveland	132	n.a.	25
Minneapolis	53	17	22
St. Paul	32	25	0
Kansas City	66	16	15
Louisville	63	15	n.a.
Subtotal	1,132	15	16
<b>Southern states:</b>			
New Orleans	161	22	30
Norfolk	68	27	30
Nashville	69	20	20
Charleston	20	20	4
Charlotte	52	20	20
San Antonio	226	19	24
Subtotal	596	21	21
<b>Western states:</b>			
Los Angeles	634	13	n.a.
San Francisco	116	25	n.a.
Seattle	62	5	n.a.
Denver	78	25	0
Portland	62	17	36
San Diego	152	5	5
Santa Monica	11	36	35
Phoenix	117	33	20
Subtotal	1,232	20	19
Total	4,742	up to 43%	up to 88%

Source: Adapted from the United States Conference of Mayors, *A Status Report on Hunger and the Homelessness in America's Cities: 1989*.



Stuart Lewis

In New York City, where this photo was taken at a homeless shelter, the number of families with children requesting emergency food assistance has increased 5%, from approximately 1.5 million to more than 1.6 million.

based on a comparison of the pounds of food distributed by the Harvester's Food Bank to local emergency assistance agencies and church pantries. The percentage was also substantiated by the Mid-America Assistance Coalition which reported a 16% increase in requests for food."

**Louisville:** "The community-wide pantry system, which supports 27 distribution centers, has seen an increase of 15%. The system is operated by our local food bank, Dare to Care."

**Southern states:**

**San Antonio:** "The percentage of food assistance requests by families continues to increase. The number of two-income households ineligible for food stamps, but in need of assistance, is increasing annually. Families are utilizing a higher percentage of their expendable income for housing."

**New Orleans:** "Families, even if employed, are unable to meet bare minimum expenses, and if they do, they live on the edge. Expenses incurred for children such as school supplies, have increased. . . . Ozanam Inn reports an increase from the 327,620 meals served in 1988. Travelers' Aid has also seen a 20% increase in clients requesting assistance during the past year."

**Western states:**

**San Francisco:** "While there are more services for women and children generally, their need continue to increase. In addition to those who request emergency food assistance, there are many others, especially families, who are unable to turn their immediate need into a vocalized request for food. They simply skip a meal and go hungry because they are unable to reach out at a given time of day, or to leave their neighborhood and home in search of food elsewhere."

# Currency Rates

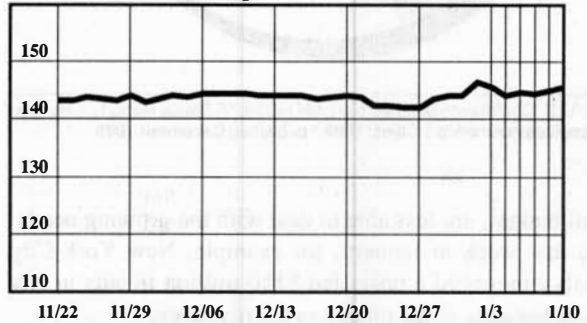
## The dollar in deutschemarks

New York late afternoon fixing



## The dollar in yen

New York late afternoon fixing



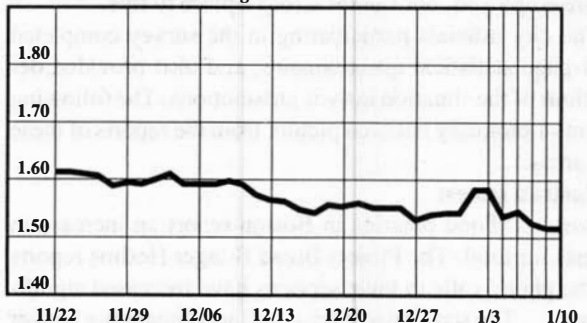
## The British pound in dollars

New York late afternoon fixing



## The dollar in Swiss francs

New York late afternoon fixing



# U.S. backs Argentine deflationary policy

by Peter Rush

A little over one week after the administration of Argentine President Carlos Menem imposed a program of radical deflation on the national economy, the local stock market has crashed, the banking system is reeling, the cabinet is wracked by infighting, and President Bush is hailing Menem's decision to "permit market forces to operate freely."

Finance Minister Antonio Ermán González announced the new program, dubbed the "Lazarus Plan," on Jan. 1 to deal with hyperinflation, which was officially 4,923% in 1989, and 40% in December. The plan sharply restricts the amount of national currency, the austral, in circulation. The plan resulted in temporarily halting, and even reversing, the slide in the value of the austral against the dollar, as businesses were forced to scramble to sell dollars to obtain australs to meet payrolls, and to pay suppliers and taxes. Up to two-thirds of all australs in circulation Jan. 3 may have been removed from circulation by Jan. 10, according to some estimates.

In the longer term, however, because of its monetarist character, this program cannot resolve the fundamental ills of the Argentine economy. The newly found "stability" of which the government is boasting, isn't expected to last more than a month or two. Chaos ensued in the first few days of the program. Thousands of people and companies have been caught midstream as the government changed horses, in many cases losing large amounts of money. Hardest hit were those who had been using the stock market as a hedge against hyperinflation. The market was intentionally kept closed for the first week in January in hopes of avoiding a panic selling, but, when its doors finally opened Jan. 8, it plunged 53.4% in one day. Thousands of investors had purchased shares on credit, expecting the market to continue its heady rise—average share values almost doubled in December alone—which they had to suddenly sell Jan. 8.

But thousands of other investors also lost, who had put their australs into high-interest seven-day bank deposit accounts and seven-day government bonds; they were unable to redeem their investments, except in long-term, dollar-denominated bonds, called Bonex. These bonds are already trading for only half their nominal value—meaning a 50% loss for investors, and a loss of access to liquid funds. Many banks, especially smaller ones, required to redeem the first 1 million australs of each depositor's deposits in australs, were unable to do so, and many are now threatened with bankruptcy.

Equally hit were consumers. In the final week of December, many prices were raised by 50% to 200%, in expectation of new devaluations. The government said that its new deflationary program would bring these prices back down, but so far most prices have remained far above their levels before Christmas.

## Cabinet split

Despite the already sharp recessionary features of the new plan, the government announced that it will soon impose a drastic austerity package to cut the fiscal deficit from its current level of 12% of Gross National Product. While the details are yet to be announced, this certainly must entail firing thousands of government employees, which will further depress the economy. Also slated to be pared are bonuses for workers—essential supplements to inadequate wages and salaries—and central government payments to the provinces.

As the effects, some expected, some unexpected, of the new package take hold, the cabinet continues acrimonious debate as to what to do next. Foreign Minister Domingo Cavallo, who doesn't hide his desire to become finance minister, and who is the putative architect of the present plan, has been arguing that companies should be allowed to pay their debts to banks with the same Bonex they have received in place of their australs. This would have the effect of forcing the banking system, rather than the industrial sector, to take the largest hit from the new program. But Cavallo, who reportedly told top officials that he alone had "saved" the government from disaster in the closing days of 1989, hasn't endeared himself with other cabinet members, particularly not with Menem associate Finance Minister Antonio Ermán González.

After keeping a relatively low profile for a week, an unusual development, President Menem emerged Jan. 10 to state that he was "euphoric" about the "success" of the new plan. He also wrote a letter to President Bush urging the U.S. to approve an increase in International Monetary Fund quotas, so that countries like Argentina can receive more aid. Bush wrote back, "I firmly support your objective of restructuring the Argentine economy in a manner which permits the forces of the market to operate more freely." Bush specifically backed Menem's effort to cut the budget, and concluded saying, "I want to assure you that we are ready to continue working closely with you to achieve success for your economic program."

Menem insists that he, and he alone, is the author of the misnamed Lazarus Plan. However, it was only after a Dec. 29 meeting between Ermán González and U.S. Ambassador Terence Todman, that Ermán and Menem decided to junk a previous program and go with the present deflationary scheme. With the U.S. economy on the verge of its own blowout, Washington's backing for Menem's new program will not turn out the way Menem is hoping.

# The Illinois & Michigan Canal story

by Anthony K. Wikrent

This is the story of a great transportation project, the Illinois & Michigan Canal, which created the city of Chicago a century and a half ago. The revival of these “American System” principles of economic development is just what is needed now, to draw the world out of the economic depression which is deepening day by day.

Poland’s Lech Walesa and the Pope have both correctly condemned the economic systems of communism and modern free-market “capitalism.” But, what alternative is there? Physical economist Lyndon LaRouche has proposed “a third way,” by reviving American System economics, which focuses on building up the physical capacities of the economy—roads, canals, production facilities. In Central Europe, LaRouche has proposed developing a high-speed rail system to create the most dense area of physical goods production in the world. “Look at this area from the point of view of population density and labor force, from the point of view of energy density per capita and per square kilometer,” LaRouche said on Jan. 6. “Look at it also from the point of view of the density of infrastructure: Think of the railroad network, of the network of canals and and barge traffic, the carrying capacity of the rivers and canals. . . . Think of this as a kind of corridor, a band across the map, which stretches for 10-20-50 kilometers on either side of the actual tracks.”

These principles can be vividly demonstrated by the case of the Illinois & Michigan Canal.

After independence was achieved, the major problem facing the United States was communicating with the interior, especially with the strategically crucial Mississippi valley, where three imperial powers—Britain, France, and Spain—were arrayed in a naked attempt to prohibit the continental expansion of the new republic. In the Second War of Independence (1812-15), most of the fighting was attendant to the struggle for control of the Great Lakes.

Of all the portages between the lakes and the various tributaries flowing into the Mississippi River, there were none that offered a more advantageous combination of short distance, absence of geographic obstacles, and large amounts of water, than the Des Plaines-Chekawgoe portage used by Louis Joliet and Fr. Jacques Marquette in 1673. Reportedly, when once perusing a new map of the nation’s interior with Wayne Anthony, George Washington pointed to the portage

as the future site of a major city.

In 1810, New York Congressman Peter B. Porter, founder of Buffalo and later Secretary of War under John Quincy Adams, urged the building of a system of waterways from the Hudson to the Gulf of Mexico, and noted that the easiest portion to build would be the Chicago portage. The second war with England created even more interest in Porter’s proposal. The bill admitting Illinois into the Union was amended to move the northern boundary of the new state 40 miles north, so that the future route of a canal across the Chicago portage would lie entirely within one political jurisdiction.

After settling the problems incident to the establishment of a new government, the General Assembly directed the state’s representatives in Congress to secure legislation granting authority to construct a canal through the public lands, and providing federal support.

In January 1825, the General Assembly passed an act incorporating the Illinois & Michigan Canal Company. The list of incorporators was notable: Shadrack Bond, first governor of the state and early proponent of the canal, named after his uncle, who had accompanied George Rogers Clark in the 1779 raid on the British outpost at Vincennes that secured the Mississippi valley for the Americans; Gov. Edward Coles, close friend of Second Bank of the United States president Nicholas Biddle; Justus Post; Erasmus Brown; John Warnock; Joseph Duncan, hero of the 1812 War, soon to be elected to Congress, and later governor of Illinois; and U.S. Surveyor for Illinois and aide de camp to Governor Coles, William S. Hamilton, the fifth son of Alexander Hamilton.

But the attempts of the company to raise monies by selling its stock locally met with failure.

Finally, under the pro-development administration of President John Quincy Adams, in March 1827 the Congress granted to Illinois alternate sections of land five miles on either side of the canal route. The state was to sell the land, and use the proceeds to construct the canal, but sales at first were disappointing. News of the rapid settlement of upper New York state following completion of the Erie Canal spurred desire for the Chicago canal. In the election of 1834, men were elected to the General Assembly entirely on the basis of their attitude toward the canal. Down in William S. Hamilton’s Sangamon County, the protégé of Illinois Whig leader John Todd Stuart was elected. His name was Abraham Lincoln.

Rapidly emerging as the Whig floor leader, Lincoln led the legislative efforts that finally secured financing for construction of the canal. Work began on the canal with a formal ceremony on July 4, 1836.

### The critical issue of financing

The cost was first estimated at \$8.6 million, but another study by the state House Committee on Internal Improve-

ments pegged the cost at \$13,253,875. By the end of 1836, almost \$1.4 million had been raised through sales of land. Soon, however, the project was threatened by the financial panic of 1837, which forced the State Bank of Illinois to suspend specie payments, crippling the ability of the contractors to pay for supplies and labor.

In February 1839, the General Assembly authorized the borrowing of \$4 million, at 6% interest. The first loan, for \$300,000, was given by John Delafield, president of the Phoenix Bank of New York, close friend of Washington Irving, and whose father was one of the original directors, with Alexander Hamilton, of the Mutual Assurance Company of New York. A second loan, for \$1 million, was placed with Thomas Dunlap, president of the United States Bank of Philadelphia, the institution established by Nicholas Biddle to replace the Second Bank of the United States. These loans demonstrate the importance of having a national banking system which can extend credit to domestic projects, freeing them from reliance on foreign investors.

The United States Bank loan was paid out in installments of \$100,000 a month, but by May 1840, monthly expenditures were exceeding \$150,000. The General Assembly authorized the local sale of \$500,000 of state bonds, but only \$100,000 could be sold. An attempt to sell \$1 million in state bonds in London failed to attract any bidders.

By March, contractors were being paid with checks bearing 6% interest, payable when the funds were available. Land sales in July netted only \$7,387. The contractors met, and offered to accept \$1 million in bonds at par value, and bear the discount, which turned out to be an outrageous 15% when the bonds were resold in London. After the State Bank of Illinois failed in February 1842, almost all work on the canal ceased.

Lincoln proposed that the federal government sell Illinois public land at 25 cents an acre, which Illinois could then sell at the regular price of \$1.50 an acre, generating a large cash surplus to finish work on the canal—clearly the key to rescuing the state's finances. Completion of the canal, Lincoln knew, would spark the long-awaited boom in settlement and commercial activity. After Congress defeated Lincoln's proposal, the General Assembly authorized another loan of \$1.5 million in February 1843. New York bankers were amenable, but were in dire financial condition themselves, and could offer little aid. London bankers insisted that an independent assessment be made of the value of the canal and its properties. After the assessment was made (which showed a net worth of \$14.2 million) the London financiers demanded that the state restore a special tax dedicated to funding interest payments. After this was done in March 1845, the needed monies were forthcoming, and the canal was soon completed, and opened to navigation in April 1848. The entire debt incurred in the building of the canal was liquidated by April 1871.

The completion of the canal created a geometry from which emerged a new industrial giant, the city of Chicago,

originally planned in 1829 by the canal commissioners as the Lake Michigan terminus of the Illinois & Michigan Canal. When Chicago was first incorporated in 1835—by city attorney Norman Judd, 25 years later a key Lincoln partisan on the Republican National Committee—there were 150 inhabitants, whose main livelihood was trading with the Indians. In that year, 70 bushels of wheat were shipped out of the struggling little town.

## The growth of Chicago

The entire population of Illinois from Peoria north to Wisconsin and east to Indiana was only 1,310 souls in 1830. The completion of the canal sparked the economic development of the country tributary to the city, initiating a self-developing process of rapid industrial growth. By 1850, two years after the canal had been opened for traffic, Chicago had become the 18th largest city in the Union, with 28,269 people. The population of the four counties along the canal increased from a few hundred in 1830, to 80,926 in 1850, and more than doubled in the next five years, reaching 171,012 in 1855.

The population along the waterway, from Lake Michigan to the mouth of the Sangamon River, increased from 70,252 in 1840 to 299,474 in 1855. But the growth of population was not confined to the counties immediately touching the canal and the upper course of the Illinois River. Settlements continually spread back into more remote areas. By 1855, more than half the population of Illinois was to be found north of the Sangamon River, with the most densely populated counties along the waterway.

In its first year of operation, the canal carried 454,111 bushels of wheat; 516,230 bushels of corn; 3,219,122 pounds of sugar; 4,948,000 pounds of general merchandise; and 15,425,357 board feet of lumber. Within five years, most of those figures had almost quadrupled. By 1860, Chicago had nearly 110,000 residents, who each day handled more barges, ships, flatboats, and railroad cars than the people of New Orleans, Cincinnati, Boston, and New York combined. In 1885, a canal commissioner reported that for an original investment of \$6,507,681, the people of Illinois had saved \$180 million over 37 years, in freight charges alone.

Chicago rapidly emerged as the new industrial center of the continent, producing heavy agricultural implements, railroad equipment, printing equipment, machine tools, and other equipment. From 2,081 operatives working with an invested capital worth \$1,086,025 to produce goods valued at \$3,562,583 in 1850, Chicago had 10,753 operatives working with invested capital of \$7,759,400 producing \$15,513,063 worth of goods in 1856.

Up until the 1970s, when the anti-industrial "British System" economics achieved total hegemony in the United States, fully one-third of U.S. exports originated from an area described by a 300-mile radius from Chicago and the Illinois & Michigan Canal.

## **Cartelization jeopardizes meat supply**

*Advertisements tell you to eat beef and pork; but the meat cartel is conniving to make this impossible.*

**D**uring the 1980s, the meat protein processing industry was the sector of U.S. farm industry cartelized at the most rapid rate. This cartelization also affected production, where the American beef, pork, and sheep industries have experienced dramatic shrinkage and consolidation into the hands of fewer and fewer producers. This process of cartelization, fostered as deliberate policy by the U.S. Department of Agriculture, is threatening the ability of Americans to eat meat.

While livestock producers were struggling to survive the 1980s, the meat processing industry was being monopolized by Cargill's Excel, ConAgra, and Occidental Petroleum's Iowa Beef Processors. As a result, 60% of the beef processing industry is now controlled by these three multinationals, none of which were even in the meat business prior to 1980.

ConAgra and Cargill now own the second and third largest American cattle-feeding companies and IBP has contracts with the largest feed lot, Cactus Feeders, and the fourth largest feed lot, National Farms.

By 1988, the latest big four—IBP, ConAgra, Excel, and Beef America—had grabbed about 70% of the meat market. This concentration increases meatpacking profits and depresses cattle prices in areas of no competition. The 43% return ConAgra gave investors over the past 10 years ranks ninth among Fortune 500 companies.

The 1980s saw a food promotion campaign in the United States which by implication reassured Americans that meat was being produced and in the stores to buy. Advertisements

urged Americans to eat beef: "Real food for real people"; and to eat pork: "The other white meat," and so forth.

While it's a sad day when the American public must be urged to eat nourishing food, the meat cartel mega-companies were functioning hand-in-glove with Washington agriculture and trade officials to further undercut the meat supply.

The total number of cattle and calves has fallen 25% since 1975 to 100 million head, the lowest number since 1961. During the same period, beef cow numbers dropped 24 million head (42%), from 57 million head in 1975 to only 33 million by 1988. Per person, American beef cow numbers have dropped 50% over 1975-88.

Since 1980, the breeding herd for swine fell 29%, and for sheep it fell 17%.

Hundreds of thousands of livestock producers have been squeezed out of business by low prices. Since 1980, the United States has lost 266,000 cattle growers (16%), 319,000 pork producers (49%), and 12,000 sheep producers (10%).

According to the February 1989 USDA Economic Research Service report, when all economic costs are accounted for, during the years 1985, 1986, and 1987, U.S. cow-calf producers lost an average of \$273, \$226, and \$199, respectively, per cow. Though prices are significantly higher today, when all economic costs are accounted for, the price is still below cost of production.

The USDA's agricultural information bulletin Number 551, "Financial Characteristics of U.S. Farms as of January 1, 1988," indicates that the

combined farm income and cash flow statement for hog, beef, and sheep farmers is a catastrophe. The report indicates that 56% of all U.S. livestock farms had a negative cash income (all cash income minus all cash expenses) as of January 1988. Even when non-farm income was added to these farms, 42% of all livestock farms still had a negative income. This was at a time when livestock prices were better than the mid-1980s.

At the same time that producers were going broke because of low prices supposedly caused by overproduction during the 1980s, the United States became the largest importer of meat in the world, which depressed U.S. prices even further.

From 1980 to 1988, beef and pork imports increased 41% and 223% respectively. Government officials have boasted about their ability to increase meat exports to help move the farmers' product, and that the largest portion of farm exports for 1988 (37%) were animal products. What the USDA doesn't like to tell the public is that in 1988, beef imports were 370% higher than beef exports and pork imports were 600% higher than pork exports.

The importation of live animals has also increased. Comparing imports in 1980 to 1988, live cattle imports have increased 80% to 1.2 million head, live hog imports have increased 450% to 1.3 million, and feeder lamb imports have increased 575% to 115,000 head in 1989.

U.S. farmers would have to raise 5 million more cattle and 10 million more hogs to meet U.S. consumption without red meat imports. By doing this, it would be necessary to plant another 3 million acres of corn to produce the 350 million bushels needed to feed the domestically raised cattle and hogs that America otherwise currently imports.

## Brady threatens real estate market

*Is the administration serious, or is this a power play to get more funds? Either way it's doomed.*

**T**he Resolution Trust Oversight Board, headed by Treasury Secretary Nicholas Brady, has, as part of its so-called "strategic plan," ordered the Resolution Trust Corp. to immediately try to sell all of the real estate acquired from the 283 savings and loans seized during the first nine months of 1989.

"It is important that the RTC proceed and continue to actively dispose of assets immediately," the Oversight Board said. "The RTC should avoid deferring the marketing of properties. Holding properties off the market for an extended period of time may increase the ultimate cost of asset disposition."

The Oversight Board claims that it will not "dump" the 30,000 properties it seized from the 283 failed thrift institutions seized during the first nine months of 1989, but such claims ring hollow. In order to sell that quantity of real estate in a reasonably short time span, the RTC would have to lower the prices significantly below even the current depressed market values.

Even at substantial discounts, it would be difficult to move the properties quickly. At market prices, it would be impossible.

The administration is caught in a bind, albeit one of its own making. The Reagan and Bush administrations have, as part of their perception management scenarios, consistently downplayed the seriousness of the financial crisis facing the nation.

The Financial Institutions Reform, Recovery & Enforcement Act

(FIRREA) of 1989, the so-called thrift "bailout" bill, was doomed from the start because it was designed to fit the political line projected by the administration, and the needs of Wall Street, rather than the reality of the S&L crisis.

FIRREA appropriated only \$50 billion to close insolvent thrifts for the first three years, a mere fraction of the funds actually needed.

William Seidman, the chairman of both the Federal Deposit Insurance Corp. and the Resolution Trust Corp., publicly stated recently that no more insolvent thrifts can be rescued until Congress gives the agency another \$50-100 billion in operating funds. The RTC has sold only four of the nation's 600 insolvent thrifts in the last 10 weeks.

The problem facing Seidman is that the RTC must pay off depositors and absorb huge quantities of real estate and other assets when it seizes a thrift, meaning that it has a substantial cash outlay at the time of the seizure. The RTC, so the theory goes, will get much of this money back when it sells the acquired assets.

The problem is that the RTC has to pay out money up front, and try to get the money back down the road. As a result, the RTC quickly ran out of funds and simply does not have the funds to close all of the nation's already-bankrupt thrifts, much less the hundreds of newly-bankrupt thrifts.

The operating funds Seidman is calling for would be to cover the gap between payout and payback. However, voting further funds for the S&L

bailout so soon after the passage of FIRREA is something that few in Congress wish to touch.

The Bush administration's proposed "solution" to this problem, selling off seized properties immediately in order to raise the funds to pay for the next round of thrift seizures, will backfire spectacularly if implemented. By dumping 30,000 properties on an already depressed market, the government will drive prices for *all* real estate even lower.

These lower prices will, in turn, reduce the value of real estate holdings by banks, S&Ls, insurance companies and other financial institutions, as well as other businesses and individuals—at a time when many of them are desperately trying to sell those holdings to bolster their own weakening financial positions.

In other words, it will send a deflationary shock wave throughout the entire economy, and complete the real estate blowout even more quickly.

What is likely is that the administration is running a bluff, intending to use the threat of dumping its real estate holdings to force Congress to vote up the operating funds demanded by Seidman. The mere floating of the idea of dumping was enough to set off howls in the banking and real estate sectors, who understand the disaster of such a policy.

Whether the administration is actually serious about dumping the real estate, or is merely engaging in some sort of political power play, the result will ultimately be the same.

Real estate values across the nation are collapsing in a deflationary spiral due to the continuing collapse of the physical economy. None of the administration's games and scenarios can prevent the looming real estate blowout—only an American System economic policy can, but that's not one of Mr. Bush's scenarios.

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# Business Briefs

## **Defense Technology**

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### **British Navy has new laser guns**

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The British Navy has installed new laser guns on warships to counter attacks from low-flying aircraft. Originally reported by the Spanish weekly *Tiempo*, the deployment is now being discussed in the British press.

The *Times* of London reported on Jan. 8 that the laser gun is screwed to the top of a warship's bridge, and is controlled from the ship's operations room. The laser beam from the gun is designed to blind pilots at certain ranges. "The navy weapon was apparently developed jointly by the Ministry of Defence's Royal Signals and Radar Establishment (RSRE) in Malvern and the Admiralty Research Establishment. Work is now thought to be under way at RSRE to develop an entire range of similar weapons for use in aircraft and on land."

The *Times* claims that the *Tiempo* leaks might "compromise" the laser-gun program and deployment, and the British Labour Party intends to demand to know whether other NATO members have such systems. Reports the *Times*, "The Soviet Union and the United States signed an agreement last June banning 'dangerous military activities.' Those included the use of laser beams that could harm pilots. The agreement, which came into force on Jan. 1, was reached after a series of potentially dangerous incidents in the Black Sea when American pilots monitoring Soviet warships said they had been hit by laser beams."

## **Unemployment**

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### **Claims hit highest level in five years**

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U.S. unemployment claims increased 35%—to 426,000—for the week ending Dec. 23, compared to the same period the year before, according to the Labor Department, the highest level in five years.

The weekly increase in jobless claims versus the previous year's figure has been ratcheting upward since mid-1987, when claims were falling at a rate of negative 21%.

Even though jobless claims are skyrocketing, the Labor Department reports that December's unemployment rate remained at 5.3% for the fifth straight month. The official unemployment rate for all of 1989 was also 5.3%, compared with 5.5% in 1988.

Another 25,000 manufacturing jobs were lost in December, the ninth consecutive monthly decline, which lowered employment of factory workers to 19.5 million, the department said. Construction jobs also declined—allegedly because of the cold weather, not the real estate collapse—putting the total loss of goods-producing jobs including manufacturing at 64,000.

The gain in new jobs was entirely in the services sector, which rose by 206,000 jobs. The net increase last month of 142,000 jobs was one of the smallest increases in two years and down sharply from November's figure of 222,000. Retailers did less hiring than normal during the Christmas sales season.

## **Investments**

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### **U.S. economy faces 'present danger'**

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The "present danger" confronting the U.S. economy is that there could be a "coalescing of negative developments which will sour investor confidence in the U.S. economy and in the Bush administration's ability to handle it," the London *Independent's* Washington correspondent Bailey Morris reported on Jan. 5.

According to Morris, "any one of a number of developments could shatter the fragile sense of security." The U.S. economy is "skating close to a recession, and could tip over the edge in the second quarter of this year."

Morris points to the growing number of "debt-laden companies" in the United States, whose situation will make the U.S. deficit worse. At the same time, "Japanese investment may be going elsewhere," particularly

into West Germany and other parts of Europe. Japan has been increasingly cautious about investing in the United States after the October crash, and may not be so willing to prop up the U.S. economy. "Americans may pay a heavy price for a decade of fiscal mismanagement," warns Morris.

## **Robotics**

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### **Japan is the world leader**

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Japan will invest three times more per capita than the United States in new factories, robots, and machinery this year, according to Deutsche Bank economist Kenneth Courtis, the *Washington Post* reported Jan. 2.

Japanese companies now employ 68% of the world's robots—175,000 compared to 33,000 in the United States, according to statistics from the Japanese Industrial Robot Association—and the gap is increasing.

One Japanese company, Fanuc, controls 70% of the Japanese market and about half the world's market in numerically controlled machines. Fanuc, along with Swedish ASEA, has joint ventures with General Motors and General Electric to supply robots and robot technology.

## **'The Recovery'**

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### **Journal of Commerce admits income drop**

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The *Journal of Commerce* admitted in an editorial on Jan. 4 that the income of U.S. workers has been devastated over the past decade, and warns that there may soon be social explosions.

"A picture of a stagnant economy is becoming clearer by the day. Each morning's paper brings news of layoffs and cutbacks . . . [but] the real economic crunch will involve not jobs, but living standards," the *Journal* wrote.

"Measured in 1977 dollars, the average



non-supervisory workers in the private sector earned \$165.62 a week in August. That's 1% less, adjusted for inflation, than that worker earned in August 1988, 1.5% less than at the bottom of the recession in 1982 and, for those with long memories, nearly 17% less than when real earnings peaked back in 1972. . . . Not even the renaissance in manufacturing has reversed the decline in the average real wages of production workers, which are falling about 1% a year.

"Why aren't workers in revolt? [Because they] have seen their buying power rise as a result of having fewer dependents: Average household size is only 2.65 people, shrinking from 2.76 in 1980 and 3.15 in 1970."

The *Journal* admitted, "Already, scattered signs of falling living standards are apparent," when moonlighting (at an all time high) and the number of spouses forced to work instead of caring for children, are considered. "Until now, many workers have not interpreted the erosion of their own individual purchasing power as part of a broader decline in the standard of living. But if present trends continue, the pressure on living standards may soon be so great that it cannot be overlooked."

## Consumer Credit

### Loan delinquencies rising rapidly

The number of consumer loans 30 days or more past due rose to 2.88% in the third quarter of 1989, the highest level in two years, according to the American Bankers Association.

"Consumer loan delinquencies are rising, and fears are mounting that policymakers are going to need to plug yet another hole in an increasingly leaky American dike," the Jan. 3 *Washington Times* commented.

Total consumer installment credit, including all consumer debts except mortgages, rose 5.7% in October 1989, the *Times* said. Revolving credit lines, which include credit card and retail borrowings, were up 6.4%.

One barometer of the state of consumer credit is the non-business bankruptcy rate, which is rising. U.S. bankruptcy courts re-

corded 594,511 personal bankruptcies in the quarter ending Sept. 30, compared with 580,459 the previous quarter and 526,099 in the quarter ending June 1988.

## Health

### Hospitals sue states over Medicaid debts

Several major U.S. hospitals associations have filed suits against states for back payment of services rendered to patients on Medicaid because of their own desperate financial situation. In one case, *Baliles v. the Virginia Hospital Association*, presented to the U.S. Supreme Court on Jan. 9, 46 states signed an *amicus curiae* (friend of the court) brief on behalf of the state of Virginia to block the suit.

As the head of one bill collection agency explained, when the state "exhausts the budgetary allowances, they turn off the computer and just stop processing the claims." This leaves some hospitals with millions in debts and interest payments on loans which they have taken to cover those non-payments.

The state of Virginia contends in its brief to the Court that Medicaid recipients should be the only ones who can sue for payment, that hospitals have no standing. But lower courts in at least five states have ruled otherwise.

In one case, New York State Medicaid payments to the city's private hospitals are behind about 78 days, or \$578 million in arrears. The Massachusetts Hospital Association went to court to recoup what that state owed hospitals—\$350 million. Massachusetts hospitals are paying out about \$1 million a month in interest payments on money borrowed in lieu of uncollected payments.

Chicago's Rush-Presbyterian-St. Luke's Medical Center has developed a subsidiary operation, called Medicaid Applications Services (MAS), in which experts seek to maximize Medicaid reimbursables. If hospitals want to stay in business, they are going to have to get aggressive and demand payments, one MAS official said. The end result, he admitted, would be a major shift of public debt to private payers and more hospital closings.

## Briefly

● **THRIFT DEPOSITS** dropped \$4.5 billion in October, according to the U.S. Office of Thrift Supervision. The agency said that the thrift industry had lost a net \$65 billion in deposits over the year ending in October 1989. There were 2,895 thrifts still in business at the end of that period, compared to 3,001 at the end of 1988 and 3,998 at the end of 1980.

● **RED CHINA** reassured its creditors that it will continue debt repayment. A senior Chinese official said Beijing would repay its more than \$40 billion of foreign debt without serious problems, despite a 21.2% devaluation of the currency Dec. 16 to help attract more foreign investment.

● **A DENGUE FEVER** epidemic has broken out in Venezuela. The Ministry of Health reports that it is registering around 100 cases a day of dengue, and that at the present time there are 1,523 cases, of whom 37 have already died.

● **PAUL VOLCKER**, former chairman of the U.S. Federal Reserve Board, will attend a conference on central banking in Beijing, Communist China, Jan. 15-17, the *International Herald Tribune* reported Jan. 9. U.S. Deputy Assistant Secretary of Commerce Roger Severance is now in China for talks with his counterparts.

● **THE INDEX** of the National Association of Purchasing Management registered another drop in December, indicating that the manufacturing economy continues to devolve. It was the eighth consecutive monthly drop of the NAPM index.

● **PENNSYLVANIA'S** state legislature is considering one of the stiffest anti-corporate-takeover laws in the nation, which would require that any profits made in the takeover of a company must be returned to that company if it is resold within 18 months of the launch of the takeover bid.

## New books on Scottish rite: Are you a Man, or a Mason?

by Katherine Kanter

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### **Freemasonry and Its Image of Man. A Philosophical Investigation**

by Giuliano Di Bernardo  
Freestone Press, Tunbridge Wells, U.K., 1989  
167 pages with index, hardbound

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### **The Temple and the Lodge**

by Michael Baigent and Richard Leigh  
Arcade Publishers, Inc., New York, 1989  
344 pages, hardbound, \$22.95

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### **The Origins of Freemasonry: Scotland's Century, 1590-1710**

by David Stevenson  
Cambridge University Press, New York and  
Cambridge, 1989  
246 pages with index, hardbound, \$44.50, £25

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Three new books have come out on Freemasonry. "Not again!" you cry. Well, if Freemasons did not wish to recruit people, they would not write books. If publishers did not wish to push Freemasonry, they would not publish them.

