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