You may, like many people, feel that Freemasonry is nothing but witchcraft practiced by men "above suspicion." You may feel that some kind of gigantic hoax is involved. Fine, but that feeling alone will not stem the tide. Over the last 20 years, international politics and finance have become so brutal, so utterly irrational, that it is hard to explain the *continued acceptance of such policies by the ruling elites*, save for the fact that these elites are held by tightly knit secret networks which come together (in more ways than one!) and thrash out (in more ways than one!) the basic drift of strategy. And drift it does.

So the matter of getting rid of the intellectual influence of Freemasonry has become of quite some urgency for the survival of the human race. Any Freemason who gets furious reading these lines, is either of such a low degree that he doesn't know what he's so angry about, or, he considers the survival of the Freemasonry more important than the survival of the human race, thus proving my point.

All three of the books reviewed here are quite typical of the Masonic current, in that they aim to persuade, that *so long as the public will follow*, myth can adequately replace historical truth, and that a belief structure can stand in for rigorous scientific thought. Mr. Baigent actually argues that point baldly in one of his chapters, while our other two authors do so a little more covertly. This kind of thinking simply assumes, as a fact of human existence, that *there is no reality*, that reality is purely *subjective*. Hence, the Masonic fascination with signs and symbols. You prick the Voodoo doll which is a symbol for the intended victim. The victim dies. Therefore the symbol has a real effect on the real world. Or

does it? Was it really the symbol which operated upon the victim? Or was it not the death-dealing force of hatred, which is proven to unleash the most powerful psychosomatic effects, when the entire village turns upon you, and waits for you to die?

Two of the three books reviewed, deal with an unfortunate nation which for the last 200 years, has been dealt with as though it were nothing but a myth, namely Scotland, which since the Act of Union of 1707 has been effectively silenced, to an extent that many *educated* Europeans do not know that the name refers to a separate country. They think it a geographical area somewhere in Northern England. Such a myth is the perfect birthplace for a myth known as the Scottish Rite.

In *The Temple and the Lodge*, Mr. Baigent wishes to persuade us, on the flimsiest of evidence, that the banned Order of the Temple found refuge in Scotland and that there is a direct line from the Temple, to Scottish Rite Freemasonry, Mr. Baigent seems happy to deal with a period of Scottish history so poorly chronicled in terms of original, contemporary sources, the period of Robert the Bruce and William Wallace (the late 13th and early 14th centuries), that he can get away with using the words "might well have been" a thousand or so times.

For the decisive influence of the Templars on Scottish history. Mr. Baigent can make only a very poor case. Had their influence been as he claims, Scotland would have *really* vanished from the map, because the essence of Templar policy was always to sell out whatever plot of land they got their hands on, to the highest bidder. The Temple, founded in the Middle East in 1120, was an arm of the great Alexandrian and Syrian *fondi* (dynastic financial interests), as is Venetian finance today. The Templars were bankers, in fact usurers, charging interest rates even higher than the Jews (who were the only ones officially allowed to collect interest on loans). Like many London and Wall Street usurers today, black magic was far more than a hobby to them, as Roberto Calvi might have testified, had he lived.

Now, were one to look closely enough at the men who caused the disaster of 1707, the men who sold Scotland out, it may well be that Masonic networks were involved, and especially, Edinburgh, which is an outpost of the "Venetian party." But that has to be proven, and not by Mr. Baigent's slapdash methods. Our author would have us believe, *inter alia*, that the exiled Order of the Temple, and not the Scottish armies themselves, was responsible for the victory at Bannockburn against the English in 1314, though Baigent himself admits "the precise details of what happened at Bannockburn are vague. No eyewitness account has survived and such second- or third-hand testimony as exists is distorted and confused." But we suddenly read: "All the evidence suggests that the decisive intervention came from some reserve of mounted men." What evidence? We read (p. 36): "The English collapse appears to have been caused . . . sim-

ply by fear. It is hardly credible that peasants and camp-followers could have inspired such fear. On the other hand, *it would certainly have been inspired by a contingent of Templars* [emphasis added]." As the recent events in Eastern Europe have shown, an enraged people, fighting for their very survival as a nation, is the most fear-inspiring sight on Earth.

In his first bestseller, *Holy Blood, Holy Grail*, Mr. Baigent made a much more outrageous claim: that Archduke Otto von Hapsburg, the Pretender to the Austro-Hungarian throne, is actually a blood descendant of Christ, who did not—says Mr. Baigent—die on the Cross, but fled and married—guess who—Mary Magdalen! *Voilà!* Revolting as this old Gnostic tale is, Mr. Baigent retold it cleverly, patching together his "research" like a real little devil. If only he had not felt the urge to use up the leftover bits of "research" in *The Temple and the Lodge!* Suddenly, without any apparent reason, we are projected from the British Isles in the 14th century, to America, and the Freemasons who, says Baigent, peopled that continent before anyone else was smart enough to get there.

Shall we believe Mr. Baigent's assertion that the success of the American Revolutionary War, can be written down to the unwillingness of British Masons to fight their Masonic brothers on the other side? This is crassly to deny that there were any real policy issues involved. H. Graham Lowry, in *How the Nation was Won* (Executive Intelligence Review, 1987), has shown to what extent the colonists, from the very day they set foot in America, knew that the intolerable political strictures that had brought them there, would soon lead to a showdown with the British Crown. The architect of the Revolution itself, Benjamin Franklin, whom Baigent describes as an arch-Mason, was a polymath known in his time as "The American Prometheus," owing to his original scientific work. Franklin and his network entered hundreds of organizations, took them over, and ran them. There was a need for secret societies to arrive at a precise strategic aim. That aim was the Republic. The Freemasonry was an existing secret structure, which Franklin penetrated and for his lifetime, ran. The world was his keyboard, and he played upon it. All Mr. Baigent succeeds in doing is playing upon our nerves.

### Can Satan be the Supreme Being?

This brings us to a deadlier volume. Mr. Di Bernardo, of Bologna, is apparently a Masonic "heavyweight." According to the book jacket, he is a 33rd degree Mason, and a life member of the Supreme Council of the Scottish Rite. He holds the Chair of Philosophy of Science at the University of Trento, and has been vice chancellor of that university. Judging by his photograph, he looks quite the Syrian Magus. I can only advise his students to run for cover, into something safe, like physics. Anyway, Mr. Di Bernardo is very fond of acronyms, the worst being T.G.A.O.T.U.: The Great Author

of the Universe, a being the less Enlightened among us still insist upon calling God. After reading Mr. Di Bernardo's opuscle, I would suggest another acronym for the Scottish Rite: T.E.R.F.T.U.O.P.L.I.S.A.E.: The English Rite for the Undermining of Political Leadership in Scotland, and Elsewhere.

Being from Italy, where Masonry is under considerable pressure from the healthier elements in the Church, such as they are, Mr. Di Bernardo's object seems to be to prove, by scholastics, that Freemasonry is not by any means a religion, and that therefore, the Church should spare the competition. Sparing the reader Mr. Di Bernardo's involved argument, I jump to his conclusion: "It is typical of every religion to hypothesize the existence of a divinity; but Freemasonry only requires as a minimal condition, acceptance of the regulative valence of the Supreme Being . . . a position such as non-exclusive regulativism offers the great advantage of accepting true tolerance which cannot be guaranteed by positions such as deism." I have not quite figured out what words such as "regulative" or "valence" mean, but the general drift is clear enough.

First things first. Who is this Supreme Being? I want to know. What are his attributes? In 1986, in a written decision handed down by the U.S. Fourth Circuit Court of Appeals in Virginia, Judge Butzner described a prisoner's belief in Satan as a constitutionally protected right to believe in a Supreme Being. Indeed, all witches and warlocks worship a Supreme Being. His name is Satan. Now, according to a statement entitled "Freemasonry and Religion" (June 1, 1985), by the United Grand Lodge of England, which Di Bernardo describes as "the highest Masonic authority . . . Mother Lodge of the World," Freemasonry "*has no theological doctrine and . . . will not allow a Masonic theological doctrine to develop*" [emphasis added].

"Theology" is a Greek word, made up of *Theos* + *Logos*, that is God + Word: "words about God," you discuss God in order to understand truly what is His nature. So if God is actually, as the Masons say, Author of the Universe, but they are not allowed, as Freemasons, to investigate His nature, that can only mean, that "tolerance" also implies that an Evil God can be tolerated. If a man walks in and says, "I am willing to submit to the Five Notions of Masonry, and—oh, yes—my Supreme Being is Satan," there is absolutely nothing to stop him. Di Bernardo further says, that the English Mother Lodge's declaration "assumes the importance of a constitutive act . . . and a basic document valid for all jurisdictions," so we have to take him at his word.

In the same 1985 document, the English Lodge states: "Freemasonry does not claim to lead to salvation by works, by secret knowledge, or by any other means. The secrets of Freemasonry are concerned with modes of recognition and not with salvation." Salvation perhaps not, but what about perdition? If Freemasonry exists to further an ethical ideal,

as our author never ceases to claim, what is ethics, if there be no salvation? How do you judge what is ethical behavior? Does ethics mean, to respect the rules of Masonic code? Witches' covens have a precise code of Honor, which they call Ethics, the Wages of what they please to call Sin, being in every case, Death. When the Lodge refers to the term "salvation," it is only to deform it.

Both the Christian (excluding some extreme varieties of Calvinism) and Hebrew religions have a highly developed notion of salvation, which is based on the idea of good works: God being Good, God being The Good, he is best pleased by positive acts to raise up the lot of our fellow men. There is no limit, no boundary, no end, to the Good which man is able to think of, and carry out; therefore man is free. His will is not predetermined, neither as an individual, nor as a species. The idea of the unending power of the soul to rise ever beyond its earlier states by concrete acts in this real world, is salvation, a movement of the soul *which is not predetermined*. How then, can Mr. Di Bernardo say that "Masonic thinking *as such* is alien both to the idea of a personal and provident God, and to the idea of man's salvation, unless he destroy his own argument, that there is *no contradiction* between Christian or Hebrew teachings, and his own?" [emphasis added].

But can there be anything like Masonic thinking *as such*? Can there be a Masonic part of the mind, and a Christian or Hebrew part of the mind? Once you have accepted the idea of salvation, can you forget it during one of the bizarre rituals? How can the mind be divided against itself? Well of course, it can: It is called clinical schizophrenia, and in severe cases, paranoid dissociation such as is found in mother-dominated impulse killers.

This dualism can take the form of "religious" belief which approximates that psychosis, and in many cases actually provokes it, as in the Gnostic, nominally "Christian" sects like Catharism. For the Gnostic, the world is a battleground between God and the Devil, neither able to do the other in; therefore, one must sacrifice a little to one, and a little to the other. To the dualist, the human being is a battleground between the body and the soul; the body being impure, the soul being pure, one must mortify and degrade the body—exactly the opposite of the Judeo-Christian idea of the body as the temple of the soul. Thus, the "purely symbolic" physical punishment of which the English Lodge document referred to above speaks, inflicted by "Brothers" upon transgressing Freemasons is, in fact, an integral part of their dualistic belief structure, and note, that a rod or whip which has a "purely symbolic" function hurts just as much as a common ordinary garden rod or whip. To make sense of these two divorced worlds, there must be a key, the secret thing, the thing you can only know as a Gnostic (from the Greek word "to know," *gnosein*) by being initiated—in other words, by becoming a Free mason, and therefore, by definition, Un-Free.

Di Bernardo is quite good at snaring himself in his

own traps. He has set himself another one in his introduction. "Is Freemasonry's existence still justifiable?" he asks, and answers himself: "Anyone asking the latter question is not aware of the true nature of Freemasonry, which is initiatic, and therefore not confined to any one historical period. One could assert that as American Masons fought for and actually achieved the independence of their country, there is no longer any reason for Freemasonry to exist in America. But for Freemasonry, understood as initiatic society, there may or may not be any political or social engagement, and this in any event takes second place to the true aims that it pursues." Back to square one. The question has not been answered. Is Freemasonry's existence justifiable? If it has no political or social engagement, but other "true aims," then what are they? Since Mr. Di Bernardo is a 33rd degree Mason, we are sure as hell entitled to ask.

What he has just described to us, by his own internal admission, is an ancient cult, of the Syrian or Egyptian mystery variety, the only aim of which *is to perpetuate itself* by an intricate web of weird personal "friendships." There is a way in, but there is no way out, except death. By so doing, *the elite which is admitted into the rites, is also self-perpetuating*. This is the essence of an oligarchical secret society, and only the present press laws prevent me from expressing my thoughts more freely, or more colorfully, if you will.

As to the question of secrecy. It seems that the five notions of Freemasonry are Freedom, Tolerance, Brotherhood, Transcendence, Initiatic Secret. The last throws down any fine edifice the Freemasonry may spin out about the ones before. If Freemasonry has eschewed Christianity because it wishes to be as universal as possible, then it wishes to spread its own special notion of good as widely as possible among mankind. If not, why not? If the secret is good, then it must be known. Why can every man not know it? The truth is, that the secret is not good. It is bad. It is bad, first of all, by the fact that one class of people can, by the secret, lock out the rest of humanity; this is an anti-republican concept and it is by definition bad. The only qualification we can give to that, is that in time of war, or in time of revolution, it is for a very short period necessary to keep the utmost secret *from an operational standpoint*. But Mr. Di Bernardo specifically excluded that limit of urgency as I mentioned above. Secondly, if the secret were good, it were something you could avow, or at least, something you could tell your wife in the marriage bed, since the Bible not only tells us, but ordains, that man and wife, are one. But you cannot, you must not, and the wages of what they call sin, are death. Otherwise, the secret would be known, and the secret is not known.

Therefore, by their own telling, the Masonic vow of silence is contrary to the teaching of the Christian and Hebrew religions, which say that man is of one mind, and that he must be open in the face of God, which means, open in the

face of his fellow men, because to the Hebrews and the Christians, man is made in the image of God.

### Ritual burial and rebirth

Some examples of oaths sworn in the Edinburgh Lodge around 1711 are given by Mr. Stevenson, in his depressing book: "you are to conjure him to secrecie, by threatening that if he shall break his oath the sun in the firmament will be a witness against him, and all the company then present . . . and likewise, the masons will be sure to murder him." And further: "to keep the keyes therof, under no less pain then having my tongue cut out under my chin and of being buried within the flood mark where no man shall know. Then he makes the sign again with drawing his hand under his chin amongst his throat, which denotes that it be cut out in caise he break his word."

Stevenson himself writes: "A central theme in many initiation ceremonies was ritual death and rebirth . . . Putting these points together, it is likely that the 17th-century masonic ritual involved the candidate in some sort of ritual death, and subsequent raising from the dead or being born again into the world of masonry through being lifted from the grave into the five points of fellowship embrace. Ritual burial, the death's head displayed to emphasize mortality, being raised from the dead, and perhaps having the candidate himself ritually exhume and raise Hiram's body in a necromantic search for the secret keys to masonry."

I think we may feel free to replace the past tense by the present throughout, since the Masons themselves insist upon the absolute continuity over centuries, even millennia, of their rites: the stench of the grave as password into an "innocent social gathering." What Mr. Stevenson has just described is one variation of an ancient Middle Eastern death cult. Who gets killed, whose corpse gets dug up, what narcotics are used to provoke the "death" of the initiate? So is it with witches' covens. Ugly stuff, and you wouldn't want to be anywhere near it when it happens.

Mr. Stevenson, who is director of the Center for Scottish Studies at the University of Aberdeen, had his book published by Cambridge University Press, which is odd for a man who says he is worried about "Anglo-centrism" in Masonic histories. Perhaps it can all be ritually explained. One thing is sure: Mr. Stevenson is a pluralist. You will not catch him, saying what *he* himself personally thinks about these strange things, whether they be good or bad, whereas, I think that history is a science; it is part of the search for truth. Truth starts with oneself, and saying what side one is on.

Mr. Stevenson blithely writes: "The ordeals of entry in mystery cults in the ancient world had exploited pain, fear, humiliation and exhaustion, as aids to changing attitudes, just as modern brainwashing techniques do . . . the element of humiliation and rough horseplay [is this one of Mr. Stevenson's euphemisms for homosexual

rape?—KLL] commonly found in these types of ceremony . . . may be undignified, but formed important elements in the ritual with serious functions, and their psychological appeal is indicated by their survival today in initiatory practices in many trades, schools, universities and other groups, in the face of the hostility of modern concepts of dignified behavior.”

What does he mean by “hostility of modern concepts of dignified behavior”? Is there something wrong with dignity? In fact, the “modern concept” of the sanctity of human life and consequently, the inviolability of the body (which includes the inviolability of the body *when dead*, the sacredness of tombs), is several thousand years old. Judaism and Socratic thought, which are the basis for Christianity, arose as a polemic against precisely those mystery (initiatic) religions which Freemasonry stands for today.

Kowtowing, as Mr. Stevenson does, to every modern trend in history writing is definitely not dignified behavior. We read for example: “In recent decades, historians have increasingly realized that Renaissance interest in subjects like astrology, magic, and alchemy . . . should not be dismissed with embarrassment as unfortunate aberrations on the fringes of the Renaissance. Such concerns are now seen as central to the understanding of the whole Renaissance . . . attitude to the world.” What historians? When did they “increasingly” realize? This “increasingly” begins with the fathers of modern fascism: Wagner and Nietzsche, arch-occultists whose friends all over Europe were busily rewriting history as history of the occult. Twentieth-century historiography has been run by such people, particularly since World War II, thanks to the influence of British intelligence on that dumb giant, the United States.

One last point: Mr. Stevenson states that he has written *Scotland's Century* in order to prove that the origins of modern Freemasonry are not English, but Scottish, and he lists as “Scottish masonic ‘firsts’ ”:

“Earliest use of the word ‘lodge’ in the modern masonic sense

“Earliest official minute books

“Earliest attempts at organizing lodges at a national level

“Earliest examples of ‘non-operatives’ joining lodges

“Earliest evidence connecting lodge masonry with specific ethical ideas expounded by use of symbols

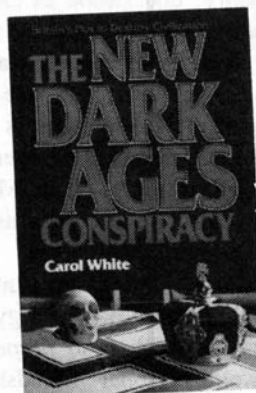
“Earliest evidence indicating that some regarded masonry as sinister or conspiratorial,” etc.

Awful stuff. To boast of how the political leadership of one’s country was rolled in flour by the English and neatly fried! That is why I put forward modestly, as a new electoral slogan for Scotland—though it might go down just as well in Italy, or perhaps, France—“Are you a Man, or a Mason?” Having given the likes of Messrs. Baigent and Stevenson a more than fair hearing for the last couple of centuries, will the real Scotland please stand up?

***If a black death could spread throughout the world once in every generation, survivors could procreate freely without making the world too full. The state of affairs might be unpleasant, but what of it?***

—Bertrand Russell

This evil is from the father of the peace movement—find out what the rest of them think.



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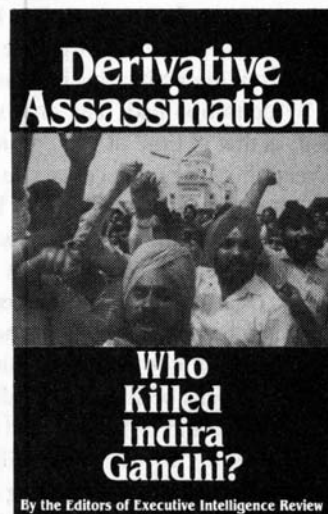
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By the Editors of Executive Intelligence Review

## Book Notes by Katherine Notley

### Books worth reading

**The Sterilization of Carrie Buck** by J. David Smith and K. Ray Nelson, New Horizon Books, New Jersey, 1989, hardbound, \$22.95.

*EIR* Editor Nora Hamerman reviewed this book for the Northern Virginia weekly *EIR News for Loudoun County*, in October. She wrote, "This book could become a weapon in the fight against resurgent Nazi economic policies, if its lessons are properly understood. There are three features of the landmark case of the sterilization of Carrie Buck in the 1920s, one of the darkest blots on the history of Virginia's political class and judiciary, which especially need to be borne in mind today:

"*One*, Carrie Buck was assigned a defense lawyer who was socially and politically tied to the prosecution and the Court, and whose failure to stand up for her interests guaranteed the tragic outcome.

"*Two*, scientific quackery, in the form of a gross misapplication of Mendelian laws of heredity to the issue of intelligence, was used to deprive the victim of her rights—quackery which is the direct ancestor to the kind of "psychiatry" which equates the refusal to bow down to majority opinion, with mental disorder.

"*Third*, Virginia's notoriously barbaric court system was utilized to serve the purposes, not of the majority of citizens of Virginia, but of the Eastern Liberal bankers. It was the New York State-based Eugenics Record Office that cooked up the ideological justification for mass sterilization of 'social undesirables' tested in the Car-

rie Buck case, and later applied with ruthless logic in Nazi Germany. And it was a New England-born Supreme Court Justice, Oliver Wendell Holmes, who put the final seal on Carrie Buck's fate and that of millions of others who came after her, in a 1927 Supreme Court decision."

**How to Locate Anyone Anywhere Without Leaving Home** by Ted Gunderson and Roger McGovern, E.P. Dutton, New York, 1989, hardbound, \$19.95, paperbound, \$9.95.

The former Special Agent in Charge of the FBI's Los Angeles field office has written an exceptionally useful guidebook for tracking down missing persons, credit information, and other vital data. It is a reader's guide to government data banks and private sources of key information. Over one-third of the book is taken up by appendices which provide state-by-state resource lists on vital statistics archives, genealogical libraries, etc. It is worth having on your reference shelf, whether you are an active-duty police officer or a private citizen.

**The Ultimate Evil** by Maury Terry, Bantam Books, New York, 1989, paperbound, \$5.95.

This is an updated edition of the excellent documentary account of the Son of Sam killings by an investigative writer who has established himself as one of the country's foremost experts on Satanic-related crime. Terry pierces the coverup of the mid-1970s' wave of killings in New York City and shows that convicted killer David Berkowitz did not act alone. Rather, Berkowitz was part of a nationwide Satanic crime ring which dates back in time to the Manson Family murders of the late 1960s, and ahead to the 1983 "Cotton Club" murder of Broadway impresario Roy Radin. The book raises compelling questions about one particular Satanic

group, the Process Church of the Final Judgment, which still exists today, under a new name.

### Sympathy for the Devil

**Alone with the Devil: Famous Cases of a Courtroom Psychiatrist** by Ronald Markman, M.D. and Dominick Bosco, Doubleday, New York, 1989, \$18.95.

I hoped that Dr. Markman, a courtroom psychiatrist with a law degree, who had interviewed members of the Manson Family Tate-LaBianca murder team, would have something to say about these homicidal products of the "peace-love-and-free sex" dawn of the New Age. I had especially hoped, that Markman would provide insight or relevant material into Satan-worship and ritualistic homicide.

Instead, the book is a thoroughgoing apology for Satanic ritual murder. Markman states: "The answer to the Manson Family . . . murders begins with Linda Kassabian's statements: 'I believe that we all have a part of the Devil within us—it's just a matter of bringing it out.' We all do have a willingness—even an appetite—to kill within us. All it takes is the right combination of factors to raise it to the surface.

"Usually, the prime candidate for Devil in this case is Charles Manson. Manson has been called everything from criminally insane to sadistic to sociopathic. I can't offer a diagnosis because I've never examined him. . . . But it doesn't make any difference. Focusing on Manson is missing the important point. . . . Charles Manson was not the first of his kind, nor the last. Consider the Family not as a wanton band of renegades but as a tribe, a valid—if somewhat grotesque—subculture."

At least, the enemy has made himself manifest.

## War on drugs by the United States has never begun

by Lyndon H. LaRouche, Jr.

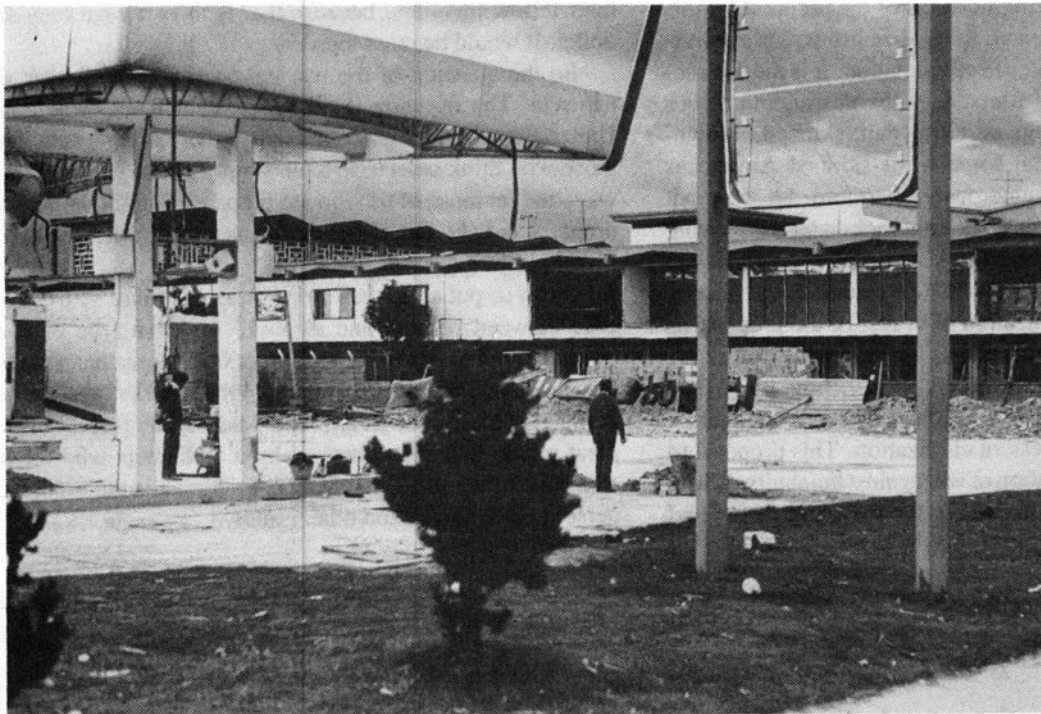
*The following comments were issued by U.S. congressional candidate and political prisoner Lyndon LaRouche, Jr., from his jail cell in Rochester, Minnesota, on Nov. 7, 1989. Since then, the U.S. invasion of Panama and President Bush's installation of a drug mafia-connected puppet regime have moved the United States in precisely the opposite direction from what Mr. LaRouche recommended. This makes a rapid turnaround in U.S. policy all the more urgent today.*

In the wind today, is the talk of abandoning the war on drugs in favor of old fascist Milton Friedman's proposal to legalize the whole business. While the thing is somewhat stymied by this debate on how to implement legalization, the fact remains, the drive is to legalize. Now what does this mean?

1) Those who say the war on drugs cannot be won, are either foolish or blind. The fact is, the war on drugs by the United States has never really begun. Although a few dedicated public servants have been out there using the pitiful amount of means, relative to the problem, afforded them for their use, and with scant backing, and although some of these have been doing a good job, the United States government, so far, has not had the will to even begin a serious war on drugs.

Now, to define what that means, we can take my Mexico City proposal outlining the policy for a war on drugs afresh, as of March of 1985. If that policy were carried out, as I summarized it, in view of technologies which I know—some of which I did not identify in that report, for obvious reasons—the war against drugs *can be won*. By aid of modern spectroscopy—both techniques which exist and techniques which can be readily developed—no one, in principle, can have a molecule of the stuff floating around anyplace that our vigilant anti-drug fighters could not, in principle, detect by peaceful means. This applies not only to the drugs which are grown as part of an agricultural development, as by the Communist government in China—its opium-growing export program—but also so-called designer drugs. Every chemical leaves a specific “fingerprint” spectroscopic trace.





*Bogotá, Colombia: The El Espectador newspaper building was bombed in retaliation for its staunch support of the Barco government's decision to resist the narco-terrorist armies, last August. The Bush administration pays lip service to the war on drugs, but has a very different foreign policy agenda.*

EIRNS

A few molecules of this stuff floating in the air are sufficient to find those drugs, *if* we are sufficiently determined to do that.

2) The problem with this issue of the war on drugs, is that powerful forces both in the communist world and in the non-communist world, are *for* the promotion of drug usage by our populations, as a matter of their cultural and social policy, as well as their financial policy. Remember that the drug revenues constitute a post-industrial profit of up to \$600 billion a year internationally right now—maybe more—part of about \$1.5 trillion or more of black funds floating around in the world market today. The banks and financial companies depend to a very large degree on these drug, weapons, and related black funds. The conduit is London, of course. Without these black funds, many of the takeovers and other things which have occurred, including the junk bond boom, could never have occurred. Let us not kid ourselves about where this money goes; it goes into those things which are prized as “creative financing” and “high-yield” financing, directly or indirectly.

So therefore, for financial reasons of some, and the cultural and sociological policy of others, as well as the communist nations, the Soviet Union and Communist China—there are powerful forces in the United States and elsewhere which are determined to prevent a serious war on drugs from ever being launched. This is typified, for example, by George Shultz, former secretary of state, who turns out to be a drug promoter, a defender of the drug traffic—a defender of it from the war on drugs. Former secretary of state! No wonder

we got nowhere in the war on drugs from 1982 on, under Reagan! No wonder it was an empty shell. We were frustrated at every turn when we tried to fight that war. Maybe President Reagan was sincere, but a lot of poeple around him were not, and were determined to sabotage it. Now it looks as though George Shultz, former secretary of state, comes under suspicion in that regard.

3) This is the key point to be addressed: The drug war against the population of the United States, and the United States as such, was begun by Mao Zedong soon after he grew to power as dictator of Communist China. By the beginning of the 1960s, Nikita Khrushchov had praised Mao Zedong for this operation, and had said that the Soviet Union, while praising Mao for this great achievement, would emulate that and surpass Communist China in the use of drugs as a weapon of strategic warfare against the United States and other Soviet adversaries. These Soviet forces found a ready accomplice in the friends of the Theosophists, such as Aldous Huxley's circles of friends, the New Agers generally, in Britain and the United States in particular, the ones who had pushed drugs as part of the Ordo Templi Orientis and Golden Dawn crowd, around Hollywood and elsewhere, during the 1930s—those who were complicit in the MK-Ultra project of the 1950s and later, such as Allen Dulles, the late Margaret Mead, and others who were responsible for this. . . .

So the purpose of drugs, the purpose of the drug war, was to use the use of drugs by people in the West as a weapon of destroying the minds and morals of the United States and others from within. . . . And that is the standpoint from

which to understand the implications of the proposal by this old fascist, Milton Friedman, to legalize drugs. This is warfare against the very existence of our nation. It is the destruction of the minds of the users. It is the destruction of our youth. It is the targeting of those dark-skinned, brown-skinned Americans whom some white-skinned Americans think are breeding too numerous; therefore, let them get rid of themselves with drugs, such as crack, which is moving from its original target, the black and brown youth of the ghettos, into the youth of the WASP communities and others.

The question of legalization of drugs, or the proposal to legalize drugs, by some people, is an attempt to further the effect intended by Mao Zedong, by Khrushchov, by Andropov as head of the KGB in 1967, and by other enemies of the United States and Western civilization. This proposal to legalize drugs is a declaration of war against humanity. Those who propose it must be likened to the mass murderers and

their fellow travelers, because that is in fact what they are doing. It would be mass murder.

So the question of the war on drugs is not whether we can win. The question is, either we win it, or there is no United States, there is no humanity, there is no future; and those who think otherwise have simply got to get out of the way, and let those of us who are prepared to fight the war on drugs, at last, be free to do our job as we know how to do it. If that occurs, we shall win.

So let us put aside these sophistries of "there's no difference between cocaine and alcohol," and that type of nonsense. Get rid of that nonsense, those lies, those cheap tricks, those sociologist's tricks, those sophist's tricks. We are not going to see our civilization, and possibly the futures of our great grandchildren, destroyed by a few idiots who are so stupid that they think that Milton Friedman is an intelligent person, on this issue and other issues.

## Legalizers gloat at Bush drug policy

Spokesmen for the drug legalization movement continue to tell journalists that they see a move toward rejection of the Bush administration's cosmetic anti-drug program, and they intend to turn this into support for the cause of legalization.

Kevin Zeese, speaking for the Drug Policy Foundation, said that he sees the administration boxing itself into increasingly "extremist" positions in order to justify its anti-drug campaign (i.e., in order to preserve Bush's millimeter-thin anti-drug "image.") Zeese commented that "they have accomplished what they set out to do, which was to increase the number of arrests, convictions, and seizures," and in addition to virtually paralyzing the criminal justice system, "cocaine prices are down, shipments are up, and now we have crack."

Not that the Bush administration has ever been serious about fighting drugs. Under the terms of the Bush-Gorbachov alliance, the strategic role of the drug trade in international conflict between East and West is being covered up, limiting all serious anti-drug efforts from the outset. Administration actions, no matter how militaristic or violent, can never actually hit nations like China, the Soviet Union, and Syria. That lack of commitment is eminently clear in the administration's refusal to give adequate funding to real anti-drug effort.

The big crunch on local officials is due to hit during

the current round of federal budget negotiations, gloated Zeese. State officials are being told that federal assistance for various programs will be cut unless they rigidly conform to the administration's own guidelines. Since the implementation of many of these programs requires expenditure of local revenues with little federal assistance, state officials are balking. Drug Policy Adviser William Bennett has been telling cash-strapped state officials that they will have to bear 80-90% of the law enforcement costs of the drug war. Bennett has faced his own, similar problem in his attempts to win financing from the budget-crazed cabinet, where Budget Director Richard Darman has been a leading opponent of Bennett, according to the Nov. 30 *Wall Street Journal*.

Zeese pointed to hearings on legalization which have taken place in New Hampshire and New York as signals of future support for legalization. He claimed that many state governors are privately in support of legalization, but are waiting for the issue to become more acceptable before stating so publicly. Drug Policy Foundation assessments on this issue are usually very reliable.

William Bennett himself has admitted that the will to fight the drug battle is seriously eroded at the state and local government level (although not among private citizens), and told reporters that he is "worried that people are going to give up and say, 'The hell with it.'" Bennett continued, "I'm mad, I'm frustrated, I'm worried. I'm concerned about the leadership. Some of the people who say they speak for Americans, be it at the state or federal level, are going to lose interest in this." He said that congressional and state leaders, in his estimation, "lacked the will, the patience—and maybe the stomach" to fight the drug battle.

# Thornburgh blocks the war on drugs

by Jeffrey Steinberg

A recurring sub-theme in the Bush administration's phony anti-drug effort is the role of Attorney General Richard Thornburgh, who has done perhaps more than any other government official to ensure that no genuine war on drugs ever gets off the ground. This is the view of a number of senior anti-drug officials—some active and some recently retired—who have been polled by *EIR*.

According to these officials, who spoke under the condition that their identities not be revealed, Thornburgh has played a particularly insidious role in blocking the efforts of drug czar William Bennett to get the National Anti-Drug Strategy off the ground. Bennett's efforts to launch even a watered-down anti-drug program have been blocked at every turn by the Attorney General, the sources say.

Among the cited examples of Thornburgh's anti-Bennett and anti-drug enforcement campaign are the following:

- From the time of Bennett's appointment as White House drug czar, Thornburgh issued across-the-board orders to all Department of Justice (DOJ) agencies to refuse all cooperation with Bennett's office. As a result, the Drug Enforcement Administration (DEA), which is formally under the DOJ line of command, and which has been significantly merged with the Federal Bureau of Investigation, played no role whatsoever in the preparation of the National Drug Control Strategy, the guiding document for the Bush administration's so-called war on drugs.

This non-cooperation edict created such a rift between Bennett's office and the DEA that senior drug enforcement officials were not even given draft copies of the Bennett drug strategy document in time to make comments and suggestions for improvement. The final document reflected this lack of cooperation by relegating the DEA to a relatively minor role in the international anti-drug effort. Ostensibly given the role of "lead intelligence agency" in the international arena, the DEA is ill-equipped, according to senior officials, given the recent years' pattern of key overseas DEA offices being either cut back or shut down altogether, in favor of near-total emphasis on domestic local law enforcement functions.

- After Bennett and President Bush both publicly identified Washington, D.C. as a priority target for increased anti-drug funding and enforcement, the DOJ set out to prepare a regional drug control plan. As of this writing, a copy of that plan has still not been presented by the DOJ to the drug czar's office, according to one senior official, despite the fact that the plan has existed for months and has been widely circulated inside the DOJ and the DEA.

- Within the DOJ-DEA command itself, critical areas of responsibility within the framework of the Bennett National Drug Control Strategy have been horribly neglected, according to several senior DEA officers polled. For example, the DEA's Strategic Intelligence Unit, a leading priority according to the Bennett plan, has been cut back to a skeleton staff. Critical areas of concern, such as the role of Syria in increased opium production and heroin processing in the Bekaa Valley, have been virtually erased from the map. According to one report, no "country report" has been prepared on either Syria or Lebanon for over two years.

The DEA's "country report" is the most comprehensive intelligence map of drug activity, including estimates of production and consumption, as well as identification of specific individuals suspected of involvement in the drug trade. Some officials say that there is a political embargo on any discussion of Syrian involvement in the drug trade, despite official DEA estimates that Syria earns over one billion dollars a year in illegal heroin proceeds, and that Syrian President Hafez al-Assad, is personally implicated in the narcotics trafficking.

## Presidential ambitions

Thornburgh's notoriety as a chief saboteur in the war on drugs reached a peak early this month, when even the *Washington Post*, which has functioned as an unofficial mouthpiece for the drug legalization lobby in the United States, published a lengthy front-page exposé of Thornburgh's failure to competently serve as Attorney General. The *Post* story echoed comments by senior DEA officials to the effect that Thornburgh is campaigning for higher office—i.e., the vice presidency or the presidency—and has surrounded himself with a "campaign staff" of longtime loyalists who place the duties of the Department on a low priority and focus instead on the Attorney General's public image. Among the examples cited by the *Post* were several instances in which Thornburgh refused to share a podium with Bennett because he did not want to give Bennett equal billing in the anti-drug hierarchy of the Bush administration.

Although the Dec. 20 invasion of Panama and the attempt to impose a naval blockade on Colombia demonstrate that the Bush administration has absolutely no intention of conducting a viable war on drugs in league with America's hemispheric allies, such as that proposed by Lyndon LaRouche in March 1985, the fact that Attorney General Thornburgh has styled himself as a leading saboteur of any drug control effort certainly makes matters worse.

# Bush installs partners of Cali Cartel to rule Panama

Partners of the Cali Cartel have been given key positions in the new administration sworn into office by the U.S. Army in Panama at midnight on Dec. 19. The Cali Cartel, headquartered in Cali, Colombia, is one of the two major crime syndicates that traffic in cocaine out of Colombia, and together with its "rival," the Medellín Cartel, has been responsible for the terrorist slaughter of thousands of Colombian citizens, including an attorney general, a justice minister, hundreds of judges, and a presidential candidate.

The government of the U.S.-appointed Panamanian "President," Guillermo Endara, has named Carlos Lucas López Tejada as Chief Justice of Panama's Supreme Court, Rogelio Cruz as Attorney General, and Mario Galindo as Treasury Minister. All three—López Tejada, Cruz, and Galindo—sat on the board of directors of First Interamericas Bank, owned by Cali Cartel chief Gilberto Rodríguez Orejuela.

First Interamericas was shut down by Panamanian authorities working with the U.S. Drug Enforcement Administration in March 1985, because of the bank's involvement in drug-money laundering. At that point, it was discovered that Rodríguez Orejuela owned 70% of the stock.

Panama's new Attorney General Cruz remained loyal to Rodríguez Orejuela to the end. Even after it was made public that Rodríguez Orejuela was the owner of First Interamericas, Cruz continued to appeal the government's decision to shut down the bank. The appeal was turned down in April 1985.

## CIA and AIFLD

The CIA collaborated for many years with Rodríguez Orejuela, through the American Institute for Free Labor Development (AIFLD). Rodríguez Orejuela is a close collaborator of the Medellín cocaine cartel. In November 1984, he was arrested by Spanish authorities together with Jorge Luis Ochoa, kingpin of the Medellín Cartel, at the latter's luxurious Madrid apartment. Both were extradited to Colombia and, eventually, set free.

President of First Interamericas at the time it was under the control of the Cali Cartel, was Jaime Arias Calderón,

the brother of Endara's First Vice President Ricardo Arias Calderón. Ricardo's banker brother is also one of the owners of Banco Continental, which has served as a conduit for financing the election campaigns of Ricardo's party, the Christian Democrats. In 1985, a captured Colombian drug-runner confessed that he had laundered some \$40 million for the Colombian drug-traffickers through the Banco Continental—with the full knowledge of another opposition leader, César Tribaldos, who sat on the board of Banco Continental.

Named to run the Colón Free Zone by the Endara regime was Jaime Ford Lara, nephew of Panama's Second Vice President Guillermo ("Billy") Ford. According to the *Miami Herald* Jan. 5, convicted Medellín Cartel money launderer Ramón Milián Rodríguez "laundered millions of dollars in drug money in the early 1980s through a Panamanian company in which Ford's brother Henry was an officer." The *Herald* reported that Ramón Milián became a friend of the Ford family through Jaime Ford Lara, the vice president's nephew.

The *Herald* added that Milián Rodríguez, currently serving a 43-year racketeering sentence, said that "Guillermo Ford was also involved with laundering money through Corporación Ford. The *Herald* could find no documents to support Milián's claims."

## Ford and Endara, also tied to traffickers

*EIR* reported on Jan. 5 that "Second Vice President Guillermo 'Billy' Ford is up to his elbows in drug money-laundering." Ford and two political associates, Carlos Rodríguez—named by Endara as Panama's ambassador to Washington—and Roberto Eisenmann own the Dadeland National Bank in Miami, Florida. That bank was revealed in 1985 to have served as a laundromat for one of the largest marijuana-smuggling rings ever caught in the United States, that of Antonio ("Tony") Fernández. (Ford's associate, Eisenmann, publisher of Panama's *La Prensa*, also sits on the board of Banco Continental.)

And Guillermo Endara, who was installed as President of Panama by George Bush, is a business partner of a leader of the Panama's former opposition caught red-handed in the dope trade, Carlos Eleta Almarán. Besides being the corporate attorney for the Eleta family's considerable interests, Endara owns significant stock in, and sits on the board of, Harinas Panama, S.A.; Carlos Eleta is the company's president and founder.

Eleta was arrested in April 1989 in Macon, Georgia by the Bibb County Sheriff and U.S. Drug Enforcement Administration personnel, and charged with conspiring to import 600 kilos of cocaine per month into the United States, and planning to set up shell companies in Panama to launder the estimated \$300 million per month in drug profits.

Two associates of Eleta arrested in the same scheme have since pleaded guilty in a plea-bargaining agreement. Eleta remains free on \$8 million bail pending trial.

# Dukakis team helped cover up for Bush

*San Diego lawyer Edgar Paul Boyko was a guest together with EIR's Carlos Wesley on the talk show Radio Free America with host Anthony J. Hilder on Dec 28. What follows are portions of the transcript, printed with the kind permission of Radio Free America.*

This occurred . . . in the fall of 1988, prior to the presidential election. I was contacted by a person who claimed to be a middleman for the Noriega entourage, and this was shortly after General Noriega had been indicted by a grand jury in Florida on drug charges. I was told that the Noriega people were interested in talking to me about representing the general. I said I don't know why they would; they have capable lawyers in Florida, and I don't particularly like to go there to practice anyway.

They said, "No, no we're not interested in your representing him on this criminal case. We're interested in you representing him in his efforts to talk to a subcommittee of the

United States Senate headed by Senator Kerry of Massachusetts, and he would like to go before them and disclose secret information that he has about the role of the CIA, the role of George Bush, the role of the Reagan administration, in importing large amounts of illegal drugs into the United States through certain entry points along the border, notably El Paso, Texas, and also into California, partly by air, partly by surface." I was given details of the dates and places of those shipments and the particular days in which the CIA arranged to divert the DEA and Customs surveillance, and the arrangement supposedly was that the cash realized from the sale of these drugs in the United States would be returned to Panama and there would be laundered through Panamanian banks, and a portion of it would go to the Contras.

Noriega supposedly was privy to all this. It was not clear to me whether he was supposed to be partner in this, or simply had knowledge of it, and he wanted to do all this, in return for a safe conduct and for immunity. . . .

I said yes, I would be interested in that, and yes, I had the kind of connections in Washington that would make it possible for me to explore that. And I was then contacted by one of his military aides, . . . and he said that they were interested and would I be standing by for a call from General Noriega himself. A call did come through. . . . And the next thing, the general was on the phone. . . .

## Panama's democratic drug pushers

The leading "opposition" paper in Panama, *La Prensa*, was reopened the second week of January with the full blessing of the U.S. government and the U.S. military. Its director, Roberto Eisenmann, Jr., was simultaneously the subject of an adulatory full-length feature in the "Style" section of Katharine Graham's *Washington Post* on Jan. 9. Presented to the American public as a principled democrat and dedicated patriot who suffered untold persecution at the hands of alleged "sex pervert" and "torturer" Gen. Manuel Antonio Noriega, Eisenmann appears to be the Bush administration's candidate of choice to replace a temporary Guillermo Endara in the Panamanian presidency—when the moment is ripe.

The real "Bobby" Eisenmann is a drug trafficker, as the following excerpt from an April 1987 *EIR* Special Report entitled "Project Democracy: The Parallel Government Behind the Iran-Contra Affair," demonstrates:

"The *La Prensa* group—publisher, editors, and their

closest business and political associates—worked together as a drug-trafficking ring for nearly ten years—a fact that is a matter of record in U.S. courts and well known to U.S. law enforcement officials. . . .

"The drug ring in which the *La Prensa* group was involved was the 'Fernández syndicate,' a group of Cuban-Americans and Panamanians which admitted to smuggling at least 1.5 million pounds of marijuana from Colombia into the United States between 1977 and 1981. The syndicate was indicted on Dec. 12, 1984 by a Florida grand jury," charged with drug trafficking, distribution, and laundering of drug proceeds.

"The syndicate owned shares in Eisenmann's Dadeland Bank of Miami . . . [which] was used by the syndicate as a storage point for the group's drug profits, before the dirty dollars were smuggled down to Panama to be 'laundered.' *Robles y Robles*, a law firm run by *La Prensa's* founding editor Winston Robles, advised the drug ring, and served as go-between between the Fernández group and the Gaviria gang in Colombia, members of the group admitted."

Eisenmann's co-owners of the drug-laundering Dadeland Bank were none other than "Vice President" of Panama Guillermo Ford and "Panamanian Ambassador" to the United States, Carlos Rodríguez.

One of his aides came on later, and said, we will send you a fax inviting you to come down here. . . . I responded and I said, okay, number one, I do not recommend that the general come to the United States on any kind of safe-conduct because I do not think that that word will be kept. My suggestion was that if he wanted to I could try to arrange for the committee to go to a neutral place, perhaps Costa Rica, and if he would appear there with sufficient protection so that his safety could be assured, and he would do all this. . . .

After speaking with the general briefly and exchanging faxes, I submitted a proposal. . . . I said I would like to arrange for a meeting on neutral ground in Costa Rica and try to persuade the Senate Committee to go there and give General Noriega a hearing. . . . In response to his direct invitation, I said yes, I will come to Panama but I would like to bring down a team of people. One of them would be a security person, because I was warned that there was considerable personal risk involved in going down there, which seemed pretty logical. I wanted a translator, a good interpreter, since I do not speak Spanish, and I wanted a bilingual attorney, who is associated with me, to come with me. . . . And I proposed a certain amount of money that it would take to bring this down.

I then received a phone call from a Greek gentleman, . . . an associate of General Noriega's. . . . He said "Well, we don't want to spend the amount of money here, we'll send you a plane ticket." And I said, "Thank you, I don't go to Panama and stick my neck out for a plane ticket. . . ."

. . . So more faxes went back and forth, and the next thing I knew I received another call, and a fax saying "We have changed our mind, we don't need your services any more. We have made a deal with Reagan-Bush, that President Reagan and his successor [presumably George Bush] will take the pressure off General Noriega and there will be no more problems between them and there is no need to do anything." And I said: "If General Noriega buys this, he is a real fool, because obviously, right now, Bush needs him, because Bush does not want, on the eve of the election, a disclosure of his role—which I was assured was a real one—in arranging, orchestrating, and directing this two-way drug and money traffic between Panama, Colombia, and the United States. Now it would be devastating to him. Once he is safely elected, what reason does he have to keep his word?"

. . . I thought this was very valuable information. And while I was certainly not an admirer of Gov. Michael Dukakis, I thought, well, the election is coming up, and these people ought to have access to this information. So I called Governor Dukakis's man in San Diego, named Larry Lawrence . . . and I told him the story. And he said, I will immediately put you in touch with the Dukakis headquarters. About an hour later I received a call from some arrogant woman in Boston . . . and she said, "We don't want to have anything to do with this." And I said, "Well, go ahead. Lose the elections. See if I give a darn." And that was the end.

## Syrian drug-traffic connection indicted

by Thierry Lalevée

A little-noted trial which ended on Jan. 5 in the western French city of Brest has resulted in the conviction of two agents of the Syrian government, Mohammed Partoussi and Ahmed Ali, on drug trafficking charges, and their sentencing to eight years in jail and a fine of 96 million French francs. This alone might give many cause to reconsider the backing which the Bush administration has given to Syria in its effort to crush the sovereign nation of Lebanon. But the convictions themselves are of minor importance compared to what was revealed at the trial, and introduced into the court record on the initiative of Judge Fahet. Namely, for the first time ever in any court, the role of the Syrian government in international drug trafficking, as repeatedly exposed in this publication, and the activities of its intelligence agents, were tried, convicted, and sentenced.

As noted by reporters, it was the first time ever that a French judge decided to incorporate into the legal record of the prosecution, a thick intelligence report written by a non-French intelligence agency, the U.S. Drug Enforcement Administration (DEA). The report was nothing less than a thorough compilation, detailing how the Syrian government has been involved in protecting, growing, and exporting hashish and heroin out of the Lebanese Bekaa Valley, since as early as 1976.

The bare facts of the case are as follows: On Nov. 11, 1988, French customs officials seized the ship *Cleopatra Sky*, arresting Partoussi, Ali, and seven other crewmen of Syrian, Egyptian, and other nationalities. Aboard the ship they found a mere 25 kilograms of marijuana. Yet, the seizure was not at random, but was done on the initiative of British customs which, it was revealed later, had an informant in the network, one Paul Cryne. An investigation showed that *Cleopatra Sky*, owned by a Lebanese-Syrian named "Hijazi," had left the northern Lebanese port of Tripoli in mid-October with no less than four tons of hashish. Its meeting and delivery point was just off the coast of the British port of Newcastle, where it had arrived on Nov. 6. Delays in the delivery of the drugs to local British mobsters forced the crew to throw the Hashish overboard in order to avoid being seized by British customs, only to be caught in France.

A year-long investigation involving the cooperation of British and French police officials and repeated trips to Spain, Cyprus, and the Middle East brought some highly interesting evidence to light. First, it was proven that the four tons of

hashish had been loaded into the *Cleopatra Sky* by units of the Syrian Army which had transported it in military trucks all the way from the Bekaa Valley. Second, it was also shown, according to British customs officer Brian Wilson, that both Partoussi and Ali, respectively the ship's captain and lieutenant, were no mere seamen, but held ranks within Syria's military intelligence. Third, the delivery involved an Anglo-Syrian drug network going up to the highest level of the Syrian state.

### The Anglo-Syrian drug network

What prompted Judge Fahet to incorporate the DEA document in the proceedings of the case, was evidence linking the network to leading figures in Syrian intelligence. Among those named has been Commander Hassan Ali, a former military attaché in Paris who was expelled in 1982 after having been involved in a car-bomb explosion against the *Al Watan al Arabi* newspaper on Rue Marbeuf, which killed one passerby. Hassan Ali is described in the case as a leading officer in military intelligence in Lebanon. Also named is Commander Ali Haydar of the Defense Brigades in northern Lebanon.

The name of Syrian Vice President Rifaat al-Assad was also repeatedly mentioned. Though his involvement in the *Cleopatra Sky* operation itself was not raised, his name came up in relation to the man considered to be the brains behind the shipment: British subject Alan Brooks, currently in jail in Spain for other drug offenses. Since 1984, when he moved to Spain, Brooks has been based in the Nueva Andalucia district of the town of Marbella (near Málaga). Brooks reportedly maintained "good neighborly" relations with Rifaat al-Assad, who owns a house in the same district. Brooks also owned a yacht, the *Diogene*, located in the Puerto Banus nearby.

In 1988, several of Rifaat al-Assad's security guards were declared *persona non grata* after they harassed local shop-owners in the same Puerto Banus region. In a case that Spanish authorities decided to keep as quiet as possible, it was proven that Rifaat's associates were blackmailing the shop-owners into selling their shops. A woman, owner of a local restaurant who resisted the pressures, had her restaurant ransacked. One Spanish security official reportedly became outraged at the behavior of the Syrians and leaked the story to a newspaper, for which he was condemned to six years in jail in July 1989. Indeed, as it was mentioned in the French case, Spanish intelligence and Syrian intelligence are reported to have reached an agreement whereby Damascus commits itself not to foster violent or terrorist activities on Spanish soil. But as the Dec. 12 issue of the French daily *Libération* notes, this agreement does not say anything about the use of Spain by Syria for its drug-smuggling operations.

Alan Brooks, it was said in court, had masterminded the establishment of a new Anglo-Syrian drug connection, involving in particular what was described as the new mafia



The President of Syria, of whom Henry Kissinger said on April 11, 1989: "I rather like Hafez al-Assad. He is a cold analyst of the national interests of his country."

of the Manchester region in northwest Britain. His yacht, the *Diogene*, was used as a secret location for holding meetings. The relationship between Brooks and Rifaat, even if it did not formally involve drug activities, seems to have been very close indeed. For example, Brooks is now also wanted by a French judge in a totally different case: On Aug. 17, 1988, a speedboat ran over several swimmers off the coast of Antibes in southern France, killing several before fleeing. A French investigation showed that the speedboat actually belonged to Rifaat. However, Jaime de Mora, a member of the Spanish Royal Family and close cousin of the King, immediately came to Rifaat's defense saying that they had been together in Spain on that particular day. Yet, no one else but Alan Brooks is now suspected of having been at the boat's helm at the time!

Because of the various charges against him, it may now be some time before Brooks is actually tried for his involvement in the *Cleopatra Sky* caper as it was detailed by mobster-turned-informant Paul Cryne. Meanwhile, the Brest case has naturally put the spotlight on Syrian drug activities in southern Spain. This cannot but bring to mind the name of international drugs and arms smuggler Monzer al-Kassar. Al-Kassar was expelled from Spain in 1987 for drug related activities, and is now under suspicion of having sold weapons to the ETA Basque separatist organization. He now lives in Damascus under the protection of intelligence boss General Ali Duba, and is reportedly selling his own house in Marbella. But that is not the end of the story. On Jan. 7, the West German weekly *Bild am Sonntag* started a series of exposés on al-Kassar's role in drugs and international terrorism, based on investigations by former police official Manfred Morstein, author of a best seller last year on al-Kassar's terrorist operations. In the same vein, the daily *Bild Zeitung* revealed in early December 1988 that the explosives used to kill Deutsche Bank chairman Alfred Herrhausen belonged to a lot smuggled into Europe in 1977 by the Red Army Fraction through its contacts with Syrian intelligence, and Monzer al-Kassar in particular.

# What Henry Kissinger doesn't want you to know about Communist China

*The following is excerpted from an appendix in a newly revised third edition of the bestseller Dope, Inc.—Boston Brahmins and Soviet Commissars, which is scheduled for release sometime this year.*

The cover-up of the role of the People's Republic of China in producing and trafficking drugs to the West is one of the biggest lies perpetrated by a U.S. government, in this case by successive American administrations, over the last two decades. The success of this coverup far exceeds even that of the Warren Commission report on the assassination of President John F. Kennedy. Whereas over 80% of the American population believes the Warren report is a fabrication, the issue of the P.R.C.'s poisoning of American veins and minds with drugs appears to have been buried forever. As of the early 1980s, the Drug Enforcement Administration had no files on the P.R.C. at all!

Not only did the P.R.C. never stop growing and trafficking in opium—and there is no evidence to suggest that Beijing did stop—but in the 1980s, the resurgence of the Golden Triangle drug flow to the West, surpassing the heydays of the Vietnam War, shows that Beijing is on a new drug offensive.

Corroborated reports indicate that today the P.R.C. is the world's largest opium producer. According to Hong Kong reports, the P.R.C. is producing 800 metric tons of opium per year. This is the same as the record high of 800 tons produced annually in the entire region during the height of the Vietnam War, when Chinese drug trafficking was an open matter of Chinese war strategy. Before 1972, it was well-known that the P.R.C. produced 65% of the world's opium. The Hong Kong-based *Liberation Monthly* reported in December 1989 that the P.R.C. today provides 80% of the high-quality heroin selling on the international market.

The censorship on Chinese drug trafficking, however, is so complete that details of the P.R.C. dope trade rarely see the light of day. An article in the May 16, 1975 issue of the *San Jose Mercury* explained why: "A secret federal report, the *Mercury* has learned, pinpoints the People's Republic of China as the producer of quantities of heroin that have been detected in the Bay area. The report, completed six months ago, supposedly is being kept under wraps by the federal

government for fear its release could affect detente between the U.S. and China."

Contrary to the P.R.C.'s own propaganda, drug trafficking is not the business of independent criminals, but is a prime earner of foreign exchange and is directed by a state monopoly controlled by some of the top dogs of the Communist hierarchy. P.R.C. leaders' occasional reports that the mainland is becoming a "transshipment point" for Golden Triangle drugs are to be laughed at as crude coverup attempts. For example, in October 1989, Liu Wen, director of criminal investigation in the Ministry of Public Security, acknowledged to an Interpol conference that farmers "have been found" growing opium poppies in the southeast border areas. Liu blamed an increasing mainland addiction problem on the P.R.C.'s increasing contact with foreigners. In July 1988, the *Beijing Review* reported that "A few people in the southwest border areas [Golden Triangle country] have adopted the habit of smoking opium." All 43 traffickers arrested in the P.R.C. since 1986, the *Review* claimed, were of foreign nationalities.

The China dope is smuggled out into the world labeled either as "Burmese," "Pakistani," or "Afghan." As the Dec. 19, 1985, French journal *Vendredi, Samedi, Dimanche* noted, the P.R.C. drug trade "does not work in a clandestine way. One of the centers of this Chinese connection is the extreme-western part of China near Pakistan, Afghanistan, and the Soviet Union. The reporter arrived in a city called Kashi where the ethnic minority called the Uygurs are controlling the drug traffic toward Pakistan." The city is reportedly filled with Pakistanis.

## Communist Quaaludes for America

It is on the public record, but certainly not in the public conscience, that the P.R.C. is the world's major supplier of the illegal drug Quaalude. This came to light in a June 30, 1982 article in the *Washington Post*, which reported that China legally exports the drug to brokers in West Germany. Some 10% of that shipped is used for legitimate medicinal purposes. The remainder—that is, the bulk of what the P.R.C. produces—is dispatched through West Germany to drug-trafficking networks in Mexico, Colombia, and Canada for re-shipment to the United States. The *Post* article quotes then-Sen. Paula Hawkins (R-Fla.) that the P.R.C. "now pro-



duces about 100% of the methaqualone [generic name for Quaalude] illegally used in the U.S.” That trade is estimated to reap \$2 billion annually.

Other sources of illegal Quaalude—West Germany, Austria, and Hungary—cut down their Quaalude trade, since the supply many times exceeded the medicinal demand. The P.R.C. regime, however, has refused to cooperate with efforts to dry up the supply. In an admission of Beijing’s determination to use any means to acquire foreign exchange while subverting the West, a Chinese foreign ministry spokesman told reporters in June 1982, when the scandal briefly flared up, that “China’s sale of a certain amount of methaqualone as medicine through normal trade channels fully conforms to international practice.”

In 1982, Quaalude was listed by U.S. drug officials as the major cause of deaths, injuries, and mental trauma in 13 major U.S. cities, especially among teenagers. In 1984, P.R.C. Quaalude production again came to light with the report of the U.S. House Select Committee on Narcotics Abuse and Control, which stated: “Methaqualone . . . has mostly been smuggled from Colombia, where it is formulated into tablets from methaqualone powder originating in the People’s Republic of China and Hungary and surreptitiously shipped to Colombia from the Free Port of Hamburg.”

The Quaalude case conclusively proves that P.R.C. interest in drug trafficking did not end with the end of the Vietnam War, the end of the Cultural Revolution, nor the death of madman Mao Zedong. It continues to be the policy of China’s “reformist” leadership under Kissinger crony Deng Xiaoping.

## The Kissinger coverup

It was Henry Kissinger who clamped down on any discussion in the West of the Chinese Communists’ role in global drug trafficking. Although it was widely known, and of course admitted, by Beijing’s leaders that the P.R.C. had produced and trafficked dope to American GIs in Vietnam, by the end of the Nixon administration Kissinger had squelched all mention of the P.R.C. as a drug source, in the interests of his new “China card” policy for a Washington-Beijing rapprochement. Kissinger’s effort involved not only protection of the P.R.C. but the subversion of Nixon’s entire 1971 anti-drug crusade.

Nixon’s effort had been skewed from the very beginning. Despite massive evidence that the major source of heroin flowing into the United States came from the Golden Triangle comprised of northern Burma, Thailand, Laos, and the Yunnan Province of the P.R.C., Nixon’s major political focus was the termination of poppy cultivation in Turkey. Soon agreement had been reached with Turkey for crop substitution and other measures to eradicate the poppy crop. The next step was to prepare a “world poppy map” of total opium production. This intelligence was compiled by the Nixon-created Cabinet Committee for International Narcotics Control (CCINC), un-

der the direction of Nelson Gross and Egil Krogh. Gross, with special cooperation from Defense Secretary Melvin Laird, began flying F-4 and SR-71 reconnaissance missions over the Golden Triangle, including sections of the P.R.C. Learning of these operations, Henry Kissinger, from his position as national security adviser, sent out orders to end the reconnaissance flights, on the grounds that they threatened the U.S.-P.R.C. “détente” which Kissinger was trying to effect.

Kissinger stepped in again when Gross ordered U.S. ambassadors in opium-producing countries to draw up an action program against the drug. Gross also proposed that the United States threaten use of its veto and cut-off power in the International Monetary Fund and World Bank, to threaten loan freezes against any country refusing to cooperate. Kissinger answered these recommendations in a policy paper countering Gross point by point. In defense of Dope, Inc., Kissinger argued that Gross’s policy 1) would exasperate relations between the U.S. and other countries; 2) could create internal repercussions for allied governments; 3) would be counterproductive to other U.S. security and foreign-policy interests; 4) could not be applied to all nations, could not be applied easily by financial institutions, and would set up situations in which targeted countries could easily call Washington’s bluff.

At several points, Kissinger specifically intervened to protect the P.R.C. against charges that the Communists were the major source of heroin flooding U.S. installations in Vietnam and U.S. cities. In February 1972, to dispel widely circulated rumors of P.R.C. drug trafficking, the “White House” (that is, Kissinger) sent a memo on plain white stationery to selected Republican members of the House of Representatives asserting that “the Government of the People’s Republic of China had for years officially forbidden the private production, consumption, and distribution of opium and its derivatives. There is no reliable evidence that the P.R.C. has either engaged in or sanctioned the illicit export of opium or its derivatives to the Free World nor are there any indications of P.R.C. control over the opium trade of Southeast Asia and adjacent markets”—notwithstanding Chou En-lai’s own confessions.

Since the P.R.C.’s opium production is under state monopoly, the memo’s carefully selected phrases “private production” and “illicit export” tended to arouse more suspicion than they dispelled.

Several months later, Kissinger took further measures with a “White House” memo ostensibly released from drug information director Richard Harkness, and sent to the State, Treasury, and Defense departments. The memo urged cabinet agencies to counter claims that the P.R.C. trafficked in drugs. The memo was leaked to nationally syndicated columnist Jack Anderson, who wrote a May 26, 1972, column bluntly titled “Protecting Peking.” “A White House memo,” Anderson said, “contains evidence that Richard Nixon, once the implacable foe of Communist China, is now defending China”

against charges that it is involved in drug running.

Later, Rep. John Ashbrook (R-Ohio) revealed that Nixon was prepared to raise the question of Beijing's drug trafficking when he visited Beijing, but this was vetoed by Kissinger because "it would have been too explosive in the initial meetings."

In short, the United States entered into its geopolitical alliance with the P.R.C. with the full knowledge that Beijing-produced and -trafficked drugs were being funneled into the veins of American youth, with the profits going back to Beijing. But, just as with the Bush administration's diplomatic embrace of the butchers of Tiananmen Square, the geopolitical relationship with Beijing was considered far more important.

### **The hoax of the Golden Triangle**

As Drug Enforcement Administration sources indicated, the chief Big Lie which Kissinger executed on behalf of Beijing's drug lords, was to order the DEA to redraw the map of the Golden Triangle. Whereas the original map contained the P.R.C.'s Yunnan province—in fact, the southwest section of the province comprised the largest component of the Triangle—Kissinger ordered that the Triangle be inverted so that the apex reached only as far as the Yuannan-Burma border and the base of the Triangle cut a far wider swath across Burma, Thailand, and Laos. Although the original mapping of the Triangle had been based on detailed intelligence reports, at least through the early 1960s, by U.S. Narcotics Commissioner Henry J. Anslinger, the Chinese role was passed over in total silence, without a shred of evidence to indicate any decrease in P.R.C. drug-related activity.

After the end of the Vietnam War, and even more so with the 1979 Soviet invasion of Afghanistan and the overthrow of the Shah of Iran, the Golden Triangle as a whole largely slipped from the U.S. drug-radar screen.

On Feb. 12, 1988, however, the DEA was forced to re-evaluate when Thai law enforcement authorities seized 1,280 kilograms of heroin in a ship in the port of Bangkok, in one of the biggest drug busts in history. The heroin seized had a street value of \$2.1 billion. All of it was bound for New York City. The amount seized—1.4 tons—exceeded the DEA's estimate of only 1.2 tons of heroin coming into the United States from the Golden Triangle in a single year! Given that any amounts confiscated represent only a small fraction of the actual flow, the DEA estimate of the Golden Triangle flow into the United States was off by anywhere from 50% to 90%.

The bulk of the heroin is derived from opium produced in the P.R.C., and much of that in Yunnan province. The opium is dubbed "Burmese" because it is brought to the outside world through Burma, thanks to the services of the Chinese-backed Burmese Communist Party, the Chinese-backed Kachin Independence Army, and the Shan United Army (SUA) led by the notorious drug lord Khun Sa, a "Shan" of Yunnan-province descent who, it is believed, con-

trols 80% of the Golden Triangle drug flow and who directs opium refineries scattered throughout northern Burma, Thailand, and the Soviet client-state Laos. Khun Sa's ties to Yunnan are close. In October 1989, his top aide, Sakchai Suwannapong, also known as Ma Kuang-ting, was arrested in Hong Kong. A warrant for his arrest was issued on Sept. 20, 1989, by the U.S. District Court of New York. Sakchai had been assigned by Khun Sa to move large amounts of opium and heroin through Thailand, allegedly because of his high-level Thai contacts. But Sakchai also has official ties to the P.R.C.; he is the president of the Chinese Yunnanese Association in Thailand.

Since the early 1980s' successful crackdown by the Thailand government against opium growing, Thailand has become primarily a transshipment point for "Burmese" drugs. Khun Sa claims that the opium is grown in scattered one-hectare plots in Burma along the Yunnan border by hills tribesmen. However, the bulk of opium now moving out of the Triangle would be difficult to produce in Burma alone under such conditions. According to John McBeth of the *Far Eastern Economic Review*, in 1979 the normal Burma crop yield was 400-500 tons, producing 40-50 tons of heroin. But in 1979, the crop went down to 200 tons, with half of that, McBeth reported, staying in Burma. This low yield was the result of "tougher enforcement measures, both in northern Thailand and along the Burmese side of the border, [which] have combined . . . to put the squeeze on traffickers and addicts alike."

Since then, however, despite continued pressure in Burma, the "Burmese" yield has steadily risen. In 1981, the crop was 600 tons. In 1986, an estimated 700-1,100 tons were produced; in 1988, the crop was estimated to have climbed to 1,400 tons. In June 1989, Thai Police Maj. Gen. Chavalit Yodmanee predicted that Burma's 1989 harvest would increase to 2,000 tons.

The yield is more than double that of the Vietnam War high of 800 tons. The difference is a vast increase in the Asian drug market itself, with severe heroin addiction problems emerging in Malaysia, Thailand, India, and Pakistan, and a surge in the Western market, as the Bangkok seizure of 1.4 tons of heroin bound for New York attests.

### **Chinese-Burmese shell game**

No matter how much of the "Burma" crop is grown along the northern or southern side of the Burma-P.R.C. border, there is no doubt that the P.R.C. is actively involved in the trade. The connection goes back to 1954-56, when 700,000 Chinese moved into Burma from Yunnan. At the same time, the Maoist regime began cultivating the ethnic groupings of northern Burma, including the Kachins and Shans. In addition, the Chinese controlled the Burmese Communist Party. In 1967, when the Burmese government of Ne Win attempted to challenge the P.R.C. hold on northern Burma by cracking down on the Maoist Red Guard operating in

Burma, Beijing lambasted Ne Win as a “fascist dictator,” a “puppet of U.S. imperialism,” and broke diplomatic relations. Ne Win was forced to back down, acknowledging P.R.C. dominion over northern Burma—and the opium flow. As late as April 4, 1988, the London *Daily Telegraph* reported that the BCP controls large chunks of the opium trade in Burma and that the Communists have “some sort of sanctuary in China which provides them an edge.”

That opium flow—out of Yunnan into and out of Burma—was documented in detail by U.S. Narcotics Commissioner Harry Anslinger. Back in 1953, Anslinger told the Eighth Session of the United Nations Commission on Narcotic Drugs, “Despite the efforts of the Burmese government to control the illicit traffic in narcotics, hundreds of tons of cleaned and packaged opium in one-kilogram units are brought into Burma each year from Yunnan province. Routes for the smuggling are through Myitkyina in the Kachin State and through Lashio on the old Burma Road in Northern Shan States. The hub of the traffic on the Yunnan side of the border is Tangyueh. Along the border are found trucks, military vehicles, carts, mules and pack trains used for transporting the opium. About 43 tons of opium are consumed annually in one small area along the Yunnan border, but the amount of opium in the traffic through Burma far surpasses the amount consumed within the country.

“During the year 1953, opium from Yunnan province accounted for almost 100% of the opium seized at some transshipment points.”

Anslinger reported that the big marketplace for the dope was Chiengrai in northern Thailand. “From there the opium reaches Bangkok by boat, truck, rail and plane, and three to four tons can be delivered at any time to a point outside the border at Bangkok in the open sea”—a smuggling practice that continues to this day.

In 1955, Anslinger estimated that the P.R.C. was producing over 1,200 tons, with Yunnan producing 500 tons and another 500 tons leaving the P.R.C. via Canton, adjacent to Hong Kong.

In January 1959, authorities cracked a major drug ring in San Francisco whose operation indicated the extensive P.R.C. use of overseas Chinese to market the mainland’s heroin. A total of 21 Chinese conspirators were found to be in the ring, with 12 of them residing in Hong Kong, Macao, and Shanghai, and the rest operating in the United States in secret criminal organizations called the Tongs. Documents seized showed that the heroin originated in Deng Xiaoping’s Szechuan province, and was smuggled into the United States via Hong Kong. Except for the source tag on the heroin, nothing has changed in the criminal transfer system since.

Eyewitnesses have come forward in recent years to confirm the Yunnan connection. In June 1984, writes Maj. Gen. Chu Sing-yu (ret.) of the Society for Strategic Studies of the Republic of China, a Miss Chang Yu-mu left Yunnan for Taiwan and reported that the local Yunnan authorities had

assigned 36 People’s Communes of Haimung Haien to grow opium. In 1982, she said, Communist cadres were sent into the zone controlled by the Burmese Communist Party to buy opium and better seeds. The BCP is a satrap of the mainland, a relationship so close that in 1973 the BCP formed with Beijing the “Chinese-Burmese Communist Composite Force” joining the BCP’s Northeast Military District and the Kunming Military District. The expansion of opium production and profit-splitting from it became an integral part of the relationship in 1976, according to Wang Kang, a Chinese Communist who was sent into the BCP zones as a “special product transportation officer” in the 1980s and then escaped into Thailand in 1984. Reports that Beijing has decreased its official financial support for BCP signifies only that the gross profits from expanded opium trade in the 1980s have rendered such official support unnecessary.

The opium produced under the aegis of the BCP is then brokered to Khun Sa, who oversees its refining into heroin and negotiates the deals for its transshipment through organized crime gangs.

### **Behind the gang wars in Chinatown**

Once transported by Khun Sa into Thailand, the heroin is taxed by Yunnanese-origin Chinese based in Chiang Mai, who also provide security. Then, at least up to 1979, the Chao Chou Chinese buy and export it. However, in the late 1980s, with the expansion of the Golden Triangle heroin trade, there is evidence that suggests Beijing moved to take over for itself this latter leg of the heroin trade route. In 1984, gang warfare broke out in Amsterdam, the hub for the distribution of Golden Triangle dope for Western Europe. Amsterdam’s flow has been controlled by various Chinese ethnic groups led by the Hong Kong-based 24,000-member 14K. In 1984, dead bodies started appearing when the “Big Circle” gang began challenging the 14K. The Big Circle is comprised of recent immigrants from the mainland—whose direct ties to Beijing are undoubtedly clear.

The *Far Eastern Economic Review* reported at the same time that the “narcotics agencies say that there is evidence that some of these Yunnanese middlemen are now seeking to strengthen their international connections with the aim of cutting out the Chao Zhou syndicates.”

This is further corroborated by source reports that since 1985, a major reorganization of Chinese organized crime networks was carried out in New York City. In part, such a reorganization was preparation for the leap in Golden Triangle drug flow to the United States and the expanding role of ethnic-Chinese crime networks in the U.S. drug market. Beijing’s aim is to push out the old Chao Chou management of the drug trade. Over the course of the decade, the P.R.C. lost its trust in the Chao Chou, since the overseas Chinese tended increasingly to reinvest their drug funds in legitimate ventures in their resident countries, instead of sending it all back to Beijing. . . .

# Bush's threats to blockade Colombia give big boost to drug cartels

by José Restrepo

The Bush regime's scheme for blockading Colombia with the excuse of fighting drugs, "would result in the invaders being repulsed and would backfire to the benefit of international drug trafficking," Colombia's leading anti-drug newspaper *El Espectador* wrote in an editorial on Jan. 7. It described the U.S. naval moves as a "stupid procedure that can not be justified even by the invincible blindness of the U.S. chiefs of state" (see *Documentation*).

On Jan. 5 the Bush regime dispatched the aircraft carrier *U.S.S. Kennedy*, carrying planes fitted with sophisticated radar surveillance equipment, its convoy, and the cruiser *U.S.S. Virginia* into international waters around Colombia to check any ship or aircraft with a Colombian flag, as well as other aircraft and ships coming from Colombian ports.

From the very beginning, the government of President Virgilio Barco made clear that the operation was unilateral, and had nothing to do with Colombia's war on drugs. "The government has not participated, and will not participate in, any joint maneuver in international waters of the Caribbean with airborne military or navy units of the United States," said an official communiqué issued on Jan. 7 by the Palacio de Nariño, Colombia's presidential palace. The government, said the statement, "has not authorized and will not authorize the maneuvers in territorial waters."

Soon afterwards, in response to widespread denunciation in Colombia and in other Ibero-American countries, Bush had to postpone the blockade. But the plan is still active, and the U.S. is simply waiting for a more opportune time to give the go-ahead.

Bush had the cooperation of Social Democratic Venezuelan President Carlos Andrés Pérez, whose government had advance knowledge of the activities of the U.S. fleet and promised Venezuela's cooperation and logistical support, and even the use of the waters and port service around the Maracaibo Gulf—waters which are in dispute between Colombia and Venezuela. However, even Pérez was under enough pressure that he had to say, "I believe it is up to Colombia to respond to the decision or proposal of the United

States to put ships in territorial waters."

The plan was strongly denounced by Colombia's foreign minister, as well as by the entire spectrum of political parties there. "Necessarily, any type of interference [against Colombian-flag ships] on the high seas will require authorization from the Colombians," said Foreign Minister Julio Londoño Paredes, who also attacked the U.S. government's lack of will to fight drugs on its own territory. "It's not possible to believe that a country like the United States, which has the most sophisticated means for interception and control of ships or airplanes entering its territory, would have to pass into international waters to carry out a job that belongs to its own national jurisdiction." Londoño observed that the United States has done nothing to prevent "the drug traffic [from penetrating] into its territory, nor [has it stopped] the shipment of arms and chemical substances [used to process cocaine] to Colombia and other countries."

Londoño rejected the plan to install a network of radar tracking stations that would be operated by U.S. troops. "As long as Barco is President of the republic, it will be very difficult for these kind of things get approved."

## The second Panama?

The foreign minister made these comments while he was on the island of San Andrés in the Caribbean north of the mainland, where Colombia maintains an important naval base. In response to Bush's persistence in blockading Colombia, the Colombian Air Force sent aircraft to San Andrés to patrol Colombian continental waters, and its Navy sent two corvettes and four submarines on a "sovereignty mission." Londoño refused to meet with a U.S. Navy delegation whose ostensible mission was to explain the operation. All these military forces are still in place, and any incident could become the pretext for a clash between the superpower and Colombia, possibly even leading to an invasion similar to what was done in Panama.

Former Colombian President Julio César Turbay, who currently leads the ruling Liberal Party and is a very powerful

political figure, stated on Jan. 8 that the actions planned by the United States, "because of their proximity to the recent invasion of Panama, are considered by Latin American public opinion as something threatening, such as to make them lose the character of simple naval training maneuvers." Turbay added that the U.S. fleet's actions are an "absolutely unnecessary show of force, because nobody doubts that the U.S. is the top Western world power." Turbay, himself a longtime friend of the United States, asked Bush to respect international law, in order to prevent "the growth of anti-North American feelings in our peoples."

Hernando Durán Dussán, a candidate for the Liberal Party's presidential nomination, said on Jan. 7 that Colombia does not need to be watched over, because the country itself, without U.S. help, is able to deal with the problem of drug trafficking. The following day, he said that "traveling our national waters without authorization by our government would be a clear invasion, which we are not willing to accept, even if it is done by a friendly country with which we have dynamic trade relations."

Gustavo Vasco Muñoz, Colombian ambassador to Venezuela and a very close adviser to President Barco, said that "there exist other much more effective means of fighting the drug trade, and not what the U.S. government is announcing. . . . In the first place, repressing consumption in the industrialized countries . . . control of chemical products . . . effective control of arms trafficking . . . effective control through the major financial institutions of what is known as dollar laundering . . . supply of some helicopters . . . personal protection of our judges . . . avoiding adoption of economic measures on the part of the industrialized countries which enormously affect our economy [a reference the U.S. refusal to renew the coffee trade pact], which not only affect our foreign exchange income but also create situations of growing unemployment which also doesn't help in the fight against the drug merchants."

Colombia has received support from other countries' governments and press throughout Ibero-America. Mexico's daily *El Nacional* editorialized on Jan. 10, "the mere announcement of this new operation has provoked profound unrest in Latin America, while simultaneously producing a ministerial crisis in Bogotá. . . . What would happen, for example, if the captain of a ship from some country with a history of adversarial relations with the United States refused to recognize the authority of the U.S. fleet? What could happen if, through neglect, another ship of any flag continued on course, 'disobeying' the 'orders' to stop?"

A little common sense even poked through the U.S. media. The *Baltimore Sun* wrote on Jan. 11: "The fact is that U.S. efforts to organize a cooperative assault on narco-trafficking have been badly set back by the Panama invasion. While General Noriega may be in jail, many bigger fish in Colombia, Peru, and Bolivia have more swimming room because their own beleaguered governments are now inhibit-

ed from working closely with Washington. Soothing words from George Bush and Dan Quayle won't be enough. Add to the price of Panama higher costs for shoring up Andean regimes whose zeal and capacity for choking cocaine at the source are vastly reduced."

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## Documentation

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El Espectador, *the courageous Bogotá daily whose printing plant was bombed by the drug traffickers last year, wrote in its Jan. 7 editorial:*

The runaway U.S. foreign policy toward the hemisphere is becoming weird. From the perspective of the historical clock, it looks like a premeditated turning back to the most opprobrious armed interventionism. To that must be added the unjustified economic intervention against the nations of the continent. . . .

It is as if we were returning to the territorial rape in 1835 against Mexico, or William Walker's filibusters, to the armed interventions against Nicaragua at the beginning of the century, the occupation of Haiti in 1915, or General Pershing's "punitive expedition" against Mexico. When one adds to this our mistreatment by international terms of trade, one would have to conclude, despairingly, that we have before us new evidence of an imperial policy which lacks only the concept of *Pax Romana* as the unappealing norm imposed on subject peoples. All this, at a time when international détente prevails, and the world begins to sense a breath of freedom.

The blockade of Colombia's coast was announced, allegedly in order to combat drug trafficking—precisely against the nation and the government which has paid the highest toll of blood and death in fighting that conflict, and when the capos of narcotics trafficking are trapped and almost defeated. This stupid measure cannot be justified even by the invincible blindness of U.S. rulers. It seems to be an attempt to displace the war on drugs away from their own borders, closing their eyes—eyes and noses—to their inhabitants' increasing [drug] consumption and moving the war from their land and sea territory to ours. This is a scandalous act, which, if carried out, would result in the repudiation of the invaders and would backfire to the benefit of international drug trafficking.

A thousand times No! . . .

The silence on the invasion of Panama by no means justifies this new act of continental aggression. Our countries should form a common front against this violation. And Colombia, the government, our people, and all Colombians, must be on guard to defend our national sovereignty. What is happening is no longer a precedent, but is evidence of a demented, absurd, unacceptable, and humiliating policy.

## Moscow regroups to crush democratic revolutions

by Konstantin George

An era of East-West strategic confrontation has begun, with the simultaneous decision by the Eastern Slavic military, political, and Orthodox Church elites of Russia, Bulgaria, and Serbia to create new, dictatorial-imperial leaderships, based on Great Russian, Greater Bulgarian, and Greater Serbian chauvinist and anti-Western movements. These movements are components of a counteroffensive orchestrated by Moscow against the democratic revolutions in East Germany and Czechoslovakia, and the democratic revolutionary potential in the rest of the East bloc, which has created the world-historic opportunity for destroying Bolshevism and sparking a renaissance based on truly sovereign nation-states, including a reunified, independent Germany.

The “clever” calculations of George Bush and Margaret Thatcher, who think that they are managing and manipulating the Soviets, are exposed as total delusions. The Soviet circles that are moving toward a world empire are on the ascendancy, and if anything, it is they who are manipulating the “useful fools” of the West. But with the Soviet economy at breaking point, and the demand for freedom growing in every satellite and subjugated republic, the situation that is emerging is one nobody will be able to control. That is what makes the coming period so very dangerous.

The chauvinist upsurge that is being unleashed, with its Pan-Slavic overtones, is an operation being conducted behind the cover of so-called “multi-party systems.” In Russia, the mass Russian chauvinist organization Pamyat and nine of its sister organizations created, on Dec. 29, a de facto Great Russian political party, the Bloc of Social-Patriotic Organizations of Russia, to run candidates in the March 4 elections in the Russian Federation. The bloc’s program de-

mands the elimination of “Western influences,” foreign investment, private property, cooperatives—i.e., a complete break with the perestroika reform policies of the past years. Its proclaimed mission is to save the Russian Empire from dissolution, by rallying the Russian population to fight secessionist tendencies in the Baltic, Transcaucasus, and Ukraine.

The same phenomenon is occurring in the Balkans. A “nationalist opposition,” backed by the Army and Bulgarian Orthodox Church, has arisen in Bulgaria, leading the mass anti-Turkish demonstrations under the slogan, “Bulgaria for the Bulgarians.” In Yugoslavia, the same turning point began in December, when Serbia’s President, the demagogue Slobodan Milosevic, agreed to transform Yugoslavia into a “multi-party system,” which, based on demographics, would be dominated by a Greater Serbian coalition of that country’s Eastern Slavic majority of Serbs, Montenegrins, and Macedonians.

The ugly turn in Moscow, set off against the systemic crisis and economic breakdown shaking the Russian Empire, is reflected in events occurring in the Balkans, Central Europe, and the Transcaucasus along the borders with Iran and Turkey. In the Soviet Union, a new grouping is rapidly coming to power. It is centered on an alliance of the military-industrial complex, the military command, and the security organs, and fueled by a mass-based Russian chauvinist upsurge. It may rule with or without Gorbachov as its nominal head. A decisive policy turn, however, is under way, and with it, the old Gorbachov era, as such, is dead.

A look at the various “fronts” on the map shows the policy turn in the making, and the strategic crisis being generated.

Yardsticks of how fast the parallel growth of Serbian

chauvinism and Yugoslavia's disintegration are proceeding, were provided on Jan. 8, when, in a postwar first, a Serbian chauvinist party, called Serbian Popular Renewal, and a Croatian nationalist party, the Croatian Democratic Society, were founded at respective party conferences in the Serbian region of Vojvodina, between the Danube and Hungary, and in the Croatian port of Split on the Adriatic.

### **Turn in East Germany**

Beyond the Balkan theater, the Moscow-ordered counteroffensive is clearly visible in the arrogant behavior of the Soviet puppet party, the SED, in East Germany. The post-October period of SED retreat before the democratic revolution in the Soviet-occupied part of Germany, has, at least for the present, ended, and a counteroffensive has been launched. The SED's counteroffensive is relying on the blackmail capability provided by the 380,000 Soviet troops on German soil.

The communist regime of Prime Minister Hans Modrow has drawn the line on further concessions to the population. It has not only announced categorically and repeatedly since the New Year that the Stasi (state security apparatus) will not only *not* be disbanded, but went out of its way to arrogantly proclaim on Jan. 8 that the state security apparatus will be kept at a strength of 60,000 full-time salaried personnel. This figure does not convey the full strength of the hated Stasi structure. The Stasi also maintains an army of tens of thousands of stringers and informants throughout the German Democratic Republic.

The SED counteroffensive reflects a Moscow policy, a point vividly demonstrated by a signal article in the Jan. 8 *Pravda* by Markus Wolf, officially the head of East German intelligence (the Stasi's Hauptverwaltung Aufklärung) until February 1986, and unofficially, at present, the general director of the East German counterrevolution. In *Pravda*, Wolf asserted in a confident tone that "the SED-PDS" as the SED now calls itself after its December Party Congress, "possesses sufficient strength for radical renewal," emphasizing that now, the SED "must firm up its ranks," and profile itself as the party that can deal with the problems of daily life.

In this campaign, the SED will make full use of its total media monopoly and its unbroken control of the state apparatus, two fronts where it has refused to make any concessions. The SED will give away nothing. As has been the case till now, only when a mass movement gives it no other choice, will the SED concede.

### **New explosions in the Transcaucasus**

The mass eruptions that began on Dec. 31 along the Soviet-Iranian border in Azerbaijan, later extended to the Soviet-Turkish border, have internationalized the crisis in the Transcaucasus, and thus raise crucial questions. One aspect of the developing crisis there, is deliberate KGB complicity in preparing the groundwork for a possible north-

south split of Iran in the near future.

Moscow, by its own admission, had one month's advance warning that, by Dec. 31, action would be taken to demolish border installations. Azerbaijani protesters in early December had given a deadline of Dec. 31 for opening the Soviet-Iranian border.

Yet, no action was taken, allowing a full-scale crisis to explode, with international ramifications. Why? Soviet media waited three days, until Jan. 2, when Azeri-Armenian violence resumed in the Armenian enclave of Nagorno-Karabakh in Azerbaijan, to report the destruction of border facilities and the Karabakh inter-ethnic violence. By Jan. 4, as documented in *Izvestia*, Moscow asserted that the mass outbreaks in Azerbaijan were a movement for "Azerbaijan reunification," i.e., the incorporation of Iranian Azerbaijan into Soviet Azerbaijan. Why did *Izvestia* thus influence events in such a potentially dangerous direction?

The same "benign neglect" policy existed during December toward the boiling situation in the Georgian region of South Ossetia, a region in continual turmoil since the end of November. Yet, only on the weekend of Jan. 6-7, after the Azerbaijan outbreak, did Moscow highlight this crisis, and dispatch more troops into Georgia. Finally, on Dec. 15, the U.S.S.R. Council of Ministers endorsed a Supreme Soviet commission's recommendations that the Meshketian Turkish minority (the victims of the Uzbekistan pogrom who were evacuated from Uzbekistan last June) be resettled in their old homeland in Georgia along the Turkish border.

Implementing this decision guarantees an instant Georgian versus Meshketian crisis along the Soviet-Turkish border. Has Moscow decided to create a perpetual crisis zone facing Iran and Turkey?

### **Balkan coups**

A crucial move in Moscow's counteroffensive was the Dec. 22 Army coup in Romania that toppled and executed Nicolae Ceausescu. That coup, and its results, in no way reflect the "we've had it with communism" wishes of the overwhelming majority of the Romanian people. The National Salvation Front regime the coup installed is a group of Soviet puppet communists, all stemming from the fewer than 1,000 families that formed the pre-war Romanian Communist Party. The NSF's leader, Ion Iliescu, is also a decades' long personal friend of Mikhail Gorbachov.

The Romanian coup, together with the mass anti-Turkish demonstrations in Bulgaria, and the fragmentation of Yugoslavia in Slovenia and Croatia's reaction to the rise of the "Greater Serbia" threat, have increased the danger of a conflagration in the Balkans. As in past Balkan crises, most notably that of 1910-14, which formed the trigger to World War I, the 1990 Balkan crisis could be the precursor to a general strategic crisis.

The dimensions matters have reached in the Balkans are already quite alarming. In Bulgaria on Jan. 5, unusual state-

ments by the Foreign Ministry and Army leaders, carried on TV and radio, denied “rumors” that Turkey was planning a “military invasion” of Bulgaria, and assured the population that “all of Bulgaria’s borders and its territorial integrity are secured.” These declarations have intensified the Bulgarian chauvinism against the country’s 1 million members of the Turkish minority, into a jingoistic anti-Turkey wave now sweeping the country.

Western media portrayals of a “more liberal” post-Todor Zhivkov regime in Bulgaria, having reversed Zhivkov’s anti-Turkish policy, and thus being in conflict with a Bulgarian nationalist opposition, are a mixture of half-truths and illusions. The post-Zhivkov regime of Petar Mladenov made, in early January, two supposed “concessions” to that country’s Turkish minority. These concessions, allowing “all Bulgarians” the right to keep their names and the right to practice their religion, are, for the Turks, meaningless, but were enough to set into motion a Bulgarian chauvinist backlash. A Bulgarian leadership statement of Jan. 7, timed with the Bulgarian Orthodox Christmas, reaffirmed that Bulgaria does not even recognize the existence of a Turkish minority, and feels itself under no obligation to grant any form of cultural autonomy to the Turks.

These realities should surprise no one. Minus the bloodshed, the Bulgarian changeover in November 1989, which dumped Zhivkov, was identical in its most essential features to how Ceausescu was toppled in Romania. As in Romania, it was the Army, acting in conjunction with Moscow, which intervened to guarantee the success of the Central Committee Plenum coup that overthrew Zhivkov.

The escalating dissolution of Yugoslavia was Moscow’s prime reason for co-managing the Bulgarian and Romanian coups. Romania is strategically located between the U.S.S.R. and the Balkan hotspots of Yugoslavia and Bulgaria. Moscow will demand and get from the Iliescu regime, in exchange for Soviet energy supplies to get Romania through the winter, an agreement or understanding allowing the transit of Soviet troops across Romania for the contingency of military operations anywhere in the Balkan theater. With that accomplished, Moscow would accept a post-April non-communist-led coalition government in Bucharest, under condition that such agreements be honored.

Back in 1910 when that Balkan crisis began, no one could have predicted when a global war would break out. One could only have predicted that if the causal dynamics that produced that Balkan crisis and the ensuing European strategic crisis were not arrested and reversed, then, at some point in the next years, war would occur. In 1990, the keys to preventing a fatal recurrence of the 1910-14 dynamic are at hand, if Western policy acts to ensure that the democratic revolutions in East Germany, Czechoslovakia, and Poland emerge victorious through a crash program of economic and infrastructural development of these parts of Europe. Time is of the essence.

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## Eyewitness Report

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# 200,000 in Leipzig: ‘Down with the SED!’

by Volker Hassmann

It is Leipzig in the East Zone of Germany on Monday, Jan. 8. After three weeks of temporary restraint during the holiday season, citizens will be back in the streets for their legendary Monday demonstration. In discussions with friends and political organizers of the opposition groups, I am told that this will be another historic day. Will the citizens of Leipzig, whose passionate struggle had sparked the peaceful revolution, rise up again and be strong enough to confront the looming threat of a restored Communist regime? “The demo” is the talk of the town, in the hotels, in the restaurants, at the workplace.

In the afternoon, the inner city begins to get crowded. In various churches, the traditional “peace prayers” are scheduled for 5 p.m. People stream into the Nikolai Church, where the historic candlelight vigils had started, leading into the October revolution. I find a seat on the balcony, the room is overfilled. Christian Fuehrer, the priest of the parish, opens the prayer with the words of St. John: “And the light shineth in the darkness; and the darkness comprehended it not” (John 1:5). I look around and I see families, housewives who just came from shopping, groups of workers, some of them from the industrial cities of Halle and even Zwickau.

Pastor Fuehrer charges that the Communist regime is only regrouping, and has created a “neo-Nazi” scare to discredit the popular democratic movement. Another priest, incarcerated in 1969 by the infamous Stasi secret police in Leipzig, warns that the Communist Party, the SED, and the Stasi might provoke violence in the demonstration: “Now they are marching under the Nazi cover. Watch out, don’t get provoked! It is a decisive day!”

### Prayer for Poland

The parish sings a chorale. A group of construction workers, right next to me, who have never been in a church before, as I am told later, first listen. Then they move their lips, and they begin to join in, as all the others do. It might not be a chorale with words to remember, but it talks about hope, and this means a lot for them. Young members of the parish have prepared the peace prayer. They pray for Poland, for the elderly and the children who will freeze this winter: “We pray for the people in Poland, who have suffered from the last war, and now are pushed once more to the edge of existence.”



They have collected money to help Poland, "because with all our problems, we are still richer than they are." Hundreds of voices join in a song for Poland, where the revolution had started, and which is now suffering most.

We leave St. Nikolai and all the streets are now filled with people, moving towards the Opera for the demonstration. The first signs and banners are unfurled: "The red scare rises again, like 40 years ago." In the central square, at least 100,000 have gathered already: a sea of black-red-golden flags. A Leipziger next to me says: "We are warming up, you know." Over 100,000 voices chant: "Down with the SED!" "Modrow, go home!" "Gysi and Co.—You are K.O.!" "No vote for the SED!" "For two weeks we were not in the streets, now the Communists raise their heads again!" Some of the slogans are sung, it's a rhythmic chant, and it fills the square like roaring thunder.

A new slogan is invented, laughter, and then it spreads, and it's one pounding voice again: "Gysi to the mineworks!" The new SED leader Günther Gysi and Prime Minister Hans Modrow are the target, the people don't want them. One sign bears the couplet: "Modrow Hans—mit Stasischwanz" ("Modrow Hans, with a Stasi-tail"). There are no speeches at the demonstration, so the people have their own rally, going through their whole creative repertoire of chants, for almost an hour.

When the march is set into motion, it finally reaches the number of 200,000. It is the most powerful demonstration of the unbroken fighting spirit of the Leipzigers, called the "heroes of the revolution." There are no organizers, no sound systems, no bullhorns. Nobody reads a roll call, the demonstration is a self-organizing process. While they march, people are chanting, and if they don't chant, they are discussing. None of the banners had been prepared or coordinated, but they all stress three issues: End Communist rule, expose the "neo-Nazi" scare, and achieve German unity. The banners which back in November defended the "German Democratic Republic" as a separate state are gone.

The marchers are absolutely determined and aggressive, but at the same time it is a spontaneous, and joyful rally. New words are created, like "de-stasi-fication." Banners read: "Never again—57 years of National Socialist and Red Socialist dictatorship in Germany were enough: reunification!" "Brown and Red: Germany's dead!" "For a Germany, without red breed and brown seed!" When somebody brings the news to the rally that the roundtable in Leipzig between the opposition and the SED proposed to cancel the Monday marches for an indefinite time, the demonstrators halt, and after a second of silence they break out into a minute-long chant of protest: "We are the people! We are the people!" It seems that some of the opposition groups are hopelessly behind the will of the people.

Contrary to the lies of media in East and West, which have done everything to black out the real spirit of this march, the demonstration of Jan. 8 is of most decisive significance.

It was echoed by a march of 100,000 in Chemnitz, calling for independent trade unions, and by marches in Halle, Frankfurt on Oder, Erfurt, and other cities. It has marked the next stage of the revolution, which now seeks to end Communist rule in all its disguises, something that will be remoralizing other Eastern European countries, where Moscow intends to rule in new colors. It has also given an example of courage and fighting spirit to the rest of East Germany, where fear and partial demoralization because of restored SED power was spreading (see *EIR*, Jan. 12, *Report from Bonn*).

Numerous discussions with citizens and leaders of opposition movements revealed that no matter what trick in the book the communists will use, they can be defeated. "And if all means are gone, we will resort to the last one: a general strike," was a remark I often heard in these days. The Leipzig leader of the citizen movement, New Forum, Jürgen Tallig, put it this way:

"First, it was a revolution against something, the SED, the Stasi, the suppression of freedom. The SED has only eliminated obvious anachronisms of their bureaucracy, instruments of power that had become useless anyway. Now there is a new generation of sly 'politburocrats.' Will our revolution now have the strength to go beyond a mere 'No'? Or do we fear what fell into our lap, without a hard fight? . . . We must not rely on the next elections. If we don't wake up now, there might be a rude awakening. The opposition must unite, and can't afford to be a 'stuntman' for the silent majority. We are the people—it is our land." And he adds the warning, not to fall into the trap of submitting to "Western finance capital," "because Hungary and Poland have shown the possible consequences."

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# The 'conspiracy of silence' on Panama

by Valerie Rush

The full truth of the death and destruction caused by George Bush's murderous rage against Gen. Manuel Antonio Noriega and the people of Panama is finally coming to light. On Jan. 6, former U.S. Attorney General Ramsey Clark gave a press conference in Panama City at which he condemned the "conspiracy of silence" surrounding the thousands of civilian deaths and illegal civilian arrests in the invasion of Panama. "There is an obvious strong motive not to count bodies by governments. But attention must be paid. History demands to know, humanity demands to know, the future demands to know how many were killed," Clark said.

Clark spent four days in Panama, conducting his own investigations on behalf of several human rights organizations and family members of disappeared persons. Clark said that he had spoken to all of the organizations congregated in Panama who are supposed to know the number of civilian casualties—the International Red Cross, hospitals, and human rights groups—and yet none did.

Commenting on the latest official reports of fewer than 100 civilians killed, Clark said he had consistently heard estimates of 4,000 dead, with some estimates as high as 7,000. Clark insisted that mass graves would not have been needed for the numbers the Southern Command was putting out. He also reported that he had personally seen one such "common grave," 40 yards long, six yards wide, and five yards deep. It was filled with bodies.

Clark pointed to the poor Chorillo area of central Panama City, which was flattened in an attack on Noriega's headquarters. He said the area was densely populated, and hit during the night when people were asleep. There was nowhere to flee to.

Clark also detailed how the U.S. military is going around with political "enemies lists" to illegally detain civilians—including labor leaders, student activists, and former government officials—who are thought likely to form an opposition to the U.S. occupation and its puppet government. The commander of the U.S. invading forces, Gen. Carl Stiner, said, according to Reuter, that the job of U.S. forces in Panama is to uproot "the leadership and the infrastructure of any dissident groups." Under this policy, 15,000 have been rounded up, including labor leaders Mauro Murillo and Gustavo Martínez; former Minister of Industry and Commerce Elmo Mar-

tínez Blanco, who is also a former ambassador to Sweden; former Minister of Labor George Fisher; economist Rafael Mezquita; and newspaper publisher Escolastico Calvo. They are being held in concentration camps run by the U.S. occupation authorities. None of them is charged with any crime.

Clark charged that the invasion violated international law as well as the three treaties which protect Panamanian sovereignty. He noted that just in the occupation of the School of Public Administration at the University of Panama, more U.S. soldiers were involved, than the whole of the invasion force sent in by Teddy Roosevelt to Panama in 1903.

Especially striking was Clark's refutation of the U.S. Southern Command's claim that the devastating destruction of entire areas of Panama City was carried out by the pro-Noriega Dignity Battalions and arsonists. Clark revealed that he had met with a leading Panamanian seismologist whose equipment for monitoring potential earthquake tremors made irrefutable recordings of 417 bombs dropped on Panama City during the first 14 hours of the invasion alone, five of them of "very high explosive power."

## The media conspiracy

Clark's press conference, attended by some 30 reporters, was carried on Cable Network News in the United States, and a Reuters news agency wire went out on the story. Yet, except for a few sarcastic swipes at Clark's assertions by one or two major U.S. dailies, his denunciations received virtually no serious coverage by the U.S. print media.

Former presidential candidate Jesse Jackson garnered a few headlines when he added his voice to Clark's charges. On ABC's "Good Morning America" Jan. 8, he charged that "More people were killed . . . inside Panama City than in Tiananmen Square in China." He was immediately accused of "getting your information from Ramsey Clark." It wasn't until Jan. 10 that newspapers like the *New York Times* and *Baltimore Sun* began to admit that the official casualty figures left a rather large credibility gap.

Ibero-American coverage of the accusations, on the other hand, was widespread. Both Clark's and Jackson's charges were covered in many of Brazil's major dailies, including *Folha de São Paulo*, *Jornal do Commercio*, and *Tribuna da Imprensa*. The latter added an editorial comment that "The facts in Panama show that the U.S. plan was to conquer the whole region."

The leading daily of Mexico, *Excelsior*, picked up Clark's charges in a Jan. 10 editorial which called the Pentagon's casualty figures "unconvincing . . . they reaffirm that there does exist a campaign to hide this tragic and unjustifiable aspect of an operation presented to the public as something democratic and just."

In Europe, Clark's accusations were prominently covered in West Germany's *Frankfurter Allgemeine Zeitung*, the *Guardian* and *Times* of London, and the *International Herald Tribune*.

# Ibero-American nations in uproar over U.S. gunboat diplomacy

by Mark Sonnenblick

George Bush's belligerency against Ibero-America, even after the seizure of Panama's Gen. Manuel Antonio Noriega, has evoked outrage and fear throughout the continent. "Who is next? and when?" the Mexican weekly *Impacto* inquired. Its editorial asks, "What would prevent [the United States] from also attacking Mexico in case it felt the Isthmus of Tehuantepec to be of strategic value, or any other reason they felt like? Let's not fool ourselves. What happened to Panama could happen to any other Latin American country."

Carlos Chagas, a syndicated columnist plugged into the Brazilian military, wrote Jan. 11 that the Brazilian foreign ministry and armed forces general staff had each warned President José Sarney that the U.S. action in Panama created a "dangerous precedent." Chagas asks, "Now that the United States has inaugurated a new phase of its foreign strategy with the Big Stick in hand, justifying the most absurd interventions to catch traffickers or politicians accused of [trafficking], who will guarantee that tomorrow it does not mobilize its paratroops or its Marines on the pretext of 'saving the lungs of the world'—that is, to internationalize the Amazon?"

Chagas outlined the events of late December: "First they invaded Panama . . . which resulted in more than a thousand deaths. Then, they decided to set up a naval blockade on Colombia. . . . This U.S. escalation reveals its government's willingness to make itself into the gendarme of the Western world."

On Jan. 7-9, NBC ran a three-part soap opera on the murder of Drug Enforcement Agent Enrique Camarena. On the first night, NBC News ominously claimed that "there is a Noriega in every Mexican location."

After the Jan. 8 psycho-drama, Tom Brokaw asked drug czar William Bennett, "If Bush had been President in 1985, instead of Reagan, would he have invaded Mexico militarily like he did to Panama?" The Mexican government, in response, accused NBC of "disinformation," and the Mexican Congress swore Jan. 10 it would impede any further unilateral U.S. military invasions of Mexico or any other Latin American country to "fight drugs" or on any other pretext.

Rio de Janeiro's *Tribuna da Imprensa* asked on Jan. 11, "How is the reality of the hard line in Central America and the Caribbean—the return to gunboat diplomacy and the Big

Stick—compatible, in U.S. foreign policy logic, with the end of the Cold War, determined by the new American-Soviet strategic understanding? . . . The historical clock seems to be turning back to the most opprobrious of armed interventions," the valiant anti-drug Colombian daily *El Espectador* lamented in its Jan. 7 editorial.

Retired Venezuelan general Román Rojas Cabot, the former commander of the border defense force, wrote in the Caracas daily *El Nacional* on Jan. 9, "The task of the Latin American countries is to have responsible governments on this continent which convince the United States that relations between them be that of partners, of republics which respect each other in the spirit of the original Monroe Doctrine, which was later perverted to make the U.S. into the region's policeman." Rojas argued that if gunboat diplomacy were repeated, as by sending the *U.S.S. Kennedy* to blockade Colombia, "the Latin American peoples would be right to rise up violently. This is nationalism which surges in a forced self-defense and which must not be delayed."

General Rojas damned Venezuelan President Carlos Andrés Pérez for being "one of the few unconditional [puppets] of Washington" by abstaining from condemning the invasion of Panama at the Organization of American States. He concluded, "The Venezuelan government appears literally beside itself, subjecting itself to foreign bankers on economic policy and following alien footsteps on international policy, all adorned with interminable activism and word-mongering."

Social Democrat Carlos Andrés Pérez and the region's other Presidents are caught between a rock and a hard place. All of them have created economic disasters and widespread discontent by following International Monetary Fund policies. By doing little to defend the principle of sovereignty, they lost their last shred of republican legitimacy. Some of these governments may soon cease to exist.

Peru was the only country to withdraw its ambassador from Washington, and that was because its President, Alan García, was given no choice by his armed forces. Argentine President Carlos Menem's "free market economics" have paralyzed the economy. To remain in power, he may have to call upon military nationalists. Economic and social conditions in Brazil and Mexico are also approaching the point of

no return.

Is the United States going to misuse its military potential trying to collect debt for the big New York banks, like it did in the “dollar diplomacy” of the first three decades of this century? This was asked by Mexican commentator Sergio de la Peña in *Excelsior* on Jan. 10. “The main problem which faces Latin America in 1990 is not Bush’s outburst in Panama, which sooner or later will backfire on him internally and externally until his lust for bluster is chilled. The real gambit for Latin America this year is posed by the combination of internal neoliberalism and external financial encirclement.” He called for Ibero-America’s “collective negotiation and response toward the creditors.” Retired Brazilian Adm. Armando Vidigal spoke at a conference in Chile, where he also urged collective negotiation of the debt.

### Nationalist resurgence

In every country, defenders of republicanism are now mobilized in defense of their national sovereignty. Colombian President Virgilio Barco forced the Bushmen to cancel—or at least postpone—their threat of a naval blockade of his country. No Spanish-speaking republic, with the exception of Guatemala, has succumbed to U.S. pressures to formally recognize the Endara regime installed by U.S. military might in Panama.

Thousands of people demonstrated in Mexican cities. Hundreds of walls bore slogans; solidarity committees were formed. The Mexican Labor Party (PLM) has distributed distributed 300,000 leaflets warning, “Any pusillanimous Ibero-American government which recognizes puppet Guillermo Endara and his gang as ‘Panama’s government’ will be swept away just like the communist governments of Eastern Europe.”

The PLM leaflet insisted, “The only way to immediately stop the massacre in Panama and expel the Yankee troops is to declare the immediate suspension of foreign debt payments to all U.S. and British banks and those of any country which recognizes the spurious and drug trafficking government of Guillermo Endara. Mexico should do that first and insist the remaining Ibero-American countries do the same.” It also demanded the immediate formation of an Ibero-American Common Market. Thousands of Mexicans signed the leaflet and sent it to President Carlos Salinas de Gortari.

In the name of 12 members of the Authentic Party of the Mexican Revolution (PARM), Patricio Estévez spoke to the Mexican Chamber of Deputies Dec. 28, comparing the slanders of Noriega with those thrown against Mexican President Benito Juárez in 1862 by Hapsburg Emperor Maximilian, to justify his invasion of Mexico (see *Documentation*). On Jan. 4 the Chamber passed a resolution demanding no recognition of the illegal Endara regime.

Meanwhile, Rio’s maverick *Tribuna da Imprensa* has been trying to shatter what it calls “the conspiracy of silence,” imposed by most of the media. *Tribuna* editor Mario Jakobs-

kind wrote on Jan. 9, “In sum, the facts in Panama show that the U.S. plan was to conquer the whole region.” *Jornal do Brasil* broke the truth (from an *EIR* press release) about the Endara gang being up to its armpits in drug money laundering. It also reported candidly on the contempt the majority of Panamanians have for Endara and the tiny, wealthy, racist oligarchy he represents. Why did *Jornal*’s reporter—unlike the hundreds of others dispatched there—give an independent report from Panama? Perhaps because he was beaten up by U.S. troops when trying to cover their invasion of the Nicaraguan ambassador’s residence on Dec. 29.

Shortly after the invitation, Sen. Robert Dole chortled about Nicaraguan and Cuban Presidents “not sleeping a wink” in expectation their countries would also be invaded. But despite the senator’s euphoria, the real benefactor of the resurgence of naked U.S. imperialism may well be the communists. Bush’s actions seem to have rallied a hungry and tired Nicaraguan people in support of Sandinista clown-thug Danny Ortega. The Cuban people were watching Eastern Europe, wondering when Fidel Castro, too, would fall. Now, Castro’s exhortations to rally round him to defend Cuba from “Yankee Imperialism” no longer have a hollow ring. Only George Bush could have saved the aging dictator; that’s what seems to have happened.

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## Documentation

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*Excerpts from an address by Mexican Federal Deputy Patricio Estévez to the Chamber of Deputies on Dec. 28, in the name of the 12 members of the Authentic Party of the Mexican Revolution (PARM) in the Chamber:*

The Panama situation has been worsening in favor of the barbarism unleashed by the invasion of the decadent empire of the North against the respect, the morality, and the autonomy of the peoples of Latin America and the peoples of the world.

As a result of this bloody invasion, thousands of Panamanian civilians have died in the name of an artificial morality invoked by the government of butcher Bush. The Guillermo Endara puppet government is not supported by the majority of the Panamanian people and should not be recognized by our Government. . . .

[Benito] Juárez was slandered with the same monstrous vituperations the empire today adjudicates to Noriega, except that of drug trafficker. Afterwards, the empires invade; after the Juárez slander came the bloody invasion [of Austrian prince Maximilian in 1862]. And after the heroic defensive struggle, we managed to shoot Maximilian on Cerro de las Campanas and expel the invaders. . . .

# Khmer Rouge on verge of seizing Western Cambodia

by Uwe Parpart

*The following report was filed from Bangkok, Thailand and Wiesbaden, West Germany on Jan. 12:*

After an apparent lull in the fighting in Cambodia between the forces of the Phnom Penh Heng Samrin/Hun Sen government and the resistance alliance of the Khmer Rouge (KR), the Khmer People's National Liberation Front (KPLNF), and the Sihanoukist army (ANS) during the months of November and December, the KR, by far the strongest of the three guerrilla groups, during the night of Jan. 5/6 initiated major attacks on the Western Cambodian provincial capital of Battambang. In spite of conflicting reports about the scale and level of success of the attacks, this direct threat to and the possibility of capture by the KR of Cambodia's second largest city (200,000 inhabitants) represents a dramatic setback to the Hun Sen government, though it was foreseeable since late October, when the KR laid siege to and seized the mining town of Pailin close to the Thai-Cambodian border.

The severity of the situation faced by the Vietnam-allied Hun Sen regime and of the threat of a return to Cambodia of the genocidal KR terror were further underlined, when on Jan. 7 the KR attacked the center of the capital city of Phnom Penh with grenades and plastic explosives, the first such attack in the past 11 years. Analyzing the significance of the Battambang and Phnom Penh KR actions, the Chief of General Staff of the French Armies, General Maurice Schmitt on Jan. 9, while ruling out unilateral French military intervention, posed the advisability of intervention by a multinational military force to forestall the risk of a renewed genocidal bloodbath. The five permanent members of the United Nations Security Council will meet in Paris on Jan. 15 and 16 to take up the Cambodia issue.

## **Khmer Rouge strategy**

The military strength of the KR, several of whose key battalions are Chinese-trained and who are equipped and resupplied by the P.R.C. through Thailand, is estimated at 35,000 and backed up by about 10,000 KPLNF and 8-10,000 ANS fighters. In the course of 1989 these forces, in anticipation of the end-of-September Vietnamese combat troop withdrawal, were equipped—principally with U.S. and Chinese assistance—with sophisticated West German (Armbrust),

American (Dragon), Swedish (84 mm Carl Gustav), and French (89 mm LRAC) anti-tank weapons, highly effective against the Phnom Penh troops' outmoded T-54 tanks. Facing these guerrilla forces are 35-50,000 regular Phnom Penh government troops and some 200,000 ill-equipped and ill-trained local militias.

Timed to coincide with the late September final Vietnamese troop pullout, the KR launched major attacks from Thailand to recapture their mountain strongholds on the Thai-Cambodian border, from which they had been dislodged by the Vietnamese in 1985-86. From these reestablished bases as staging grounds and with flanking support from the KPLNF and ANS, operating in the Northwestern provinces of Banteay Meanchey and Oddar Meanchey, massed attacks were launched against the strategic town of Pailin in Western Battambang province, which fell to the KR in late October. A Phnom Penh division was partly destroyed and its remainders dispersed in the process. Then all fell quiet. KPLNF and ANS, anxious to prove the non-communist resistance's capabilities were on a par with those of the KR, continued sporadic actions in the Northwest, but the KR were hardly heard from. Western, in particular American military observers in Bangkok, while initially expressing surprise at rapid KR gains (which, indeed, were not surprising at all in light of the above-stated correlation of forces), in November began to speculate that the KR had run out of steam, and that long supply lines and related logistics difficulties would prevent KR follow-on actions against the major Western Cambodian cities of Battambang, Siem Reap, and Sisophon. Instead, a major Phnom Penh dry season counteroffensive was predicted, largely, one suspects, out of U.S. and Western embarrassment that the de facto support being extended to the KR would bring the latter back to a commanding position in Cambodia.

Actual KR strategy in November and December was threefold: 1) to utilize experienced 35- to 40-man teams to systematically disrupt the Poipet-Sisophon-Battambang-Phnom Penh railroad and strategic roadways, Routes 5, 6, and 10, to slow down and often for days cut off altogether Phnom Penh resupply of its major Western garrisons; 2) to step up guerrilla operations in Kompong Speu, Takeo, and Kompong Cham provinces, where they have enough support

and supporting supply infrastructure to tie down sizeable Phnom Penh regular units; and 3) to move thousands of KR-controlled Cambodian refugees from secret camps (not under U.N. supervision) in Thailand into Cambodia, to be used as transport and logistical support forces.

These activities, including the movement of heavy artillery, were completed by late December, setting the stage for initiating actions against Battambang and quite likely soon against Siem Reap and the Angkor Wat area—the seat of the 12th-century Khmer kingdom, whose capture would have a dramatic psychological effect on the Cambodian population. The apparent inability of the Phnom Penh government to effectively counter these KR moves reflects on the one hand the characteristic disadvantage of regular, garrisoned combat troops against sizeable and battle-hardened guerrilla forces, and on the other hand the inexperience and low morale of a large portion of the Phnom Penh army, which over the past several years either had only acted as backup to Vietnamese troops or are recent forced draftees.

It would be foolish in the extreme, or self-serving in the sense indicated above, to expect that the Hun Sen government will be able to hold major portions of Western Cambodia for long. U.S. sources in Bangkok have stated that they count on the Cambodian population's fear of a return of the KR as a major source of Phnom Penh strength. Such thinking represents typical CIA/U.S. military amateur social psychology. What will count in the present situation is the actual tide of battle; a fearful population will be watching and will side with whomever they judge to be the likely winner.

### Strategic context

That Cambodia should once again have become a major battlefield and a world-political flashpoint is a direct consequence of an immoral and strategically self-defeating U.S. China policy, going back to at least the so-called Kissinger/Nixon Guam Doctrine. This doctrine, announced in 1969 at the height of the Vietnam War, holds that no U.S. military forces must be engaged on the Asian mainland and that U.S. interests in Asia and the Asia-Pacific region should be safeguarded by a combination of U.S. naval forces and off-shore bases. An unspoken, but since then obvious corollary of this was the Kissinger/Nixon determination to conclude a quasi-alliance with Communist China to counter potential Soviet gains in the Asian region—the so-called China Card policy. This led to what the Japanese call the “China shock” of 1971-72, when Kissinger opened secret negotiations with Chairman Mao, George Bush was sent as first U.S. envoy to the P.R.C., and the way was being paved for the establishment of formal U.S.-P.R.C. diplomatic relations and the abandonment of Taiwan (and, by implication, of other U.S. allies, who might get in the way) under President Carter.

Immediately in line with the precedence assigned to the China card over all else, U.S. Secretary of State Cyrus Vance in 1977 abandoned the effort of renormalization of U.S.-

Vietnam relations and drove Vietnam fully into the Soviet orbit, facilitating the establishment of the Soviet Cam Ranh Bay naval and Danang air bases, while at the same time maintaining silence over already well-documented genocidal KR atrocities in Cambodia; after all, the KR had by then become the protected allies of the P.R.C., and Deng Xiaoping the mentor of Pol Pot!

In light of such morally repugnant and strategically imbecilic U.S. policies, which allowed the Soviet Union to make precisely the major inroads in the Asia-Pacific region that the China card was presumably going to prevent, it is no great surprise to find the present Bush administration in the position of a de facto KR supporter, at best looking the other way as the KR threatens a major comeback. As Secretary of State Baker explained during the failed September 1989 Cambodia peace conference in Paris, the United States is opposed to a future major role for the KR in Cambodia, only a “minor role” in a quadripartite Cambodian coalition government will be acceptable. One is tempted to translate this into the statement, that genocide on a large scale is objectionable, but on a minor scale and in deference to our valued Communist Chinese allies it is all right.

In the four months that have passed since the September Paris Cambodia conference, little diplomatic activity—excepting the efforts of Thai Prime Minister Chatichai Choonhavan on behalf of a step-by-step solution, beginning with an internationally supervised ceasefire—was in evidence. The battlefield, for reasons explained above, was relatively quiet, and it was the U.S. and others' cynical view, that in any case little could be accomplished, until the warring parties tested their respective strengths in combat. The first signs of a renewed and potentially successful KR offensive then called forth a spate of diplomatic activity, beginning in mid-December and culminating in an Australian peace plan, assigning the U.N. a principal peacemaking role on the “Namibia model.” The plan calls upon the Cambodian factions to permit the United Nations to administer the country for at least one year, while a ceasefire would go into effect and be enforced by a strong international peacekeeping force. Not unexpectedly, in particular in light of the successes of their KR clients, has so far not agreed to the plan and holds on to the formula of an interim coalition government involving and to be negotiated by the four Cambodian factions, at least two of which, the KPLNF of former Prime Minister Son Sann and Prince Sihanouk's group, are hardly comparable in size and weight to the KR and Hun Sen's government. Given China's present international posture and the obvious unwillingness of the U.S. to offend this putative ally, the chances of the Australian plan are limited at best, quite apart from the fact, that it, too, entirely unjustifiably, countenances a future significant role for the KR, whose leaders should instead be brought before an international court and tried for their 1975-79 crimes, that cost the lives of well over a million Cambodians.

# No end to Afghan genocide in sight

by Ramtanu Maitra and Susan Maitra

As Moscow and Washington approach each other with smiles and warm handshakes, the question being asked in this part of the world is, "Who will clean up the superpower-created mess in Afghanistan?"

The answer is: no one. Despite the superpower global power-sharing agreements, or possibly because of them, the rate of killing in Afghanistan is expected to equal that when the Soviet army was busy annihilating the "revisionists" and "imperialist stooges."

The reason why this morbid and painful episode will continue is not difficult to comprehend. In Kabul, Afghan President Dr. Najibullah is armed to the teeth with Soviet-supplied sophisticated weapons, directing action from the bunker against a rag-tag army of the Mujahideen, as well as against some of his not-so-loyal fellow Marxists, while the Mujahideen, led by a group of fortune-seekers set up by the CIA and their fellow Pakistani covert operators as the representatives of the Afghan people, are a hapless lot.

The so-called nationalist Mujahideen leaders, based in Peshawar and who are too often traveling to Rawalpindi to express their gratitude and sincerity to a faction of Pakistani Army officials and politicians, are more interested in selling toothpaste smuggled in from London, lavatory bowls from China, stereos from Singapore, vodka from Russia, and freshly refined heroin in the bazaars of Peshawar, than in unseating Najibullah. This is not unexpected, since the war business has made some of these "national leaders" and some followers rich—a privilege they had never enjoyed before the war—and the money and guns have made them powerful amidst a sea of poor Afghan refugees.

All this has strengthened Najibullah's credibility as a potential winner, and the only way he can likely be removed now is by ambitious fellow Marxists who give him the traditional bullet-in-the forehead Afghan sendoff. Otherwise, it is unlikely that either Pakistan or Iran or Saudi Arabia, acting independently or in tandem, can remove Najibullah and put these or any other Mujahideen leaders into power in Kabul.

Pakistan's Prime Minister Benazir Bhutto has been virtually reduced to occasionally praising the "valiant Mujahideen fighters" and demanding removal of Najibullah as the necessary first step on the illusory road to peace. But Bhutto has no maneuverability. Pakistan's economy is now in the hands of the International Monetary Fund, and President Bush, who espouses great affection for the Pakistani leader, is not out to help Bhutto in this area. Now that Bush is set to wipe

Afghanistan off his strategic map, Bhutto's opinions will have little weight.

Soviet President Mikhail Gorbachov, who condemned the deployment of Soviet troops to Afghanistan in 1979 but who has shown no inclination to put a single Soviet general in the dock for a "wrongdoing" which killed more than 1 million Afghans and left 5 million others homeless, is assuring Bhutto that the Soviets would like to help Pakistan economically. He did not spell out the price for such help, but Bhutto knows it, and Najibullah is happy.

## Regional powers jockey for position

Iran and Saudi Arabia have their own divergent Afghanistan policies. Iran wants the Shi'ite-Afghans, about 2 million of whom reside in northern Iran since the Soviets marched into Afghanistan, to control the southwestern and part of western Afghanistan. If a broad-based coalition government in Kabul becomes a reality, Iran would like to see the pro-Iran Shi'ite-Afghans strongly represented in the government. While Pakistan may not oppose the Iranian formulation, the Saudis find the design repulsive and oppose it. Najibullah and Moscow, on the other hand, will remain ambivalent so long as the Iranians do not demand that Najibullah be eliminated.

Saudi Arabia's plans are more muddled. Unlike Pakistan, Iran, and the Soviet Union, Saudi Arabia is not contiguous to Afghanistan, and the Saudis do not expect to procure a piece of Afghanistan. But the House of Saud is known for its religious zeal to export "Wahabism" within the Islamic world. Saudi policy in the context of Afghanistan is more akin to dropping banana peels on the road so that others slip and fall. But the Saudis have friends in high places in the United States and Pakistan, and their money-based power is not inconsequential. Hence, Saudi involvement has resulted in furthering the quibbling and trouble.

India has perhaps been the least effective player in the search for an Afghan solution. Indian policy has been to back Najibullah. Ministry of External Affairs analysts argue that Najibullah is the "best" among the Afghans and a "true democrat" when compared to the Mujahideen leaders, who are nothing more than drug-runners and stooges of the Pakistani hawks. But hardly anyone believes this ministry's mistaken litany.

Indian policy towards Afghanistan is not guided by Moscow. But the Rajiv Gandhi administration wanted to see an Afghanistan free from Pakistani control. This thinking has dictated India's role so far, and unless the new government chooses to change policy, India's role will remain as nominal as before.

With a weak Pakistan depending on a disinterested United States and a quibbling Mujahideen, a designing Iran pushing its Shi'ite theocracy with an approving nod from Moscow, and Saudi Arabia and India interested more in their parochial issues, the killing in Afghanistan can only speed up.

# Greenpeace and the satanic ideology of the 'New Age'

## Part III of an EIR Investigation

"Environmentalism is the new religion," Jörg von Uthmann wrote some months ago in the West German daily *Frankfurter Allgemeine Zeitung*. Not only are those who dare to oppose other interests to those of environmentalism—for example, the right of the majority of the world's population to economic development and a decent human existence—accused of heresy; not only are all conceivable measures that are taken or even desired in the name of environmentalism immediately crowned with a moralistic halo; now, apparently, a new form of nature religion is now being propagated.

But this is the "religion" of Satan, a rejection of every moral value treasured by Western Judeo-Christian civilization. A religion which values a whale as much as—or more than—a human being, is a religion which denies the human soul, the divine spark of creativity which uniquely differentiates man from the lower beasts.

Over and over again we hear the words "network," "holistic thinking," "space ship earth," "overcrowded planet," "interdependence," and, above all, "paradigm shift." Constance Cumbey, the American attorney and author of the book *The Gentle Seduction*, calls these "signal words" for the "New Age movement" which, its proponents claim, will bring in a new world order.

"Men in an inflated rubber boat who defy harpoons and steel colossi: This image is circling the Earth. It is inspiring many observers. They are beginning to recognize it as a symbol for a necessary *transvaluation of values*, as a sign of resistance against modern civilization's drive to extermination." This symbol of *paradigm shift*, as described by *Der Spiegel* author Wilhelm Bittorf (a member of the Greenpeace executive committee) is derived from a Greenpeace action.

### Origins of Greenpeace

What is Greenpeace's philosophy, this organization that enjoys the reputation as an environmental multinational with a million-dollar budget, modern technological equipment, and spectacular actions?

The first members of Greenpeace in the late 1960s in Canada were Quakers, a religious congregation driven from England in the 17th century, which called themselves the Society of Friends or the Children of Light. Quakers consider the source of faith as an "inner light" effected in man by Christ, and believe in personal enlightenment and prophecy granted by grace. Even today, Greenpeace constantly evokes

the Quaker principle of "witnessing" in the face of suffering or injustice.

A second Greenpeace tenet is the prophecy of a Cree Indian, advertised on innumerable posters that proclaimed Greenpeace in its early days as the "Rainbow Warriors." West German Greenpeace executive committee member Monika Griefahn told a Swiss newspaper: "Our members are imprinted by Indian thinking. We are so imprinted that a Canadian Indian tribe gave us a totem in 1976. They also told us of an old Indian prophecy. It is: When the white man comes and has exploited the world, then the Rainbow Warriors will come and save the Earth. That is our spiritual background. We understand ourselves as being in the tradition of Indian thinking."

Years ago, the New Age publication of the satanic Lucis Trust, about which we will have more to say later, praised the growing environmentalist movement—the attitude of men to "our planetary home" is again approaching the point of view of North American Indians: "We can live in harmony with Earth and one another."

And what about man? "We want to get away from the Christian ideology that man is the crown of creation," Mrs. Griefahn explained. And on another occasion she elaborated the group's rejection of the cornerstone of Judeo-Christian morality: "Man cannot—as is preached in Western Christian ethics—subdue the Earth, but rather must understand himself as a part of the whole."

In one of the first of the German Greenpeace organization's publications, approval was expressed for the pantheistic and monistic philosophy of the New Age movement, according to which "ecology teaches that mankind is not the center of life on this planet. Ecology shows that the total Earth is a part of us and that we must learn to respect it as we respect ourselves. Whatever we feel for ourselves, we must feel for all forms of life, for whale, seals, forests, and the sea."

This explains the view supported by Greenpeace that it is morally reprehensible to kill whales, because they could possibly be "intelligent, even rational beings."

We learn from Greenpeace President David McTaggart's book that during his first trip to the French nuclear test area, he thoroughly studied J.R. Tolkien's cult book *The Lord of the Rings*, and that the ship's crew interpreted the surfacing of a dolphin as "approval from the gods."

In the *Greenpeace Report 5*, edited by Monika Griefahn, the beginnings of the organization are described as follows:



"We were a glorious, unconventional blend of human talents and abilities. There were dozens of people who regularly consulted the *I Ching*, astrological cards, or old Aztec tablets. But every mystic is, ultimately, a mechanist."

Are these suggestions of a New Age belief-structure accidental? Marilyn Ferguson, one of the prophets of the "New Age of Aquarius," which is to replace the Christian-rationalist "Age of Pisces," describes the "gentle conspiracy" of New Age adepts:

"A leaderless but nevertheless powerful network is working to introduce a radical transformation into this world. Its members have broken with certain fundamental conceptions of Western thinking. . . . Some conspirators are very conscious of the national, even international extent of this movement, and they are occupied with producing connections—networks. . . . They are found in firms, universities, and hospitals, in teachers colleges, in factories and medical practices, in state and national offices, in city councils and places of government, with legislative institutions, with non-profit organizations; basically, in all areas of the country where policy is made."

### 'Limits to growth'

The goal of the New Age movement, despite its advocacy of seemingly benevolent causes like animal rights and disarmament, is a malthusian new world order that, among other things, dictatorially determines questions of population density. Could that turn out to be as portrayed with alarming candor by Michael Solverstein, president of Environmental Economics, in a letter to the editor in the English-language magazine *Greenpeace*: "If necessary, nations of the Third World must be forced to remain poor if their development threatens resources on which all life depends?"

It is no surprise, then, to find Greenpeace and affiliated New Agers collaborating with such prestigious "Establishment" advocates of zero growth as the Club of Rome. Writes Constance Cumbey, "Various organizations such as Amnesty International, Greenpeace, the Sierra Club, the Children of God, and Zero Population Growth . . . proudly [belong] to the New Age movement." The Club of Rome, "a very well-known New Age organization," has "already drawn up plans for a new world order." Aurelio Peccei, the late head of the Club of Rome, belonged to the board of directors of Planetary Citizens, a leading New Age organization that is, in turn, supported by such organizations as World Goodwill, Lucis Trust, New World Alliance, and the Club of Rome.

Greenpeace continually refers in its own publications to the change of consciousness introduced by the Club of Rome and to its advocacy of the "limits to growth," or the motto of E. F. Schumacher (also a New Ager), "Small is beautiful." According to Greenpeace lobbyist Jürgen Streich, the Sierra Club has supported Greenpeace since 1971. The bylaws of Greenpeace Germany specify that, in case of dissolution of the organization, all assets are to go to Amnesty International.

And what is the Lucis Trust? It was founded by esoterics Alice and Foster Bailey under the original and striking name Lucifer Publishing Company, then later renamed, to conceal its satanic mission. Its principal purpose is dissemination of the writings of Alice Bailey, which contain detailed descriptions for the construction of a "New Age" that are being followed most precisely up to the present. Today, the Lucis Trust functions as a cover organization for subgroups such as World Goodwill, the Arcan School, Alice Bailey Meditation Clubs, and so forth. It is characterized as the "occult planetary central" or "the essential mind of the New Age movement."

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*This is the 'religion' of Satan, a rejection of every moral value treasured by Western Judeo-Christian civilization. A religion which values a whale as much as—or more than—a human being, is a religion which denies the human soul, the divine spark of creativity which uniquely differentiates man from the lower beasts.*

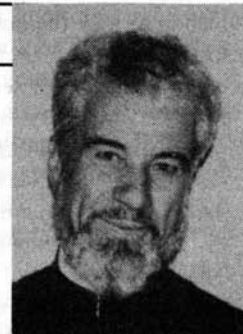
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Leading representatives of Greenpeace in recent years have been among the welcomed guests of World Goodwill. Among others which that organization has promoted are John Frizell, then executive director of Greenpeace International, who spoke under the auspices of World Goodwill in 1984 in London, and Chris Cook, executive director of Greenpeace U.S.A., who did the same in New York. The World Goodwill forums, according to the newsletter by the same name, are supposed to "thereby help to support and strengthen the planetary network of love and service."

Frizell did not neglect to praise the importance of the Club of Rome's study *The Limits to Growth* in his lecture, and Cook stated that the goals of World Goodwill are in complete agreement with the goals of Greenpeace. The moderator presented Greenpeace as "the carrier of light in the darkness," and characterized the organization as "the best in a long time."

On the 15th anniversary of Greenpeace, Fritjof Capra, described by the Greenpeace newsletter as the "New Age philosopher," paid tribute, in a contribution in the *Greenpeace Examiner*, to the "ingenious" merging of the environmental and anti-war movements, as expressed in the combination of "green" and "peace" in the name.



## Romanians want liberty, not 'human' communism

*The following interview was conducted by EIR correspondents Webster Tarpley and William Jones at the Romanian Orthodox Church of the Holy Cross in Alexandria, Virginia on Dec. 27, 1989. Father Calciu's organization welcomes donations, which may be sent to the Romanian Relief Fund, 5150 Leesburg Pike, Alexandria, VA, 22302.*

**EIR:** Father, maybe you would want to say a few words to give our readers a brief introduction to who you are, what your past has been as an opponent of the Communist regime, which now, to a certain degree, has fallen.

**Father Calciu:** My name is Father Georghe Calciu. I was imprisoned for 21 years by the Communist regime during two different periods. The first time was between 1948 and 1964. I was then a student and I opposed, with other students, the introduction of communism in the country. Our country was invaded by the Russian Army and they introduced by violence and crime, communism. In our country there were very few members of the Communist Party, but by the invasion of the Russians, they imposed the Communist Party with members who were completely foreigners to our country. They were not Romanians. They were from Russia. They exported to Romania many important leaders of the Communist Party from Russia. They treated the Romanian people like a subject people. We made this opposition, it was not a violent opposition, but a spiritual and philosophical opposition. I was a student then. During the months of May and June of 1948, they arrested more than 15,000 students in the country. Between 1948 and 1964, they arrested more than 1 million people, with 2 or 3 million people assigned to house arrest.

We had a very difficult time as prisoners. In 16 years we never received a letter from our families. We never wrote a letter to our families. We are like dead people for our families. I saw hundreds of my friends dying around me. After our incarceration more than 250,000 or 300,000 people died or were exterminated by hunger, cold, forced labor, and torture during this time. I was a student of medicine, but during this period of imprisonment, I was in touch with many priests. And these priests helped us. They gave us consola-

tion. They gave us medical assistance. We had no official medical assistance. They gave absolution to the dying people and they consoled all of us. And I decided to become a priest. In fact, I made this vow to Jesus Christ, and when I was released, I tried to study theology, but the Communist government would not allow former prisoners to study theology. After two or three years, I was able to meet the Patriarch, who was a good man. And he allowed me to study theology secretly. I was doing my last year of studies, and was appointed professor in the French language and the New Testament in Bucharest. In that way I was in touch with the students, with the young people, and realized that they could believe in nothing. They didn't believe in communist principles. Communism had also failed—politically, economically, socially—and as a doctrine, a theory. And they believed in nothing. They had no orientation. And so I decided to address myself to the youth from the Church.

And I had a big group of students, and they started to make a big propaganda for me and the intellectuals from Bucharest and the students from other universities were coming around my church. I then started a cycle of seven sermons addressed to the youth, and entitled them "Seven Words to the Romanian Youth." In these sermons I fought Marxism, materialism. I told the young people that they were slaves in this materialistic conception. They were not free human beings. They had no possibility of choice. They had no responsibility. And I was coming before them to tell them the other way, the way of the soul or spirit, the way of human dignity. And so by knowing both ways of understanding the world, the basic notions.

**EIR:** In what year was this?

**Father Calciu:** In 1978. I was ordained a priest in 1973. All this time I was preaching the word of God, but now this time I decided to fight communism directly. I had a very great audience—700-800 people, young people, students, who came to the church. After my sermon there were questions and answers. The secret police were very afraid. Also my superiors, because the hierarchy was collaborating all the time with the Communists. The secret police ordered my

bishop to lock the door of the church, and so, I was forced to speak in the churchyard. This was in March 1978. After having finished my sermons, I was expelled from the school, from the university, by the bishop, the patriarch. The former patriarch was dead and the new one decided to collaborate completely with the Communist Party. I was expelled and deprived in this manner of speaking.

During this time people tried to get in contact with me. There was a group of intellectuals and workers who wanted to found a free trade union. They came to me asking for my assistance, because there were many attempts by Communist members to denounce these efforts. And they were coming to me to get my ecclesiastical authority to assert that they were good men. They were really the founders of a new trade union, and I gave them my authority and support. The new trade union was formed, and we announced the formation of a new trade union for Romanian workers. This was in 1979. We were castigated because some of our people had some connections to Radio Free Europe. Nearly 1,000 people were coming to help in that organization. After two weeks, hundreds of us were arrested, and sentenced to a variety of punishments. I was considered a very dangerous opponent of Ceausescu and the Communist regime. I was sentenced under a special article, but because my case was well known in the West by humanitarian and Christian groups, who intervened on my behalf, they changed the article, and deprived me of freedom under another article. I was sentenced to 10 years of imprisonment.

This time they tried to kill me, to exterminate me, to brainwash me, and tried all kinds of tortures, psychological and physical tortures. But I survived. Now the people in the West protested more and more, and advised their governments to intervene with Ceausescu on my behalf. As a result, I was released in August 1984, but kept under house arrest with my son and my wife. I spent one year in house arrest, kept under constant surveillance by the secret police, with dogs and cameras. There were 120 agents in three shifts watching the building. Nobody could enter the building without being searched by the Securitate. Nevertheless, our neighbors helped us very much. And many of these people were coming for me. But they also knew other neighbors in the building, and they would get into the building saying that they were going to visit these other neighbors.

So I succeeded to send abroad many letters describing the situation, telling people in the West what had happened in Romania, the crimes of Ceausescu, how he was trying to destroy the churches, how he was killing people. In the winter of 1984-85 he ordered the electrical power to be cut off. One friend of mine who was a doctor in the pediatrics hospital in Bucharest told me that 93 newborn babies died in incubators because of the cold. This information was absolutely true; I got it from a good friend of mine. But there were hundreds of hospitals like that. We can probably never know how many people died because Ceausescu wanted to save electri-

cal energy. We had no heat in the houses. We had no food. The situation was growing worse and worse every month. With regard to my own situation, protests were raised by many governments on my behalf. Even Bush was there in Romania for me. Also England and Germany. Ceausescu was very embarrassed. He didn't want me to be free, but he had no courage to fight with the Western countries, especially when Reagan threatened not to give him Most Favored Nation status. He then decided to expel me; he did that in 1985, with my son and my wife.

Naturally, coming here I never stopped the fight of reason. I was invited to the Department of State, where I told them what had happened in Romania. It was very strange, you know. Mr. [Edward] Derwinsky [former State Department counsel] told me, "Father, you have to stop calling Ceausescu a criminal, because he is the chief representative of Romania. He represents the official government and we are working with him. We try to save some people. So it is necessary to have good relations with him."

**EIR:** So, this was Derwinsky in the last 12 months?

**Father Calciu:** No, it was in 1985. And I was very upset, because in my country, I was crying against Ceausescu. I didn't fear the Securitate, and now here, in a free country, I have no right to speak about Ceausescu. I cannot understand these politics. I never was a politician. I was an honest man. I have always tried to tell what I was thinking and express my own feelings without masking what I was.

**EIR:** If you had to estimate how many people were killed by Ceausescu in the 25 years before these recent events, how many political executions do you estimate have been carried out?

**Father Calciu:** Thousands. Nobody knows, because Ceausescu has been a very, very clever disciple of Satan. For instance, I was not suppressed because I was calling for freedom, but because I gave my support to the free trade union. I was sentenced first to death, and then to 10 years in prison, because I started to undermine the official Communist government of Romania. If someone was smuggling Bibles to Romania, they were sentenced for smuggling contraband. If somebody, for instance, was preaching the word of God, then Ceausescu would sentence them for provoking trouble, for economic parasitism.

There was a law, you know, that if somebody did not work for six months, he could be sentenced for two years and six months. But because all the institutions belonged to the state, if someone was chased from an institution, nobody would hire him. The state is the owner of all the institutions, so if someone fires you, he'll never get you back, since the trade unions prevent it. In Romania the trade union is completely submissive to the party, and the party is completely submissive to Ceausescu. And so it was very easy for somebody to be arrested. Ceausescu could order someone to

be fired, and after three months or six months, they would be arrested and put in jail.

There were no laws to protect the people in jail—or even people in society. For instance in 1982—it was at Easter—I was isolated in a special cell of extermination. And I heard somebody crying in front of my door. The noise was loud. It was a man who was crying that the guards were hitting him. I thought it was fake, because the guards wanted to destroy my joy at Easter. A month later I heard that this man was really killed. And it was exactly 11 days before his liberation. The law never protected the prisoners. Not any guard who killed people had to answer before the law. They had the right of life and death over us. If they wanted to kill us, they were free to kill us. If they wanted to torture us, they were free to torture us. They were not free to protect us or to give us any advantages.

**EIR:** We have followed news accounts of what looked like an all-out civil war, at least in some areas. How would you estimate the damage that has been done, in terms of human losses and economic devastation in the last couple of weeks?

**Father Calciu:** Officially, they gave the figures in the beginning of 60,000. I talked with many people in Romania, and they said that nobody can estimate, but everybody is certain that there were more than 60,000 people killed—children, young people, especially old people. And there are many people who were killed by the secret police just in their homes. There were groups of terrorists entering houses taking food and clothing, or establishing their snipers' nests to kill people in the streets. So nobody knows exactly how many people were killed in Timisoara, in Bucharest, in Sibiu, much less in the other provinces, in the mountains and in the villages, where the terrorists established points of resistance. And they killed, because they knew nobody liked them, nobody would accept them. I talked just last night with my brother-in-law, and he told me that they are very ashamed that in this government, with a pretension of being a provisional government, there are so many members of the Communist Party's Central Committee who were collaborating with Ceausescu, even as little as a few weeks or months ago. And now under the protection of Russia, they are trying to establish a new Communist government, trying to convince the people that communism can really have a human face.

**EIR:** I take it that this would be Ion Iliescu, the friend of Gorbachov, and Petre Roman. Our information about these is that they are the second generation of the old Comintern apparatus, that existed in Romania before the Red Army came into the country.

**Father Calciu:** Roman is the son of Valter Roman, who was a member of the Communist Party and a member of the Central Committee and the director of the political publishing house. Therefore, he was indoctrinating the young people. He also had the power to stop any other philosophy in Roma-

nia and to introduce by force and violence and by brainwashing the new generation with Marxism and materialism. So that Valter Roman was guilty of this poisoning of the young people with the criminal philosophy. His son, Petre, and other sons of high-ranking members of the Communist Party had special conditions. There was a special high school, in which only they had the right to study. No one else was allowed to enter this high school. They had the right to study abroad at the universities. They had all they needed and more than they needed. Some rumors have it that Roman was the lover of Zoia Ceausescu.

**EIR:** Ceausescu's daughter?

**Father Calciu:** Yes. Corneliu Bogdan, who is another member of the provisional government, was here in America some months ago, talking about how Ceausescu was a genius, and that the people were living so well in Romania. I don't know whom he was speaking to, but officially he was here to give a cosmetic cover to the Ceausescu regime.

**EIR:** What about Silviu Brucan?

**Father Calciu:** Silviu Brucan was at one time the head of the Communist Party newspaper *Scinteia*. He has had different functions, and finally he ended up in a conflict with Ceausescu, although I don't know over what issue. Somebody told me that he has a brother-in-law or cousin here in America, who had some connections to him. Perhaps Ceausescu was not in favor of that. I don't know.

**EIR:** Would you view this government as a group of communist retreads who have been imposed with the support of the Soviet Union?

**Father Calciu:** I consider it as a new Soviet imperialism. Many people don't need communism. We don't need communism with a human face. We don't need communism of any kind. The students started to cry in the streets, "We don't want communism." We want a free Romania. It's a very special position for our people because of our affinity with the Latin roots. In this enormous mass of Slavic peoples, it is just we who are European. We are not from Asia like the Russians or the Hungarians. All the Slavic people were coming from Asia. The Slavic peoples came to Europe between the fourth and the sixth centuries. The Hungarians came from Asia in the ninth century. We were all the time here. And so our languages are very similar to the Italian language. We can understand each other without studying the other language. Our culture is a European one. Our young people studied in France, in Germany, in Italy, and so on. We have nothing to do with the Asian spirit, the Slavic spirit. We don't need to import the new face of communism. We don't want to have the Russian forms in our country. We want to have the form of democracy. We were a very democratic country before the war. So we want to come back to our

democracy, where there was no persecution and where the people had food, freedom, and what they needed.

**EIR:** So you would say then that this government that calls itself the Committee for National Salvation cannot become the outcome of the revolution? How would you see political developments going beyond the current group of people?

**Father Calciu:** We think that the people will not accept this formula and a new government after the election will be installed. They have already started to form classic political parties like the Liberal Party, the Peasant Party. Just today, I broadcasted a message for the New Year to the Romanian people, and I talked to the political prisoners, who suffered

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*When I was in prison, they tortured me and other priests. During that time Ceausescu was invited by the Queen of England, who received him in her palace and ate with him at the same table. She honored him who was a criminal, an honor she never gave to a prisoner from Romania.*

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so much in prison, who have for 16 years, for 20 years in prison. I told them that you have the right to be at the head of this government. Even the Communists don't accept you. You have to start a new political party. And I'm sure all the people will be with you. I talked with them on the phone and they asked me to broadcast such an appeal with a very precise anti-communist attitude. They have to build a party which does not flirt with communism. It should be a national party with a very clear anti-communist attitude. All over the world, in Africa, in Asia, in South America, where communists always start, criminals appear. The system in itself is criminal, not the people. And because of this, I think there many people who will not accept a communist regime in Romania with a human face.

**EIR:** Concerning the international scene in which these events have taken place. Many people here in the United States were shocked, puzzled, when our Secretary of State James Baker on Dec. 24 more or less invited the Soviet Union to militarily invade Romania on the pretext of restoring order. How would you view that kind of a policy?

**Father Calciu:** I was absolutely shocked by this. I could not understand how someone who is not a citizen of our country, can invite someone else to invade our country. When we were invaded many times by Russia, and we know

where Russians are invading, they never leave the country without committing crimes and persecutions. So our people didn't want to have the Russians in Romania. I talked with many people on the phone, and they really were very upset and opposed to this subtle invitation to Russia to invade Romania. They told me that they were able to solve their own problems without any outside help. We need aid, medicine, we need economic help, but never military help. And they proved it. Because young people, 15 or 16 years old, they gave their lives. Somebody sent me a tape where students were making a declaration, saying, "If it is necessary to fight communism again, we are ready to give our lives ten times over just to get rid of the Communists." And I trust that they will do that.

**EIR:** Do you believe that they are now trying to set elections early in order to waylay the formation of a strong anti-communist front?

**Father Calciu:** It's a communist tactic, because they know very well that in Romania there are no democratic parties. They destroyed all the leaders. It is now that new political parties have to be started. They have no possibility. They have no TV, they have no radio. They have only the means of going from person to person to tell them, "We are going to start a new party" and to let them know the program. The TV and the radio are in the hands of the Communists. All the time the people in Romania told me that they could only see the members of the Communist Party. I was very surprised to see from time to time a real dissident on TV speaking to the Romanian people. So we don't trust the TV. And the Communists know that the people are forming new parties. But we are not given sufficient time to conduct propaganda. And there are certainly many Communists who fear the installation of a true democracy. For this reason I asked that elections be postponed, for at least nine months, so that other people have the possibility to prepare their program, their policy. And to open the frontiers for the people who are here in the West. There is no open frontier for us.

**EIR:** So you could not get a visa to return if you wanted to?

**Father Calciu:** I think not. I don't think I could get a visa, because I have been demonstrating here in front of the embassy. The ambassador here is named Stoichici. He is a collaborator of Ceausescu. He refused to open the embassy to us. He kept the emblem of Ceausescu over the embassy until the day when they announced his execution. He obviously expected Ceausescu to regain power. Afterwards, because international law was protecting foreign diplomats, and American police were preventing us from entering the building, they started to burn documents. We saw that they had seven bags containing the ashes of documents. One of our parishioners took a bag of ashes. Now we have it here in the church. And so the new government gave the possibility to all the ambassadors in the West to burn documents and to

cover their own crimes. The FBI had earlier told me last November that 10 killers were introduced into the U. S. by the Romanian embassy to kill some important exile Romanians. I was the first on the list. For this reason, they asked me to leave Washington, D.C. I found another place somewhere in America, where I stayed for two weeks in order not to be killed. And I'm sure that Stoichici knew very well the names of these people. The FBI did not know the names of these people. But they knew that the 10 killers were here, sent by Ceausescu, but they didn't know who they were.

**EIR:** Then the U.S. government did not really protest against that, did they?

**Father Calciu:** I don't know.

**EIR:** But they made no public display against this?

**Father Calciu:** No.

**EIR:** In the course of the Romanian events, are there other countries in Western Europe that did something that was more constructive than James Baker to help Romania?

**Father Calciu:** Yes. It's very curious. Hungary, Yugoslavia, and even Bulgaria have been sending help. Yugoslavia is now giving equipment for TV stations. When the terrorists occupied the TV station for some hours, they took all the machinery. And now Yugoslavia has given equipment for three TV studios. They gave food, they sent people there to help, even when the Romanian airports were blocked by the Securitate.

**EIR:** What is the situation now with medical aid? Has the Red Cross done what they could to help?

**Father Calciu:** Yes, we had some problems with the Red Cross. They raised some opposition to us with regard to sending medicine and hospital supplies. They said that they would have nothing to do with us because they have their own institution and they have to direct all their supplies to them. At the same time, somebody told us that from this \$500,000 was given by the government, which was really shameful, a mere \$500,000.

**EIR:** It's very small, a token sum.

**Father Calciu:** Yes, when children are dying of hunger. When people are trying to establish real democracy, they only receive \$500,000. But a lady was protesting that some of these organizations who are receiving the funds to help are retaining half of the funds, and only half are being sent to the people in need. And I think from this \$500,000, the Red Cross retained a big sum for themselves and the rest was sent to Romania. We are a volunteer organization. We need nothing from the money we receive from the people. Perhaps we would take something to pay for the telephone. We have to pay \$2,000 for the telephone. I call Romania. I call Australia. I have to talk to many people to help us, to help Romania. We are absolutely

poor people; \$2,000 is very much money for us. We are newcomers here. We don't know how to cover this payment.

**EIR:** What should the United States government and what should the West European governments do? What kinds of humanitarian aid are most required?

**Father Calciu:** I have some information from Western Europe, from a branch of our organization there, and they told me that Western Europe was very helpful to them—Sweden, France, Switzerland, West Germany. They immediately sent food, medicine, and doctors, and all kinds of things. America was very slow, really very slow. Even the businessmen in

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*We were a democratic country before the war. We want to come back to our democracy, where there was no persecution, and where the people had food, freedom, and what they needed.*

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Western Europe invited me to talk with them, which I will do on Jan. 7, to discuss with them about establishing an organization with European businessmen to invest capital and to help restore the economy of Romania. And I think perhaps American businesses will do the same thing. They are speaking so much about Jesus Christ, of humanitarianism, and the like, and now they have the opportunity to act according to the principles they are declaring publicly. I am very interested in finding out whether businessmen in America are willing to follow the principles they are asserting publicly.

**EIR:** In the Soviet Union there is a Moldavian Republic, comprising the old province of Bessarabia in Romania. From what we have been able to see, in the course of the overthrow of the Ceausescu regime, there is a great desire among those Romanians living in Moldavia to finally be reunited with the rest of Romania. Does it seem as if this will actually happen? Will there be an independence movement in Moldavia along the lines of what you have in Lithuania or Latvia or Estonia?

**Father Calciu:** Bessarabia was annexed by Russia in 1944 through the betrayal of the Western powers, because according to the Atlantic Charter, the frontier had to be the frontier from 1938. In spite of this, the United States and England allowed Russia to take the Romanian province of Bessarabia. And at the same time, they gave all the Eastern countries into the hands of Russia. Since the declaration of revolt, I was always in touch with the Popular Front. I sent them typewrit-

ers with a Latin alphabet. I sent the money which I had been able to collect. I sent them a fax machine, a xerox, and all kinds of technical utilities. They want to be a free country. They want independence and want to be united with Romania. As long as the Communists were in power, as long as Ceausescu was in power, we could not accept to be united with them. Now I have lost contact with them, because I am interested only in Romania, but I'm sure after this period of trouble, when real democracy is installed in Romania, we'll have our greater Romania, as we called it. After the First World War, all our territories were taken from us. We called it the greater Romania. I am sure we will have that again, with Bukhovina and Bessarabia, and the parts of Romania given by the German people to Bulgaria.

**EIR:** Now concerning the execution of Ceausescu. The question I would have about that is the following. This was done rather quickly and it looked like there were two factors: One was the fact that there was a civil war going on and it was important to stop the civil war, but it also looked as if there were some people who were afraid of the testimony that he might give in a lengthy and public trial. Do you think it was right to execute Ceausescu immediately?

**Father Calciu:** You know, I made a statement about my position regarding the execution of Ceausescu. I think that even if they are invoking as a motive that Ceausescu's death would stop the war, that was enough. I think the real motives to kill Ceausescu were not to unveil the connections he had with different people in Romania and different people in the West. Because all the time the Western countries considered Ceausescu a maverick of world communism. But they knew very well that Ceausescu was a criminal.

When I was in prison, they tortured me and other priests. During that time Ceausescu was invited by the Queen of England, who received him in her palace and ate with him at the same table. She honored him who was a criminal, an honor she never gave to a prisoner. The Queen of England never invited a prisoner from Romania to honor him, but she honored Ceausescu. During this time I was under interrogation. I was beaten. I was tortured. I was in a cell in the basement of the Securitate building. When they were taking me upstairs for interrogation, there was on the wall some large pictures of Ceausescu talking with the Queen of England and taking her by the arm. There were also pictures of him sitting at the table with the Queen. I could not believe it. He was a killer, also a killer of kings. He wanted to kill King Michael of Romania. And the Queen of England was sitting with Ceausescu and yet she knew very well who Ceausescu was. The same with Nixon, Carter, and the other leaders. I could not understand how the people in the West, not the common people who are manipulated by the media, but highly educated people, political people, how can they accept a criminal just because they need some political connections. We need true politicians, politicians of honesty, and not politicians of lies.

## China, in shift, rips U.S.-Soviet alliance

by Mary McCourt Burdman

The official media of the People's Republic of China for the first time denounced the U.S.-Soviet condominium arrangement directly, and accused the Soviet Union of allying with the West to commit treachery against the Third World. This was the subject of an unusual article in the Jan. 8 edition of the official weekly *Liaowang*, (*Outlook*), China's most authoritative Chinese-language news magazine.

Senior European strategists stress that the Chinese Communists are reverting to the confrontationist attitude toward Moscow that was manifest in 1964, as they sensed Nikita Khrushchov heading toward his downfall from power. Now, the Chinese sense that Gorbachov is in trouble, and are trying to make gains with his opponents in Moscow. At the same time, rightly fearing more internal upheavals, the Beijing regime is lashing out both at Gorbachov and at the new, ever-stronger U.S.-Soviet "condominium" arrangement that they fear could be used against them.

### The Ceausescu treatment

The Chinese, who were the first to launch the type of free-market "reforms" later adopted by Mikhail Gorbachov as perestroika, were also the first to abandon those disastrous policies, in October 1988, as China's economy descended into chaos. Now they see the Soviet Union following the same path. Just months after Mikhail Gorbachov reestablished Sino-Soviet relations by his visit to Beijing May 15, China's leaders began sniping at him, in "private," for undermining socialism.

The overthrow of Nicolae Ceausescu in Romania was a critical point. The P.R.C. leaders are worried about Romania, but not just because of the popular revolution there. They must have recognized the role of the Soviet Union in directing the coup against Ceausescu by the Army and the new Communist leadership, and that it was the condominium agreement between the Soviets and the United States that allowed the coup to take place.

The world should not be misled by the fact that Prime Minister Li Peng dressed up in a Western suit (he prefers Mao suits) and announced that martial law was lifted in Beijing on Dec. 10. The gesture was cosmetic. Troops still surround the

city, the Beijing BBC correspondent reported that day, and all the laws necessary to enforce martial law conditions have been already enacted by the National People's Congress. In reality, the Chinese Communist Party is mobilizing for an emergency.

The CP Politburo held four emergency meetings in the days after the fall of Ceausescu Dec. 22, the Hong Kong weekly *Ming Pao* reported Dec. 29. These included two Politburo plenary meetings and, on Dec. 23, a special Politburo meeting for provincial, city, and regional leaders. CP head Jiang Zemin and Prime Minister Li Peng also sent cables to the provincial leaders "stressing that the current changes in Eastern Europe do not belong to socialism." The Dec. 23 meeting stressed that the CP must be "purified" and purged, that "efforts must be made to strengthen the unity of the Army, and to ensure that the Army is absolutely under the leadership of the party," and "all factors of turmoil . . . must be eliminated in the embryonic stage," *Ming Pao* reported.

The meeting also discussed the little-publicized visit of CP internal security head Qiao Shi to Romania the second week of November, denying that Qiao's visit had anything to do with the overthrow of Ceausescu, although he "discovered" that something might happen in Romania by spring. "Most worrying," documents from the meeting say, is that by 1990 "economic depression will occur" in China.

Communist China was already nervous about the Malta meeting between Bush and Gorbachov, which they called a "summit on rough seas." A release by Xinhua, the official news agency, Dec. 4, which attributed its quotes to Iranian press attacks on the summit, said that Gorbachov and U.S. President George Bush have strengthened "their alliance in order to exploit the countries of the Third World." Xinhua called upon the Third World countries to unite "to resist the threats of the superpowers and their hegemonism." In November and December, the Chinese were very active in their own Third World diplomacy, both in Africa and in Pakistan, Bangladesh, and Nepal.

*Liaowang* used the same polemic, as the Italian daily *Corriere della Sera* reported Jan. 9. *Liaowang* stated: "From the period of confrontation and Cold War, the two superpowers moved into the era of compromise and cooperation. This reduces tensions . . . but provokes alarm, because the Soviet Union shows that it is no longer the natural ally of the developing countries and that it instead prefers, in a more or less open way, a realignment with the United States. . . . At the last session of the United Nations, Moscow supported the American proposal for a resolution calling for 'periodic and genuine elections' in all areas of the world. In the past the Soviet Union opposed such a project, which is an act of interference in the internal affairs of other countries and which aims to impose the ideology and the system of the United States. . . ."

"The problems of the rich countries have become the priorities on the U.N. agenda. People speak more and more



Valentin Falin, head of the international department of the Soviet Communist Party, came to Beijing with a personal letter from Gorbachov to Deng; Deng refused to meet him.

of the defense of the environment and less and less of the economic difficulties of the poor nations. The Soviet Union has offered a miserable contribution to cooperation and development projects and even tries to take U.N. aid away from the Third World. This is dangerous because at the same time the West is reducing its involvement in the Third World to instead help the Soviet bloc."

On Dec. 29, *Corriere* reports, P.R.C. Vice President Wang Zhen, a longtime comrade of Mao Zedong, demanded at the Politburo meeting that Beijing attack Mikhail Gorbachov and accuse him of "revisionism," the term Mao used to attack Nikita Khrushchov before Khrushchov was ousted from power. Until now, *Corriere* reports, Deng Xiaoping was able to contain the public condemnations of Gorbachov, in an effort to avoid repeating Mao's mistake of a disastrous isolation for China. But the article shows that the rage at Gorbachov cannot be contained for very long. Because it favors Gorbachov's internal enemies, *Corriere* writes, it is a signal that the Chinese Communist Party can intervene to support Gorbachov's enemies.

There are other signs of trouble, *Corriere* writes: When Valentin Falin, head of the international department of the Soviet Communist Party, came to Beijing, he brought a personal letter from Gorbachov to Deng, professing Gorbachov's friendship. But Deng refused to meet with Falin. The proposed visit of Prime Minister Li Peng and party head Jiang Zemin to Moscow, is no longer being discussed.

An interview with Chinese Foreign Minister Qian Qichen in the external edition of *Liaowang* published in Hong Kong Dec. 25 is very explicit about why Beijing sees no benefit in the current condominium: "The relaxation of superpower confrontation does not mean the stabilization of the international situation," Qian said. Factors leading to unrest have not been eliminated and, under certain conditions, extreme unrest will occur in some regions. . . . The current drastic changes in Eastern Europe . . . have added to the unstable factors in East-West relations." Qian added, "conflicts between different social systems and ideologies have become more complicated and intense."



### General labor strike in the East?

*The workers are upset about the SED's tactic of delaying economic and political reforms.*

Not only new and broader mass protest actions in the cities, but also a labor strike is on the agenda in East Germany. After a wave of warning strikes in October/November, the momentum for a broader strike first came to a head in early December when in the more radicalized, industrial south of the country, steps were taken in the direction of forming opposition strike committees.

Already Nov. 30/Dec. 1, several thousand workers at the potassium mines in the Magdeburg region went on warning strikes for several hours. On Dec. 4, a protest rally of several tens of thousands in Dresden was told of the existence of a local strike committee. One initiative group in the heavy-industry regions of Chemnitz and Klingenthal pressed ahead Nov. 30 with the call for a general strike on Dec. 6, but was reined in by the region's coordinating opposition committee.

The red light came from Berlin, where spokesmen of various opposition groups were preparing to enter a roundtable with the Communist SED regime, the first session of which was scheduled for Dec. 7. A strike of the scope discussed in Chemnitz and other cities was discarded as "too premature" and inopportune.

The underlying motives for the strike, concern about the worsening economy and the lack of real commitment to political reforms by the SED, waxed despite such considerations as "inopportune." By late November, it was clear that if reforms, such as the right to free association of labor and to strikes for a decent income, the right to

produce for demand and not what the Plan wanted, free access to capital and material, were delayed into early 1990, East Germany was certain to have a very rough winter, with severe food and fuel shortages.

The opposition's experience with the SED at fruitless roundtable sessions in Berlin confirmed fears that without mass protest action on the labor front, nothing would change. This was expressed in many interviews East German workers gave to Western television and radio.

The SED had hoped to play for time, avoiding substantial concessions, offering ever-new commissions to deal with every issue the opposition raised, and the like. But the SED rulers made two big mistakes, and as a matter of fact, it couldn't have avoided them, because the open flank the opposition presented before Christmas was too tempting not to be attacked by the Communists. The leaders of the various opposition groups—New Forum, Social Democrats, Democracy Now, Democratic Beginning—decided, in an unsavory conspiracy of mutual interest, to "cool off the emotions" for German unity which showed a record high when West German Chancellor Helmut Kohl addressed a crowd of tens of thousands in Dresden Dec. 19. They decided not to have such mass events between Dec. 25 and Jan. 8.

The freeze on the opposition's mass-protest muscle was the SED's chance to attack. Using its firm grip on the media, it launched a broad attack on the opposition under the pretext of fighting "neo-fascist" sentiments. On New Year's weekend, sev-

eral monuments and cemeteries of the Red Army in East Germany were smeared with primitive anti-Soviet slogans, and on Jan. 3, the SED held an instant mass rally of about 100,000 followers and staunch party members displaying hate slogans against the opposition.

News from Romania, where the Securitate forces of dictator Ceausescu caused a bloodbath among peaceful protesters, coupled with new revelations that select, and likely armed sections of the SED's own state security apparatus still existed, made the protest ferment in East Germany boil over a few days before the end of the "freeze" on mass events.

Apart from the rally of 200,000 in Leipzig and protest actions in numerous other cities on Jan. 8, a three-hour strike of 800 workers at the prestigious, military-related Vehicles and Arms Combine in Suhl on Jan. 8 were a sign of more to come. The next day, a rally of several thousand unionists in Halle culminated in calls for a countrywide one-day strike on Jan. 23. More work stoppages were reported all over the country on Jan. 9 and 10.

On Jan. 11, 600 workers at a dairy and 3,000 construction workers went on a warning strike in East Berlin. In Erfurt, a strike of several thousand building trades and other workers occurred the same day. On Jan. 12, several thousand cab drivers interrupted their work, driving in a motorcade of noisy protest to the parliament building.

An interview Jan. 10 on the West German Deutschlandfunk radio station with Wolfgang Sieber, the director of the Dresden district council who quit the SED that day, revealed that the labor situation is heating up. "Threats with strikes have been placed on my table daily, and so far, I've been able to prevent it," said Sieber, "but this can't work forever."

## **Kampuchea's 'presentable barbarians'**

*A French member of parliament takes one of the Khmer Rouge butchers to court to answer for brazenly defending genocide.*

**D**ays after the Paris meeting of five members of the Security Council on the Kampuchean (Cambodian) conflict, the Chief of General Staff of the French Army, Gen. Maurice Schmitt, stated before a group of journalists that "we need international reflection to stop a bloodbath in Kampuchea. Humanitarian aid would not be sufficient."

"I am speaking as a citizen, and I take responsibility for it: I am posing the problem of intervention into a country where there is a risk of genocide," General Schmitt underlined, citing the case of "Romania yesterday, Kampuchea today, and perhaps southern Sudan tomorrow." While excluding a military intervention by France "alone," the Chief of General Staff brought up the idea of the United Nations sending in a "multinational military force."

Cambodia, located between Thailand and Vietnam on the Indochinese peninsula, was a French protectorate from 1863 until independence in 1953; hence, political, military, and cultural ties to France by all factions of Kampuchean political life remain strong.

The Pol Pot Communist (Khmer Rouge) regime was ousted after four murderous years by a Vietnamese invasion in 1978, but late in 1989 the Vietnamese withdrew from the country. They left behind a shaky government and the preconditions for civil war, as the pullout, arranged as part of the global "regional conflicts" settlements between the U.S. and Soviet Union, occurred without estab-

lishing any basis for future stability.

Two groups, Médecins sans Frontières (Physicians Without Frontiers) and Médecins du monde (Physicians of the World), have launched an appeal against the return of the Khmer Rouge to power in Kampuchea. The physicians' call features three points: 1) appeal to the international community due to the growing urgency of humanitarian aid; 2) appeal for the creation of a neutral zone under international supervision, at the Thailand-Kampuchea border; 3) appeal to the world's governments that they deny the Khmer Rouge any international legitimacy, and to international public opinion for a humanitarian mobilization against those guilty of genocide.

In an article in the Paris daily *Le Figaro* Jan. 10, Sen. Claude Huriet, who signed the call, recalled that "one of the biggest genocides of the 20th century" carried out by Pol Pot and the Red Chinese-backed Khmer Rouge—"1 million dead, and by some accounts, 3 million dead, many of them women and children—hundreds of refugees, the risk of seeing one of the oldest civilizations of the world disappear . . . all this must not leave us indifferent."

The senator from the Meurthe et Moselle Department of France proposed a "Gaullist" way out: "the constitution of a national force excluding all Khmer Rouge and supported by friendly democratic countries gathered into an 'alliance pact.'"

According to *Le Quotidien de Paris* of Jan. 10, Khieu Samphan, the "butcher of Phnom Penh," the Kam-

puchean capital, is called to appear on that same day before the 17th Correctional Chamber of the Tribunal of Paris for "apology for genocide," at the initiative of a parliamentarian from the French Democratic Union from Mayenne, François d'Aubert. Interrogated on French television last Aug. 31 about the 3 million victims of the Pol Pot regime, the present "foreign affairs minister" of the Kampuchean resistance replied with a smile that the Khmer Rouge "had committed certain mistakes."

"Everyone is supposed not to know," the newspaper points out, "that Khieu Samphan, the former doctoral student who took his exams during the 1950s in Paris on 'the economic modernization of Cambodia,' was also, some years later, a minister to [Prince] Sihanouk, and above all, after 1975, chairman of the presidium of Democratic Kampuchea and one of the masterminds of that terrifying scorched-earth machine which was established by the Khmer Rouge regime."

"This scoundrel," François d'Aubert stated, "you can't call him anything else, walks around freely just about everywhere. It's as if Göring had never been judged at Nuremberg, and as if today one asked him to preside over the reconciliation of Germany." Beyond the question of the Khmer Rouge leader, the Mayenne parliamentarian scored the "incoherence of French diplomacy," the "horrible forgetfulness" which would let certain "very presentable barbarians" pass themselves off as viable partners in a dialogue.

Since he personally did not suffer François d'Aubert runs the risk of seeing his suit thrown out of the court, but as *Le Quotidien de Paris* notes, nothing will prevent the public prosecutor from taking up the complaint on his own account.

## Did Radicals take drug dollars?

*So says a mobster turned state's evidence, who also accuses the Socialist Party of former Premier Craxi.*

Times have been tough for the Italian Radical Party and its guru, Marco Pannella. In November, the Italian Parliament finally got rid of the bothersome congressman. Then the anti-drug law passed the Italian Senate, signaling a heavy defeat for the "Anti-Prohibitionist" League. Pannella and the Radicals had launched the League on an international scale at a London press conference, where they proposed free sale of marijuana and hashish, and the distribution of cocaine and heroin at drugstores.

In early December, Pannella and his sidekick Marco Taradesh, an American expatriot living in Rome, were exposed by the Schiller Institute at a press conference they gave in Bogota, Colombia, where they had traveled to meet with pro-legalization presidential candidate Ernesto Samper Pizano at the height of Colombia's war on the narco-terrorist armies.

Back in Italy, the newspapers printed statements by a "repentant" member of the Corleone mafia "family," Francesco Marino Mannoia, which detailed ties—according to "press leaks"—between the Radical Party and the mafia. No surprise to us, since we have frequently emphasized that whoever is working to get drugs legalized is playing the game of the mafia, which has every interest in expanding its consumer market.

Mannoia was said to have stated that in the 1987 political elections "Cosa Nostra," the crime family, had backed the Socialists and raised money for the Radical Party. "In the political elections . . . a precise order came out from inside the prison," Mannoia

allegedly told Judge Falcone, reported the daily *La Repubblica*, "which entrusted his loyalists with voting or causing their family and friends to vote for the Italian Socialist Party. . . . When the Radical Party risked dissolving, we set quotas in jail at the initiative of [mafioso] Pippo Calò: He gave the Radicals 100 million [liras], the Santa Maria del Gesù family 50 million, of which 30 were contributed directly by Giovanni Bontade. . . . The initiative to finance the Radicals was exclusively internal to the Ucciardone prison, though funds were also collected on the outside."

We don't think the mafia dedicates itself to charitable works, so if it is true that they paid, presumably it was for favors received. Similar indiscretions came out over a year ago regarding the presumed funneling of mafia votes into the Radical Party in the area around Trapani, Sicily. While one can hardly give 100% credibility to the "revelations of repentant criminals," there are too many reports circulating about such links not to take them into consideration. Moreover, the Radicals' attitude lends credibility to the charges, since they have spewed out much demagoguery but no facts. Threats have been delivered through the mass media, to which the Radicals have ample access, but unless we are misinformed, no suits have been filed in denial of the accusations.

Marco Pannella's entire response was to deliver a public warning to Premier Giulio Andreotti, recalling that similar charges were made with regard to mafioso Salvo Lima and certain assassinations in Sicily, implying

that he and Andreotti are in the same boat. The other champion of the Anti-Prohibitionist League, Marco Taradesh, aside from saying that Mannoia had lied, spluttered about "a justice that bases its verdicts on dirty words of blood." This was a lot of words thrown about to outflank a question to which one could have given a straight answer, namely: "Did you take the money or not?" The treasurer of the Radical Party threatened to file suit for defamation against all the newspapers which had violated judicial secrecy.

What about the Socialist Party, which has posed for the last year as the champion of the anti-drug cause? The former premier of Italy and current secretary of the Socialist Party, Bettino Craxi, happened to be visiting the United States when the Mannoia leaks were printed in Italy. Craxi met President Bush's anti-drug czar, William Bennett, who styled him "an international hero for his commitment and his determination against drugs."

The Socialist leader went further. He denounced Syria's involvement in drug trafficking and the complicity of the government in Rome, which treats Syria as a friendly country.

Right on the mark! Too bad Craxi forgot that the Socialist Party is a coalition partner in this government which is Syria's accomplice, and that its foreign minister is a Socialist, Gianni De Michelis.

No doubt, those fanning the flames of this scandal are not doing it for the love of truth. They include the newspaper *La Repubblica*, one of Europe's main promoters of a deal with Gorbachov; the Communist Party; and the left wing of the Christian Democrats—none of them allies of a serious effort to stop drugs. But if it serves to bring out the truth, let us hope that the inter-party warfare, carried out by means of sensational revelations, will continue to rage.

## Will Congress probe the invasion?

*Some legislators are asking why Bush didn't support the October coup attempt instead of invading and killing thousands.*

The Dec. 20 invasion of Panama was ordered by President George Bush not to apprehend Gen. Manuel Noriega, but to destroy the Panamanian Defense Forces in order to maintain U.S. military installations in Panama beyond the year 2000.

Far from being the "splendid little war" the media have portrayed, the invasion was an incompetent military operation that has been successful, so far, only because the U.S. used overwhelming firepower in a sneak, Pearl Harbor-like attack, largely against the civilian population of a former ally. The invasion was aimed not only at Panama, but to set a pattern for aggression in Mexico, Central America, and South America, where the Bush administration intends to use force to destroy national sovereignty, and to collect the debt on behalf of the international banks.

Certainly the invasion was carried out under the umbrella of the power-sharing agreements between the United States and the Soviet Union. Secretary of State James Baker confirmed that when he said—at the height of the invasion of Panama—that the United States would not object if the Soviet Union invaded Romania to ensure the overthrow of Nicolae Ceausescu.

The Soviets signaled their acquiescence in an article penned by senior foreign policy operative Georgi Arbatov, published by the *Los Angeles Times* on Dec. 24. After a *pro forma* denunciation of the U.S. invasion, Arbatov said, "In the Soviet view, a shift to consistent realism has implied . . . an understanding that our own

interests will not be served by American difficulties, especially in the regions that are especially sensitive to the United States."

To impose the condominium agreements on the Western Hemisphere, the U.S. needs the 10 Air Force, Army, and Navy bases, and the electronic listening posts it has in Panama.

But, according to the 1977 Carter-Torrijos Panama Canal treaties, the U.S. is obligated to withdraw its troops and close those bases at midnight on Dec. 31, 1999, at the same time that control of the canal is handed over to the Republic of Panama.

However, the Panamanian Defense Forces have been dismantled on Bush's orders, by the U.S.-appointed government of Guillermo Endara. In its stead, the U.S. has created a new Public Force, limited to police functions, made up of former members of the PDF and new recruits, who are only allowed to carry handguns and shotguns.

This has created the conditions to revise the treaties to allow the U.S. to keep the bases, under the pretext of providing security to the Panama Canal. The security of the canal is "an area that now has to be rethought," said Gen. Dennis McAuliffe (ret.), the former head of the U.S. Southern Command, who just stepped down as canal administrator. According to the *Washington Post* of Jan. 10, McAuliffe "suggested that the U.S. and Panama might consider a new bilateral agreement covering security for the canal after 2000."

The same day, the Baltimore *Sun* published statements by Guillermo Endara, saying he "might be open to renting a military base to the United States after Panama gains the canal."

Washington sources report that several Congressmen may initiate inquiries as to why the United States deliberately withheld its promised assistance to the Oct. 3 coup attempt against Noriega, which was organized with the approval and complicity of the Bush White House. If the United States had not betrayed the officers who attempted the failed coup, Bush could have achieved his stated, albeit illegal aim of "getting Noriega," without killing thousands of Panamanians and without the loss of any American lives. Had the coup succeeded, it would have been a significant setback for Panamanian nationalism, but the PDF would have survived as an institution, eliminating the pretext for renegotiating the treaties.

Bush sabotaged the coup precisely because he wanted to proceed with the long-planned invasion. According to the *Washington Post* Jan. 11, U.S. soldiers in Panama "volunteered that they knew of invasion plans two months before it took place." The article added, "President Bush repeatedly said the invasion was in response to the murder of an American soldier, but the precision strike had been in the works for months, many soldiers say."

Gen. "Mad" Max Thurman, commander of the U.S. Southern Command, admitted that the aim of the invasion was to destroy the PDF. According to the Jan 7. *Washington Post*, Thurman said he redrew the invasion plans for the attack to take place "in the middle of the night," and that he ordered "not only the capture of Noriega but destruction of his entire military command structure, through attacks on 27 different locations."

## Children sing for freedom

*More than 4,000 Mexicans attended a series of Schiller Institute concerts promoting the cause of world freedom.*

**I**f only we had a children's chorus here like yours!" was the universal comment from listeners in various culturally starved northeast Mexican cities to the finest classical children's chorus in all of Mexico, the Mexico City-based Niños Cantores, from the National Music School of Mexico's National Autonomous University (UNAM). The choir's concert tour was organized by the Schiller Institute and was made possible through the collaboration of the government and state congress of Sonora, as well as the archdioceses of southern Sonora and Mexicali states.

The tour, under the direction of Maestro Alfredo Mendoza, began on Dec. 19 with a concert in Tijuana, Baja California, and concluded Dec. 23 with presentations in Navajoa and Huatabampo, Sonora. From beginning to end, it brought beauty and joy—plus a special moral purpose—to thousands.

The concert was in two sections: The first consisted of religious pieces all dating from the period of the Spanish Viceroy (1521-1821), where musical culture reached in New Spain reached "European" levels. Many of these songs showed the strong influence of the same Neapolitan School which trained Handel and Mozart, but also showed how musical elements of the indigenous cultures could be integrated so as to ennoble those cultures—as opposed to what "indigenous music" aims at today.

The second part consisted of some of the best Christmas songs from other parts of the world, sung in Latin, German, French, English, and Catalan.

The enormous number of people

who attended the concert series also shows that the majority of the Mexicans loves great music, if given the chance. In Tijuana, before 400 people, and in Mexicali before 1,500, the national president of the Schiller Institute Marivilia Carrasco dedicated the concerts to the struggle for freedom by the peoples of Eastern Europe, and especially to the two Germanys, whose fight for unification is based on a single great culture: the universal legacy of Schiller, Beethoven, and the Humboldts.

On Dec. 20, the day of the U.S. invasion of Panama, Carrasco dedicated the concert to the heroic resistance of the Panamanian people. She explained that the invasion is an aggression against the very heart and soul of Ibero-America, which is united by a single culture, a single religion, language, and history.

On Dec. 21, more than 1,000 people filled the state auditorium in Hermosillo, Sonora, to hear the Niños Cantores. The public broke into emotional applause after hearing the children—ranging from 8 to 13 years of age—singing Christmas carols from different lands. In that concert, a small children's chorus of the Ciudad Obregón Schiller Institute also participated, revealing an advanced vocal technique and demonstrating that the musical potential of children is vast, requiring only adequate education.

About 1,200 Mexicans attended the concert in the cathedral of Ciudad Obregón, and heard an opening appeal from local Schiller Institute director Angélica de Tirado for "this Christmas and this concert to be an opportunity to pray for freedom for

those today suffering the infamy of tyranny." She called on the audience to view the concert as a celebration of Christmas "as Christian tradition would have it. Enjoy the beauty of these choral voices, and may that beauty be the means for ennobling all of our souls, to remind us that the birth of Christ is the birth of our civilization, a civilization based on love and freedom, a civilization which is today brutally threatened by the appropriately named 'structures of sin': the financial and political structures which assume tyrannical and savage forms in both the East and the West.

"May this be the opportunity, especially, to remember the heroic people of Panama, who today are resisting an ignominious invasion by foreign forces seeking to steal their freedom and sovereignty."

Present at the concert was the bishop of Ciudad Obregón, who at the concert's conclusion joined with the other priests and parishioners in singing the hymn "Adeste Fideles" along with the chorus.

The Niños Cantores chorus was founded in 1980, and is made up of 35 children. They are students from the Center of Musical Training of the UNAM, an institution which coordinates with the National Music School. Since its appearances with the Mexico City Philharmonic Orchestra in 1983, the chorus has maintained a constant presence at operas, symphonic concerts, and choral festivals. In addition, it regularly offers its own programs, made up largely of classical music but also complemented by a repertory of children's and folkloric music. During this latest series of Christmas concerts, the Niños Cantores was joined by the Schola Cantorum chorus, founded in 1988 and made up of 15- to 17-year-olds who were previously members of the Niños Cantores.

## Liberal noose tightens on Collor

*Brazil's monetarist oligarchs are seeking to capture the President-elect's economic policy.*

There has not been such intense activity among the Brazilian oligarchy's various monetarist agents since 1987, when the bankers overthrew Finance Minister Dilson Funaro for threatening their usurious interests with a moratorium on debt service payments. The goal this time is to capture control over the economic policy of President-elect Fernando Collor de Mello, who will assume office on March 15.

Immediately after the Electoral Court granted Collor the victory, a circle of bankers and their liberal spokesmen—the same who have perpetuated the country's scandalous social injustices and, especially, the last decade's disastrous economic policies—moved to extract a commitment from him that, now that he wears the presidential sash, he will carry out the so-called "liberal shock" austerity program they demand.

Mario Henrique Simonsen, former planning minister and international vice president of Citibank; Olavo Monteiro de Carvalho, head of the powerful Monteiro Aranha group, and well-connected to the European oligarchy; and Roberto Marinho, owner of the *O Globo* media chain, joined forces to present their young pupil, economist Daniel Dantas, as candidate for the central bank presidency. If Dantas's program is consummated, it would throw Brazil into an infernal recession since, it proposes the independence of the central bank from the executive office, and the elimination of all traditional controls on the economy, such as exchange rates, interest rates, and prices.

It is estimated that such a policy

would bring the inflation rate to its highest level ever, around 1,000% per month.

A drastic "solution," much along the lines of the monetary restriction policy just imposed in Argentina by President Carlos Menem. But, as Dantas's mentor Simonsen told the magazine *Veja*, "The new government has to carry out a broad shock, without fear of the Argentine example."

Such pressures are due in large part to the fact that, despite Collor de Mello's origins among Brazil's old and powerful families and his reliance upon them for electoral support, he has not thus far shown any indications that they are in control of his presidency.

A commentary by the ultra-liberal former minister Roberto Campos on Jan. 7 is revealing: "If Lula's defeat freed Brazil from the certainty of backwardness, Collor's victory doesn't bring us the certainty of progress. It is necessary for the new President to put all the garbage in his head to one side." The garbage, according to Campos, is "old [state] dirigism."

Collor de Mello appears to have resisted this first round of pressures from the liberal oligarchy. In an interview given in Rome and published Jan. 10 in the magazine *Veja*, Collor responded to Simonsen's warning: "The situation in Argentina has me very concerned. Argentina can be an example of what we should or should not do, from the very first days in office."

At the same time, Collor gave public backing to economist Zelia Cardoso de Mello, the coordinator of his economic team and a former aide

to minister Funaro, whose nationalist economic line went against the orthodox free-enterprisers. Similarly, there are indications that Collor gave permission to a small circle of his collaborators to leak Dantas's insane economic plan to the media, thereby burning it politically. It was even reported in the press that when Dantas's proposals were submitted to the President, he asked the economist, "Would you have the courage to execute and support these measures?"

The content of those proposals has also alerted various organized sectors of the economy. For example, Antonio Medeiros, leader of the Metal Workers Union of São Paulo, told the media that to propose a recession for Brazil at this time was sheer "suicide." He added, "The Collor government has the strength to break free from the businessmen. What Collor owed them, he has already paid by defeating Lula."

The factional battle around the question of recession or development as government policy has mobilized an important sector of the São Paulo business community, which has no desire to return to 1983-style recession, when Brazil yielded to brutal International Monetary Fund conditionalities. On Jan. 6, *O Estado de São Paulo* reported that the economists preparing Collor's government program are seeking the support of these industrialists, the same who "in 1985 put Dilson Funaro into the Finance Ministry."

Collor's economic team has reiterated that it has no interest in a policy that would slash wages. In this, the Collor government appears to share the interests of several groups of nationalist industrialists. So, we know—at least in general terms—what Collor's economic team doesn't want. But the question remains: What do they want?

## IMF austerity hits Venezuela

*Carlos Andrés Pérez fears a coup attempt, as criticisms of austerity mount, and crime sweeps the country.*

On Jan. 1, Venezuelan President Carlos Andrés Pérez celebrated the first anniversary of coming to power by imposing the second phase of the program he signed with the International Monetary Fund (IMF) last January. Overnight, prices for bus and airline fares were hiked by 15-30%, most food prices went up sharply, and gasoline prices were increased by 15%, with more increases to follow later in the year.

Venezuelans, already reeling from a sharp decline in their real income over less than a year, and an unprecedented 20% unemployment rate, responded with anger against the regime, amidst warnings of another explosion such as the one that devastated Caracas and several other cities beginning last Feb. 27. Last winter, riots broke out the same morning that bus fares and gasoline prices were sharply increased; the riots lasted for five days, killed an estimated 1,000 people, and left much of downtown Caracas in shambles as thousands of stores were looted.

According to the Caracas daily *Nuevo País*, the new measures are creating an atmosphere of extreme tension. "Thousands of Venezuelans are anguished over the shortages of powdered milk, pre-cooked flour, rice, and sugar, and because of the gasoline price hike announced by President Pérez," the paper said. Recent increases in the prices of basic foodstuffs have been so steep, reported the paper, that 2 kilograms of powdered milk (4.5 pounds) now costs 400 bolivars, or about \$10, which is one-tenth

of the minimum monthly wage.

Political and trade union leaders are also issuing pointed warnings to the government.

Former President and leader of the Christian Democratic COPEI party Luis Herrera Campins told the press that the government's action "could initiate a chain reaction that would be very dangerous." Referring to the rioting of 1989, he added, "and this time, it wouldn't be leaderless."

The Confederation of Venezuelan Workers (CTV) also came out strongly against the new measures.

One indication of the devastating effect of the austerity measures already in place is a sudden epidemic outbreak of dengue fever. The Venezuelan Ministry of Health announced on Jan. 7 that it was now registering about 100 cases a day of the deadly insect-borne disease. It reported that the highest incidence was precisely in the zones of greatest poverty, where the government's austerity measures have hit the hardest.

Another measure is an alarming growth of crime. According to a Jan. 8 article in *Ultimas Noticias*, "The criminal activity of the underworld has become the primary cause of death in the country," in recent months. The head of the CTV, Antonio Rios, said that the labor federation is very much concerned about the issue, because "insecurity is a problem that affects all Venezuelans," and the union finds that it "must not only defend its workers, but also the families of its workers" from the crime wave.

According to the Venezuelan

press, President Pérez, a Social Democrat, himself has been forced to publicly admit that there has been an increase of crime because of the economic crisis caused by his harsh austerity program.

The President (known as CAP) and his IMF austerity policies were sharply repudiated by voters last December in state elections, in which the ruling Democratic Action party lost the governorships of half the states of the country, and in which most voters stayed home from the polls.

The President is also under behind-the-scenes pressure, to the point that, according to one of the country's best-known columnists Rafael Poleo, he fears a possible coup, and believes that there is a military conspiracy against him. "President Pérez has expressed this fear in conversation with certain persons," Poleo wrote in *El Nuevo País* Jan. 9, and for this reason CAP has placed one Torres Agudo in a top position in the nation's political police, the DISIP. Torres Agudo, Poleo says, is well informed about the military.

Anticipating popular rage against his measures, and perhaps also for fear of a coup, President Pérez appears to be trying to establish a super-police force controlled directly by the presidency, ostensibly to fight against crime—but in reality, to put down any popular unrest.

Representatives of all the security agencies met with the appropriate agencies of the government of Caracas on Jan. 8, and decided to put 8,000 more men out on the streets to fight crime, including at least 1,000 members of the National Guard.

This suggestion has angered the military top brass, who feel that police duty is not appropriate for military personnel, and who fear that it will lead to discrediting the military among the citizenry.

# International Intelligence

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## ***Soviets hail Bush's views on German reunification***

The Soviet magazine *New Times*, in its Dec. 19-25, 1989 issue, praised the Bush administration for its reluctance to see a reunified Germany. Although "Washington has been advocating German reunification for decades," the article said, "at the same time the Bush administration is aware of the fact that the merger of the two Germanys will create serious problems for U.S. foreign policy."

Referring to the ouster of the Communist hardline leadership in the German Democratic Republic (East Germany), the article stated, "Rapid changes in the status of the G.D.R. could complicate and even jeopardize the conclusion of the treaty on radical reductions of armed forces in Europe. . . . The reunification of the two German states belonging to two opposing military-political blocs—in whatever form it might occur—could result in the prompt disintegration of the existing structures of European security. If this happens, a political vacuum could appear that it would take some time to fill. This course of development is difficult to predict and could potentially destabilize the situation in Europe."

Furthermore, according to *New Times*, Washington fears that rapid moves toward reunification could "provide additional arguments for the opponents of new political thinking inside the Soviet Union." And "disruption of the postwar status quo in Europe will raise the question of how unshakable the results of World War II are in the world at large."

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## ***North Korea worried about fate of communism***

"Today's international situation is very serious and dangerous," warned North Korean dictator Kim Il-Sung's tightly controlled media outlets on Dec. 22. "The development of the overall situation is such that it is not a time when one can be lured by such remarks as détente or cooperation," contin-

ued Pyongyang Domestic Service.

At about the same time, according to Japan's Kyodo news service, North Korea recalled its envoys from abroad for an emergency meeting to discuss the turbulent situation in Eastern Europe and the Soviet Union. North Korean ambassadors to 30 countries, including Poland, Hungary, Red China, and the Soviet Union met with the Kim Il-Sung leadership from Dec. 20 through at least Dec. 27.

Japanese Diet members just back from the communist North's capital at Pyongyang are convinced that the North Korean leadership, like that of Red China, will fight to the last man to avert any changes in their dictatorships, and Japanese press are questioning the Western media analysis which says the hardline communist countries face imminent downfall.

As evidence against this "isolation" theme, the Japanese daily *Yomiuri Shimbun* reported Dec. 25, quoting intelligence sources, that Kim Il-Sung has indicated his intention to travel to the Soviet Union early this year.

Soviet experts in Europe told *EIR* that the reason the communist hardline countries in Asia, China in particular, are maintaining their anti-Gorbachov line is because of their connections to the hardline faction in Moscow, which they expect to prevail.

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## ***Behind East Germany's 'anti-fascist' campaign***

The East German communists have revved up a campaign against "neo-fascism" in order to prepare a coup against the opposition parties and the will of the majority of the population, charged Friedrich Bohl of the West German parliamentary group of the Christian Democrats on Jan. 5.

"After 56 years of dictatorship on the soil of the G.D.R. (12 years of Nazi regime, 44 years of SED communist regime), the socialist SED is on its way to launch another socialist coup," declared Bohl in a press statement. He listed several methods of intimidation and repression against the opposition used by the SED in the past few weeks:

- The so-called roundtable talks are being provided with insufficient, or even false, information by the SED, rendering them increasingly meaningless.

- The press is still not free. The censorship by the state security service (Stasi) has not been abolished, but only replaced by politically motivated rationing of printing paper.

- The electronic media, television and radio, are largely under the firm control of SED party officials. The news coverage ignores important opposition groups.

- The opposition is still dependent on the state censorship board's go-ahead for each and every leaflet. The SED arrogantly claims the right to decide on what aspects of its own policy others are allowed to criticize.

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## ***U.S. did nothing against Col. Higgins's kidnapers***

The United States knows the identity of the Arab kidnapers of Lt. Col. William Higgins, wrote Richard Owen in the *Times* of London on Jan. 9. Higgins was reportedly executed by the Iranian-backed Hezbollah terrorists last July, following an Israeli raid which captured Hezbollah leader Sheikh Obeid. Owen reported, quoting the Israeli daily *Ha'aretz*, that two of Higgins's kidnapers have been identified as "Mustafa Marwi" and "Mohammed Rihal."

The *Ha'aretz* article was based on the Jan. 6 story published in *Middle East Insider*, "Colonel Higgins's Murderers Released," which revealed that the two terrorists cited above had been arrested last Aug. 31 by Syrian intelligence and brought to Damascus for interrogation. However, both were released at the end of December.

Intelligence sources are asking why, given that Washington was made aware of the identities of Higgins's murderers, no action was taken to bring them to trial.

After having condemned the Israelis for the kidnaping of Sheikh Obeid, the U.S. administration made much public noise about the fact that it would do everything to bring Higgins's murderers to trial. This was



## Briefly

clearly not done, just as the Department of Justice refused an Israeli offer to extradite Obeid to the United States where he could stand trial, at least, as an accomplice in Higgins's kidnaping.

To have done so, would apparently have interfered with the ongoing secret negotiations between Washington and Teheran.

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### *Cultural Revolution returns to China*

Communist Chinese Vice President Wang Zhen announced an assault against Chinese intellectuals, reminiscent of Mao Zedong's infamous Cultural Revolution. He said in December that he wants to send 4,000 intellectuals to a "labor reform camp" in the remote northwestern province of Xinjiang, Asian sources report.

Wang, a close comrade of Mao, was commander of the Productive Construction Army in Xinjiang, long used by the Beijing government as a place of exile for political prisoners.

The announcement reportedly created an uproar among intellectuals in Beijing. The grand master of Chinese painting, Li Kou Yen, sources report, died of a heart attack on Dec. 5, after having been "invited" by the Cultural Ministry to explain what he did during the demonstrations of last spring and summer. Some 250 officials have had to "clarify" their activities in May and June seven times already, in a "double clearance" program instituted by the Communist regime.

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### *Soviets were consulted on anti-Ceausescu coup*

The Soviet Union was "sounded out" about military intervention to prevent the return of Nicolae Ceausescu from Iran, during December's bloody revolution, Romanian Prime Minister Petre Roman said on Jan. 7. Roman also revealed that two of the key figures in the revolution that swept Ceausescu from power, Ion Iliescu and Gen. Nicolae Militaru, now respectively President and

defense minister of Romania, met beforehand to discuss forming a national salvation committee.

"I found out after the revolution that Iliescu and Militaru met once in a park and considered forming a national salvation committee because the situation was getting so difficult," said Roman.

Roman rejected accusations that the Romanian Army had acted independently during the revolution. "The Army obeyed the decisions made by civilian authorities," he said, adding it was possible that secret police had donned Army uniforms to open fire on citizens in the city of Timisoara, where a massacre sparked the popular revolution.

Roman stressed that Romania would remain in the Warsaw Pact.

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### *Thailand fears U.S. is losing the heroin war*

"America Loses the Heroin War," was the title of an editorial in the Bangkok daily *ThaiRat*, commenting on a speech delivered Dec. 20, 1989 by U.S. Ambassador Daniel O'Donohue to the American Chamber of Commerce.

The editorial wrote that about 40-50% of the heroin sold in the United States comes from Thailand, and that 80-85% of the heroin distributed in New York City is delivered from Southeast Asia through Thailand, as major heroin production sites are located in nearby Burma. "The United States cannot retreat from drug suppression. Otherwise the world will feel that President Bush is surrendering to and allowing the vicious elements to dominate the world. . . .

"We feel that President George Bush has somewhat disappointed the world for not seriously helping Colombia fight against the major cocaine traders. . . . At a time when Colombia has nearly fallen because of these mafias, the United States announces it is being defeated in the heroin war in Southeast Asia. It is no wonder that the prestige of the United States is deteriorating so much in many regions that even the cocaine mafias have publicly announced an offer of \$750 million reward for the head of President George Bush," the editorial concludes.

● **GORBACHOV** may visit Houston, Texas during the 1990 economic summit of top Western leaders, said Soviet arms control negotiator and chief English interpreter for the Soviet President, Pavel R. Palazhchenko, at a symposium in Houston on Jan. 5.

● **GEORGES MARCHAIS**, the French Communist Party chief, is facing unprecedented, open rebellion to his 17-year rule, with dissent fueled by charges he had close ties with executed Romanian dictator Nicolae Ceausescu. The Communist mayor of the Paris constituency of Pantin called Jan. 7 for his retirement.

● **SIR PERCY CRADDOCK**, British Prime Minister Thatcher's intelligence chief, secretly went to Beijing in early December and met Communist Party head Jiang Zemin, it has been revealed. Sir Percy's visit was supposed to help get the Chinese to accept Britain's policy of giving passports to 50,000 selected Hong Kong families. But Beijing later denounced British actions as a "gross violation" of the 1984 Sino-British accord on Hong Kong.

● **QADDAFI'S REGIME** in Libya executed eight students at the University of Tripoli, after they were accused of having AIDS. The Student Union charged that the students were actually killed for political reasons, with AIDS used as a pretense. The students were among the 6,000 persons arrested between January and March 1989. In October, Qaddafi compared those arrested to "people sick with the plague and AIDS," and told their relatives to forget them.

● **SHINTARO ABE**, former secretary general of Japan's ruling Liberal Democratic Party, was to meet Gorbachov on Jan. 15. Previously, Soviet officials had told British Labor Party leader Neil Kinnock that Gorbachov was canceling meetings with foreigners for the month, because of domestic problems.

# George Bush prepares to terminate NATO

by Kathleen Klenetsky

Back during the presidential campaign, George Bush made strategic policy one of the principal distinguishing features between himself and his rival, Michael Dukakis. In a series of highly publicized speeches, Bush condemned his opponent's anti-defense policies, and pledged that he would strengthen America's military capabilities and overall strategic position.

But just a little more than a year later, this same George Bush is not only tearing down U.S. defense forces at an alarming rate. He has also decided that it is the Third World, along with Western Europe and Japan—and not the Soviet Union—which represent the greatest danger to the United States, and that U.S. strategic policy should be radically restructured to reflect this insane view.

Since the Panama invasion—which followed directly from this absurd denial of reality—the Bush team has dramatically escalated the implementation of its new strategic outlook. The first casualty is slated to be NATO. The U.S. is preparing to scuttle the U.S. military commitment to the defense of Western Europe, justifying this on the grounds that the Soviet Union has become our friend, and that, in any case, U.S. budget considerations rule out any significant continuing contribution to NATO.

According to several sources, the Bush gang is carrying out hush-hush negotiations with the Kremlin to reduce American forces in Europe by an initial 100,000 soldiers—a one-third cut in current troop levels—as the first step toward a near-total military disengagement from the continent. The U.S. is said to be looking favorably at an informal proposal made by Soviet officials at the conventional arms negotiations, known as the CFE talks, in Vienna. Proffered by Oleg Grinevsky, the proposal calls for much sharper cuts in Soviet and American troops in Europe than previously offered.

The proposal is a typical Soviet negotiating gambit, in-

tended to convey the notion that Moscow, beset by economic and political difficulties, is being forced to cut back its own troop deployments in Eastern Europe, and thus, the U.S. should do the same.

The Bush administration is colluding in this fiction. According to published reports, administration officials are putting out the line that Grinevsky's proposal means Moscow is now prepared to make bigger troop withdrawals from Eastern Europe than it has proposed in the past. East German communist party chief Gregor Gysi upped the ante Jan. 6, when he called on East and West Germany to halve their armed forces by the end of next year, and urged that all foreign troops leave both Germanys by 1999. As soon as the news appeared, the Bush administration trotted out National Security Adviser Brent Scowcroft to say that the U.S. would certainly consider reducing its troop strength in Western Europe beyond the 275,000 ceiling which it has proposed at the CFE talks.

## The Andropov Doctrine

The Bush crew is blithely covering up the fact that even if the Soviets do pull some of their military forces out of Europe, it will be much easier for them to be redeployed back than it will be for U.S. forces—not simply for the obvious geographic and logistical reasons, but also because most of those American troops which will be withdrawn from Europe will be totally demobilized. Since even a schoolchild can figure this out, there must be some explanation for the Bush team's decision to leave Europe, other than sheer stupidity.

What in fact is going on is that Washington and Moscow are implementing the Andropov Doctrine—the global power-sharing deal put forward by Yuri Andropov in an April 1983 interview with *Der Spiegel* magazine. That plan called for the U.S. to recognize the entire European continent as

within the Soviet sphere of influence, while the U.S. would get the Western Hemisphere.

This same plan can be seen at work in the recent statements by Secretary of State James Baker endorsing a possible Soviet military intervention into Romania, at the same time that the U.S. invaded Panama. This heavy-handed *quid pro quo* was an unmistakable signal that the Bush team's strategic policy is based on the Andropov Doctrine.

### The Nunn show

The latest developments at the CFE front are by no means the only sign that the U.S. is speeding up its pullout from Europe. A few days before news of the Grinevsky proposal hit the press, Sen. Sam Nunn (D-Ga.) told the Jan. 3 *New York Times* that the administration proposal to the CFE talks was inadequate; and that the U.S. should be seeking to cut its troop levels in Europe to 200,000-250,000. Nunn, who chairs the influential Senate Armed Services Committee, said the U.S. should inform its NATO allies that "what we are going to be evolving toward will include U.S. strengths, and our strengths don't include getting a huge number of heavy forces to Europe during an emergency." Although Nunn is a Democrat, and potentially a key rival to Bush for the presidency, there is ample reason to believe that he is closely coordinating his actions with the administration. He is a longtime political ally of both Defense Secretary Dick Cheney and National Security Adviser Brent Scowcroft, and worked with both of them on a series of task forces sponsored by the Aspen Institute, the Center for Strategic and International Studies, and the Atlantic Council, which called for reorienting U.S. military strategy away from the defense of Europe against Soviet attack, toward quelling Third World disturbances.

Nunn's "criticism" of the administration's official position at the CFE talks is part of a staged process, whose aim is to quickly establish a bipartisan consensus behind the kind of drastic troop withdrawals from Europe that the Bush administration is already heading toward.

At the same time that Washington's war on NATO has escalated on the diplomatic front, the budget process, dictated by what congressional candidate Lyndon H. LaRouche has termed the Gramm-Rudman-Gorbachov law, is wreaking its own damage.

During the second week in January, the White House leaked that its 1992 Pentagon budget plan will include a proposal to greatly reduce NATO troops—the *Washington Times*, an approved leak sheet for the administration, puts the figure at between 100,000 and 200,000 troops. Troop cuts will also be a principal feature of the administration's defense spending proposal for the 1991 fiscal year, which will be submitted to Congress Jan. 29. According to published reports, that proposal will request \$292 billion—\$3 billion below the current year's budget, itself a sharp decline from the spending projections laid out by former Defense Secretary Caspar Weinberger.

The *Washington Times* of Jan. 9 quotes unnamed administration officials saying that the administration's 1991 military spending proposal reflects the desire of President Bush and Defense Secretary Cheney to revamp the U.S. military strategy from one based on fighting a war in Europe, to one using smaller forces in Third World or anti-terrorist and anti-drug situations. Indeed, the 1991 budget reportedly calls for allocating \$1 billion (a threefold increase) for the military to fight the "war on drugs"—presumably along the lines of the Panama model. Additionally, the budget plan will call for eliminating the F-14 Tomcat fighter and the V-22 Osprey tilt-rotor aircraft; suspending production of the M-1 tank; mothballing two of the Navy's four battleships, eliminating all of them in a few years; and dismantling two entire Army divisions.

Ostensibly to deter Congress from making even deeper cuts in the defense budget, the Bush administration plans to argue that spending levels must be kept up to pay for a projected unending string of "Panamas."

The Jan. 9 *New York Times*, noting that "government and private experts agree that the threat of war with the Soviet Union is diminishing," reported that the Defense Department will argue that a portion of the Pentagon budget in the 1990s must be devoted to "combatting drugs and being prepared to bring American military power to bear in the Third World." Specifically, Pentagon officials are citing "politically popular actions," like the invasion of Panama, as "harbingers of a new era and arguments against sharp cuts in the Pentagon budget."

Nevertheless, it is virtually guaranteed that the congressional budget axe will take big bites out of the Bush proposal, inadequate though it is. For instance, House Armed Services Committee chairman Rep. Les Aspin (D-Wisc.) said during the first week of January that only massive repression in the Soviet Union and a complete change in its foreign and security policies could reverse the momentum in Congress toward sharp defense cutbacks. "I know the Pentagon thinks that Panama is going to change the outlook on defense spending," he said. "They're looking at this as a way to argue for a robust defense budget. I don't think it will change the size of the budget, but it may change the shape."

And it seems certain that the Bush administration's putatively clever "Panama" argument will, in fact, be used by some to justify the drastic defense gouging that Bush claims not to want. Lawrence Korb, a former Reagan defense official, now at the Brookings Institution, told the *New York Times*, that the success of lightly armored Army troops in Panama points up the potential for even farther-reaching troop cuts: "This was the biggest American military operation since Vietnam," says Korb. "How many troops did we use? Twenty-five thousand. If that's the case, why do we need more than 1.5 million men and women in uniform? Why do we need a B-2 bomber? We didn't even use an aircraft carrier in Panama or the M-1 tanks."

## First arrogance, then the fall?

by Herbert Quinde

Is the President of the United States really above the law? Assuming that the remaining Irangate defendant Adm. John Poindexter goes to trial as scheduled in late February, that question may yet be answered.

On Jan. 9, lawyers for Poindexter urged a federal judge to reject legal arguments by former President Ronald Reagan that he should be excused from appearing as a witness in Poindexter's upcoming Iran-Contra trial. "Mr. Reagan and Mr. Reagan alone possesses evidence which is pertinent to the central issues of the case," Poindexter's lawyers said. The lawyers said it was "ludicrous" to hesitate to force Reagan to testify. "In his quest to avoid his responsibility to take the witness stand and formally acknowledge under oath his role in the Iran-Contra affair, Mr. Reagan has suggested that the court follow a procedure amounting to 'heads I win, tails you lose,' " the lawyers said.

A week earlier, attorneys for Reagan filed papers seeking to stall attempts by Adm. John Poindexter to subpoena him as a witness at the trial of Reagan's former national security adviser on charges that arose from illegally selling arms to Khomeini's Iran, and illegally funneling the proceeds to the Nicaraguan "Contra" rebels. The attorneys asked the court to delay at least until the prosecutors complete their case.

### Reagan's attorneys try to stall

Citing "substantial constitutional questions" about the unprecedented subpoena for the testimony of a former President, the lawyers said President Reagan might invoke executive privilege and refuse to answer certain questions. "Relations and discussions with foreign governments are apparently at the heart of many of the issues presented in the case," Reagan's attorneys argued, adding:

"Answers required by the unforeseeable questions of counsel might deal with the United States' contacts with foreign governments and other entities abroad. The spectacle of a former President being subjected to peremptory judicial process may chill foreign governments in the way they deal with the Presidents now and in the future. . . .

"A former President must ensure that there is no disclosure of classified or classifiable information or information that would potentially inflict injury to foreign relations or national defense. Such determinations cannot be made in-

stantaneously and without the participation of the incumbent President."

In a separate filing, the U.S. Justice Department, headed by President Bush's "bodyguard of lies," Attorney General Richard Thornburgh, highlighted these same points. It said that Admiral Poindexter's attempt to call President Reagan as a witness "is contrary to the constitutional principles that protect the presidency." The Justice Department also asked U.S. District Judge Harold Greene to put off a decision until after the prosecution had rested.

In the trial of Lt. Col. Oliver North, a federal judge delayed his ruling until prosecutors had completed their case, before denying North's subpoena of President Reagan. However, Poindexter had almost daily contact with Reagan, and argues he was following the President's orders in saying what he did to Congress.

The case might become even more explosive, because if subpoenaed, President Reagan's attorneys say he might wish to confer during testimony with President Bush before giving his answers to questions. Sources say that Reagan hopes to "squeeze" President Bush into getting the case dismissed. During the Watergate scandal, the Supreme Court upheld executive privilege, but said that President Nixon could not withhold evidence essential for a criminal trial.

These legal maneuvers come at a time of increasing anger and fear within the Washington political establishment over the Panama invasion, added to the disgust at the continuing whitewash of the Iran-Contra debacle. The result is the re-opening of a political wound that could be fatal for the presidency in 1990.

Just before the year-end holidays, Independent Counsel Lawrence E. Walsh issued his Second Interim Report to Congress on Dec. 11, strongly criticizing the administration and the President for their year-long sabotage of his office's prosecution of Iran-Contra principals. The report effectively called on the legislative branch to launch a "jihad" against the Office of the President for its coverup of crimes and violations of the Constitution. Sources say the report has struck a responsive chord in Congress. The dismissal of the case against CIA official Joseph Fernandez, provoked by the Attorney General's ostensible concern to protect "national security secrets" was the last straw. Walsh charged the President with permitting the creation of "an enclave of high public officers free from the rule of law."

Summarizing the arrogance reflected by the Bush administration, a former CIA official boasted: "Any idea that there is a world morality is utopian; power is power. We all pretend that we are all part of this great moral community of nations, but any guy that ran his country on that basis deserves to be kicked out . . . personal morality is no basis to carry out international affairs or business. . . The reason Henry Kissinger's *realpolitik* has never had a popular following in the U.S. . . . is that the population still thinks morality has something to do with affairs of state."

# Billington rebuts police-state aims

*Michael Billington, the second associate of Lyndon LaRouche to be tried in the Virginia "LaRouche" cases on charges that the political loans he raised were "securities," was sentenced to 77 years in the Virginia penitentiary by Judge Clifford Weckstein in Roanoke County, Virginia. Following his sentencing on Dec. 1, 1989, Billington filed a pro se post-sentencing response to prosecutor John Russell's outrageous sentencing argument that "a message" be sent to all of LaRouche's associates who continue to organize.*

*Of great relevance to the Billington case is the fact that on Oct. 25, 1989, Federal Bankruptcy Judge Martin V.B. Bostetter ruled that the government had acted "in bad faith" in forcing Campaigner Publications, Caucus Distributors, and the Fusion Energy Foundation into involuntary bankruptcy, which stopped repayment on the loans solicited by Billington. Bostetter found that "the debtors strived more to expose the world to its political viewpoint than attain private monetary gain."*

Being somewhat stunned by the outrageous nature of Senior Assistant Attorney General John Russell's argument at my sentencing hearing, I was unable to formulate a proper response "on my feet" before the time allotted to me for my final statement. For the record, I am filing this more complete response with the Court.

The performance of Mr. Russell on Dec. 1 dropped all pretense that the aim of the prosecution was the prevention of crime. During the trial, the appearance of concern for alleged criminal activity was maintained. The charge that the loans were securities, and that the non-repayment had been the intention of the fundraisers, provided a thin veneer for the intended judicial destruction of LaRouche's political organization. The overthrowing of the involuntary bankruptcy helped demonstrate that this was only an "appearance." The two lenders I was convicted of defrauding were owed nothing at the time of the illegally imposed bankruptcy—Mr. Tate had rolled his loans over for another year, and Mrs. Fincham's loans were not due. It was only over the next two-and-a-half years of FBI visits and intimidation that a few "victims" were found to testify—"victims" who had been left to fester for two-and-a-half years over loans that were not being repaid because of a government-instigated court order!

But at least Mr. Russell was claiming that laws were being broken. Now, however, he knows and admits that

all borrowing stopped over two-and-a-half years ago, even before the bankruptcy. When it came time to argue as to why I should spend the rest of my life in jail, that basic prerequisite to criminal prosecution, the existence of a crime, was dropped. Now, the truth behind all the prosecutions is being revealed in all its police-state ugliness—any political activity by me or my associates is a "menace to society"; the very existence of Lyndon LaRouche's organization is "wreaking havoc throughout the United States."

Mr. Russell did, of course, make a feeble effort to imply that our method of recruiting supporters was inherently criminal in nature and in need of court-ordered deterrence. But that effort only succeeded in exposing his own criminal intent—to deter that most fundamental of constitutional guarantees, the right to political organizing and association. He even described the process for the Court, so there could be no doubt. The "ruthless" methods that I used, according to Mr. Russell, were to engage people in extended discussions over a long period of time, discussing all the pressing issues confronting the world and society, laying out our proposals and the scope of our activities to achieve them. Beyond that, to expound on art, music, and poetry, to initiate a cultural renaissance and denounce the drug-infested counterculture dominating America. All this was aimed at the insidious goal of establishing a "trusting relationship," to "purposely cultivate trust in their minds." Then, and only then, said Mr. Russell, did I ask them to give money to the cause.

If this method is criminal, what method does Mr. Russell propose as acceptable? Does he, perhaps, prefer the normal "buying of favors" methods popular today, the way bankers pay for policies, through political contributions, or the way Didier Primat buys favors from Attorney General Mary Sue Terry? Is it criminal that we promise nothing in return for the contributions except a chance to turn the course of history? Is it devious to enlighten our supporters with in-depth political intelligence, rather than drowning them in 30-second slogans like the current election drive? Is it diabolical to appeal to the most profound creations of Western Civilization to uplift our citizens above the soap opera banality of today's cultural wasteland?

We are left with two alternative explanations. Either Mr. Russell is opposed to organizing with the power of ideas, or he is simply opposed to any organizing by this organization. I think both are true.

Let me comment on Mr. Russell's repeated refrain that I and my associates raise some of our contributions from old people. I stated in court that, while our supporters are of all ages, I have found that those people old enough to have known America at a time when it had a moral purpose and a sense of mission have an advantage over the others. They saw the Depression; they were adults during World War II. They'd seen how far a nation could fall, and also, that at times people must be willing to give their lives to defeat evil, to achieve a greater good. These people often see more easily

where the current moral decay is leading. They recognize that our nation is tumbling into depression despite the foolish economists' prognostications. And they recognize with something close to horror that the appeasement of the military colossus of Soviet Russia is leading to war.

Mr. Russell's unstated assertion that anyone over 80 is a manipulable ding-bat who should be prevented from engaging in and contributing to the political crisis upon us, is an abomination. It coheres with the notion that old people are using up our "scarce resources" and should be encouraged to forego expensive medical care, a notion now polluting our courts and our media. This rebirth of euthanasia, for which we properly hanged Nazis, defines the character of a nation which has lost its respect for the dignity of human life.

While I don't wish to reopen the issues of the trial, I must add that the way in which Mr. Russell used Mrs. Fincham like a dish rag was repulsive. I can state unequivocally, that if I had had a lawyer representing me at trial, rather than a co-prosecutor, the humiliation of Mrs. Fincham would not have been tolerated, and both her honor and mine would have been preserved.

In conclusion, I must respond to Mr. Russell's contention that, supposedly lacking remorse, I repeatedly blamed everything on the government as a shield to hide my guilt. This may have found merit among the naive a year ago. However, Mr. Russell is fully aware that Judge Bostetter had demonstrated conclusively where the guilt lies in the bankruptcy proceeding. Mr. Russell is also painfully aware of the over 800 prominent lawyers from across the country who signed *amicus curiae* briefs against the "violation of due process and fundamental rights" and the "abuse of prosecutorial and judicial systems" in the Alexandria railroad brought by his brothers in the "Get LaRouche" task force. The world is rapidly learning who it is that committed the crimes, and who it is that is committed to truth and justice.

'From the prison in which the politician's career expires, the influence of the statesman is raised toward the summits of his life's providential course. Since Solon, the Socratic method has become the mark of the great Western statesman. Without the reemergence of that leadership, our imperiled civilization will not survive this century's waning years.'

—Lyndon H. LaRouche, Jr.

### In Defense of Common Sense by Lyndon H. LaRouche, Jr.

Available for \$5 from:

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## We mourn Michael Spannaus

All of the editors and the international correspondents of *EIR* share in the profound grief of the Spannaus family in the loss of their son Michael, who was killed in a highway accident on Jan. 1, 1990 near his home in Lovettsville, Virginia.

The 19-year-old youth, a second-year student pursuing a career in biomedical engineering at Duke University School of Engineering, was the son of two of the founding members of the editorial board of *Executive Intelligence Review*, Nancy Spannaus and Edward Spannaus. At the time of his death, Michael Bradeen Spannaus was president of his class and on the Dean's List. An excellent trumpet player, he had continued this work as a member of the Duke University Wind Symphony.

Michael's father, Edward Spannaus, was convicted together with Lyndon LaRouche in the infamous politically motivated "railroad" trial in Alexandria, Virginia in late 1988, and is serving a five-year prison sentence for his political opposition to the U.S. Establishment and its allies in Moscow. Nancy Spannaus is the editor of *New Federalist* national newspaper and a candidate for Senate from Virginia, contesting the seat of Republican John Warner in the 1990 elections.

The memorial services for Michael Spannaus occasioned an outpouring of support for the family in Loudoun County, Virginia.

Five hundred people attended the public memorial on Jan. 4 at Loudoun Valley High School, where he had been a student. Some came from distant parts of the United States and even from Europe. Michael was described by former teachers, fellow students, and fraternity brothers as a young man dedicated to perfection. The tributes showed that his humorous warmth, his passion for sharing classical music with others, his diligence at work, and his devotion as a son, friend, and brother had inspired many people.

Donations in memory of Michael Spannaus and his close friend Scott Kidwell, a fellow engineering student who also perished in the accident, may be contributed to a scholarship fund. Checks should be annotated for the "Michael Spannaus Memorial" and made payable to the Loudoun Valley High School, 340 North Maple Street, Purcellville, Virginia, (U.S.A.) 22132.

## New law would help protect disabled

*Congress, backed by Bush administration, is ready to enact sweeping new anti-discrimination legislation.*

One of the first items of business to be taken up by Congress when it convenes in January will be to pass the "Americans with Disabilities Act" (ADA), which will extend anti-discrimination protections for persons with physical disabilities.

The bill passed the Senate last September, and the House Education and Labor Committee approved an amended version of it by a 35-0 vote on Nov. 14, but Congress recessed before voting final approval. The bill is avidly supported by advocacy organizations of the disabled, and the Bush administration.

The bill would extend anti-discrimination protections for the handicapped beyond those employers who have federal contracts or receive federal assistance in excess of \$2,500, which was all its predecessor, the Rehabilitation Act of 1973, covered. The new bill mandates anti-discrimination practices to be extended to all employers "engaged in any industry affecting commerce."

According to a report on the ADA bill published by the Senate Labor and Human Resources Committee last fall, "The purpose of the ADA is to provide a clear and comprehensive national mandate to end discrimination against individuals with disabilities and to bring persons with disabilities into the economic and social mainstream of American life." It is the concept of "bringing into the mainstream of life" those with disabilities which is key to the bill.

A generation of disabled Americans was placed in the educational mainstream by the Education for All

Handicapped Children Act of 1975, and it is now "coming of age," as 150,000 "well educated and ready to work" disabled persons are poised to enter the labor market every year. Through the ADA, advocates propose, more handicapped "will be fully-empowered in the 1990s."

Statistics show that 58% of all disabled men and 80% of all disabled women currently are not working. It costs an estimated \$45,000 in public funds annually to support one non-working disabled person, and therefore the administration supports it as "cost effective."

Major provisions of the bill require private employers to make "reasonable accommodation" for known physical and mental impairments of otherwise qualified workers, provided this does not cause "undue hardship to the employer." For example, employers can make physical changes in the workplace to make jobs accessible, or utilize part-time or flex-time scheduling options.

The ADA bill contains an "accessibility requirement" which mandates "businesses serving the public [to] make their establishments accessible to disabled persons." It mandates the removal of physical barriers "when that is readily achievable," which would add an estimated 1% to construction costs.

Another feature of the bill broadens the definition of "who constitutes a disabled person." A Supreme Court decision in *School Board of Nassau County, Florida v. Arline* (1987) ruled that a woman testing positive for a contagious disease was a handi-

capped person. The Supreme Court defined physical impairment as any "physiological disorder or condition, cosmetic disfigurement or anatomical loss affecting one or more of the following systems: neurological; musculoskeletal; special sense organs; respiratory, including speech organs; cardiovascular; reproductive, digestive, genito-urinary; meic and lymphatic; skin; and endocrine."

Further, the Court added that "Society's accumulated myths and fears about disability and disease are as handicapping as are the physical limitations that flow from actual impairment. Few aspects of a handicap give rise to the same level of public fear and misapprehension as contagiousness."

The ADA bill incorporates this standard, and the Senate report remarked that "this new approach is necessary given the widespread negative attitudes towards the physically impaired, including those with such diseases as AIDS, epilepsy, cerebral palsy, diabetes," and so on.

While a distinction is warranted between contagious and non-contagious disabilities to protect the safety of others, the Senate report abounded with grim testimony of discrimination based on little more than the perceived discomfort of "having to gaze upon a physically-deformed person." One example cited was the case of a New Jersey zoo keeper who refused to admit children with Downs Syndrome because he feared "they would upset the chimpanzees."

Another case, evaluated by the Supreme Court in *Alexander v. Choate* (1985), referenced a "cerebral palsied child, who was not a physical threat and was academically competitive," who was excluded from a public school "because his teacher claimed his physical appearance 'produced a nauseating effect' on his classmates."

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# National News

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## Thornburgh betrays ambitions, says Post

Relations between Attorney General Richard Thornburgh and the U.S. Congress are deteriorating because of Thornburgh's antics which betray his political ambitions, according to the Jan. 6 *Washington Post*.

The *Post* describes antics including his refusal to appear on panels with other cabinet members because they are thought to be of lower rank, his high-handed approach to the reorganization of local prosecutors' offices, usually done in consultation with the Senate, and his refusal to appear on talk shows with National Drug Policy Director William Bennett.

Thornburgh, already chastised for using Department of Justice computers to develop contributor and mailing lists for his political activities, has an inner circle, the *Post* said, who are "preoccupied with the Attorney General's image to a degree unusual even in Washington." The *Post* blames this crew for the near total secrecy which has shrouded DoJ activities and earned Thornburgh a reputation as a "control freak."

An administration official contrasted Thornburgh to former Attorney General Edwin Meese who "had no political agenda for himself. Because Dick Thornburgh views himself as seeking higher office and because the people he brought with him helped him seek high office in the state of Pennsylvania, things are viewed through the lens: How will this affect Dick Thornburgh when George Bush is no longer President?"

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## LaRouche campaign ads subjected to DoJ review

Political radio advertisements sponsored by "LaRouche for Justice," the campaign committee for Lyndon LaRouche's bid for Congress from the 10th district of Virginia, were delayed in airing by "all news" radio WTOP in Washington, D.C., because the station first wanted to get approval from the Depart-

ment of Justice. The ads finally aired Jan. 5 and 8.

On Jan. 3 the station blocked the ads from airing. WTOP policy is to offer a candidate's opponent a chance to air an "opposing view." Instead of calling the incumbent, Rep. Frank Wolf (R), a WTOP spokesman admitted they have determined the Department of Justice is the opponent of the LaRouche campaign.

A WTOP salesperson said they received word on Jan. 4 that the DoJ did not want to respond to the LaRouche ads, which read:

**"Announcer:** Federal Judge Bostetter recently ruled that the government committed 'constructive fraud' when it shut down three organizations associated with Lyndon LaRouche. A national newspaper and magazine, protected under the First Amendment, were shut down for more than two years, and given an economic death sentence.

"More recently, a Virginia judge sentenced LaRouche fundraiser Michael Billington to 77 years for raising \$76,000 of *political loans*. Billington and LaRouche have both been denied bond pending appeal. President Bush refuses to release thousands of classified documents which could exonerate LaRouche. The FBI, alone, refuses to release some 4700 pages of documents.

"Hasn't the vendetta against LaRouche and his associates gone far enough? In the interest of justice, Bush must declassify the LaRouche files."

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## Hospitals facing emergency room crises

New York City hospitals face an alarming emergency room crisis as admission rates climb. On one day in the first week of January, over 890 patients waited for hospital beds in the city's emergency rooms and hallways. On another day, 639 patients waited in public and private hospitals.

Emergency room physicians say it is typical to have an increase in admissions after the holidays, because of flu outbreaks and because people put off treatment until after the holiday, but, this winter's surge has broken all records—and there is no flu

epidemic to blame it on—yet.

State Health Department officials say that 900 new beds have been opened since last winter's emergency room crisis, but, although there is an increase in nurses available, Lincoln Hospital has yet been unable to use its new unit of 99 beds because it lacks the necessary staff. To free up emergency room staff, some hospitals have extended their walk-in clinic hours to handle all non-emergency problems, but critics say hundreds more beds and nurses are needed.

One new method to cut down the number of patients waiting for beds was instituted by the Emergency Medical Services (EMS), which runs the city's ambulance system. No hospital is allowed to refuse a patient, nor are they allowed to ask that ambulances divert new patients to a hospital with beds available. They can, however, request EMS to transfer a patient. EMS has averaged a record 3,116 calls a day, when the normal for a holiday season is 2,300 per day. This means that the EMS crew waits about 7-8 hours to transfer one patient from an ambulance stretcher to a bed.

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## Judge strikes ban on Operation Rescue demos

U.S. District Judge Oliver Gasch struck down an ordinance which had banned the demonstrations by the anti-abortion Operation Rescue group, by reversing a ban enforced Nov. 14, 1989 against "intimidating" people within 100 feet of clinics that perform abortions.

Gasch called the ban "too vague . . . to pass constitutional muster. It goes too far and prohibits other speech that is constitutionally protected." He added that the 100-foot zone included sidewalks which he said were "a traditional public forum" for free speech.

Operation Rescue planned a series of protests outside of abortion clinics in the Washington, D.C. area as part of its D.C. Project. Judge Gasch said that local governments have a right to ban conduct that physically interferes with patients' access to the clinic or public safety, but that there are



already laws that deal with that, like those dealing with trespassing or blocking the public sidewalk.

## Space Shuttle Columbia starts 10-day mission

The Space Shuttle orbiter Columbia was launched Jan. 9 to begin the second-longest Shuttle mission in the program's nine-year history. It is the ninth flight for the Columbia, and the 33rd in the Shuttle program. NASA has a record number of 10 flights planned for this year.

The five-man crew deployed the Navy Syncom communications satellite, and on Jan. 12 the astronauts rendezvoused with the Long Duration Exposure Facility. LDEF has 57 experiments on board which have been exposed to the space environment for more than five years.

Kennedy Space Center launch director Bob Sieck said after the launch that the one-month delay in launching the current Shuttle mission, which was due to modifications to the launch pad, should not delay the other nine flights NASA has scheduled for 1990, including the long-awaited launch of the Hubble Space Telescope in the spring.

Sieck stated that the main constraint on the number of Shuttle missions that can fly each year is the time it takes to work on the orbiter after it returns from a mission, or the turnaround time. With only three orbiters, NASA cannot increase the current flight schedule.

When the Shuttle program was started, there were to be five orbiters. Only four were built, and it will be more than another year before the Challenger replacement orbiter, Endeavor, joins the Shuttle fleet.

## FDIC forms legal hit squad

The Federal Deposit Insurance Corp. has formed an "Untouchables" legal hit squad, composed of former criminal prosecutors, to track down suspected S&L fraud and seek

monetary restitution, the *Wall Street Journal* reported Jan. 8.

The unit was formed because borrowers and thrift executives "need to get the message that they're going to be eating off a metal tray when they commit fraud," said Howard Feinstein, who heads the Washington-based unit.

The unit will assist in pre-indictment investigations and will press for stiffer sentences, including prison time, and restitution under the Victim and Witness Protection Act. The unit is asking judges to add restitution to sentences already handed down. "We're talking about an unparalleled national bank fraud scandal here," Feinstein said.

"Think of them as the 'Untouchables' of the S&L industry," the *Journal* said.

## Bush manipulating what we see, columnist says

"In a certain way, Bush has gone beyond manipulating how we see things, to manipulating what we see," David Hoffman charged in a *Washington Post* commentary entitled "Zip My Lips: Bush's Secret Conduct of U.S. Policy," on Jan. 7.

One example Hoffman gives is events surrounding the recent coup attempt in the Philippines. The chronology of events prepared by the administration began with Corazon Aquino's call for help and Bush's positive response. But it omitted a previous communication from the administration indicating to the Philippines government which request the United States was ready to accept.

"Bush's need for secrecy is more than just a concern that he reap the maximum public-relations advantage," Hoffman said. "It is central to his thinking. This desire for control is woven into the fabric of his everyday life. Although he often comes across in public as casual and free-wheeling, in private Bush is intensely calculating about the people and information around him, even at a dinner party. Friends often marvel at how he delights in launching what amount to little covert missions and intelligence operations for his own edification."

## Briefly

● **PRESIDENT BUSH** signed a proclamation for "Earth Day" on Jan. 3, beneath a portrait of Teddy Roosevelt on a bucking horse. EPA head William Reilly and a granddaddy of the environmental movement, Gaylord Nelson, attended the ceremony. In greeting Nelson, Bush asked if he should genuflect.

● **THE TWELFTH MEETING** of the U.S.-U.S.S.R. joint committee on cooperation for environmental protection convened at the Environmental Protection Agency in Washington Jan. 9, chaired by EPA Administrator William Reilly and First Deputy Chairman of the U.S.S.R. State Committee for Nature Protection Valentin Sokolovsky.

● **LAROCHE ASSOCIATES** won a victory Jan. 5 in the ongoing PANIC (AIDS ballot initiative) case against Bruce Kilber when the California appeals court in Los Angeles upheld the right to discovery for the defendants.

● **JEB BUSH**, the President's son, is sponsoring the Florida fundraiser for Violeta Chamorro, the Contra operative who is a presidential candidate in Nicaragua and who is now touring the U.S. to raise funds.

● **RADIO MOSCOW** featured George Bush's effusive praise for Mikhail Gorbachov and perestroika on Jan. 3, reporting that in an interview with *Reader's Digest* Bush said he "wants restructuring to succeed," and that Gorbachov is an "attractive and popular political figure."

● **STANLEY ADAMS, JR.**, the former chairman of Lamar Savings who was forced out by FSLIC and FHLBB regulators in 1985, announced for the Democratic Party nomination for governor of Texas on Jan. 2. Adams said he is "outraged at the unconscionable manner that the economy of this state has been systematically pillaged and looted for the benefit of the Eastern Establishment banking dictatorship."

## Editorial

### *Satan must be defeated*

The idea that the U.S. Army would beam heavy metal rock music at top volume into the residence of the Panamanian Papal Nuncio, with the express purpose of driving him and General Noriega—then in the embassy—insane, was almost as shocking as the brutal invasion of Panama itself. The Bush administration was speaking to the world in the voice of Satan.

It was a terrible irony that an administration which was willing to use the same saturation bombing techniques made infamous during the Vietnam War, on the innocent civilian population of Panama, would also challenge the papacy in this way. That the rock music tactic was no accidental lunacy by a local commander, was shown by its use a second time. This time the Peruvian embassy was the target of the acoustical assault, because they were believed to be harboring close associates of General Noriega.

These incidents are a national disgrace for the United States. They mean that the U.S. administration, which is currently being dominated by that most evil of men, Henry Kissinger, was willing to deploy the tools of satanism to destroy a perceived enemy; further, the administration has shown itself to be willing to set itself against all God-fearing men and women by such a blatant affront to the Vatican.

It is also noteworthy that the choice of weapon was so precise. We have long contended that rock music is a weapon of psychological warfare, concocted by the very evil Frankfurt School and Tavistock Institute, working along with Carl Jung. The chosen target of this warfare was the Judeo-Christian tradition of Western civilization; the purpose, to effect a cultural paradigm shift to the "Age of Aquarius."

The Aquarian Age is planned to usher in a new millennium which will replace the age of reason with an age of hedonism; Satan's rule to be substituted for God's law.

Today, we see the success of these evil conspirators, in generations of young people driven crazy; children who are making pacts with the devil, children driven to such frenzy that they are willing to kill themselves—and sometimes others—to serve Satan.

It has been amply documented that satanism goes part and parcel with traffic in drugs and pornography. Indeed, in many instances, satanic networks are playing the role of a Murder, Incorporated for organized crime. The children who serve as runners for urban drug lords in the cities of the United States, are forced to participate in satanic rituals as a means of keeping them subservient.

The same method of control were used in the Matamoros, Mexico, when the satanic high priest, Adolfo Constanzo, was deployed to take charge of the Hernández drug-running gang.

Drug use and satanism are assuming epidemic proportions, particularly among young people. They certainly must be interdicted by the application of a strict penal code, but even were the present U.S. administration to become serious about conducting a war on drugs, and serious about prosecuting satanic crime, this would be insufficient.

The choice of rock music as the means to force General Noriega to surrender, was brutally precise. The mindless cacaphony of a rock concert destroys the ability for reasoned thought; it is intended to awaken the most bestial emotions, not only through the message of the lyrics, but through the pounding beat, the overwhelming volume, the brutality of repeating simplistic chords, and sometimes through a more sophisticated deployment of acoustical phenomena.

Even, however, were there to be an effective consensus to do away with rock music, our task would be enormous. We are living in a sick society, a society which has been poisoned over much of this century by the affliction of cultural banality, which has fostered the notion of the "little man" which puts no premium on what makes us truly human.

If Western civilization is to survive, we cannot substitute the banality of the Broadway music hall for the violence of the rock concert. We need a cultural renaissance based upon the great music of the German classical period, the music of Bach, Mozart, and Beethoven; we need a scientific renaissance. Only thus will Satan be driven from this Earth.



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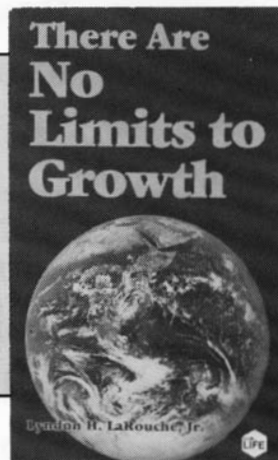
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## On June 23, 1989 Executive Intelligence

**Review** exposed Henry Kissinger's lucrative interest in keeping the Beijing butchers in power, in "Kissinger's China card: the drug connection."

## On September 15, 1989 Wall Street

**Journal** published "Mr. Kissinger Has Opinions—And Business Ties: Commentator-Entrepreneur, in Wearing Two Hats, Draws Fire From Critics," where Kissinger's conflict of interest was exposed—without mentioning the heroin trade.

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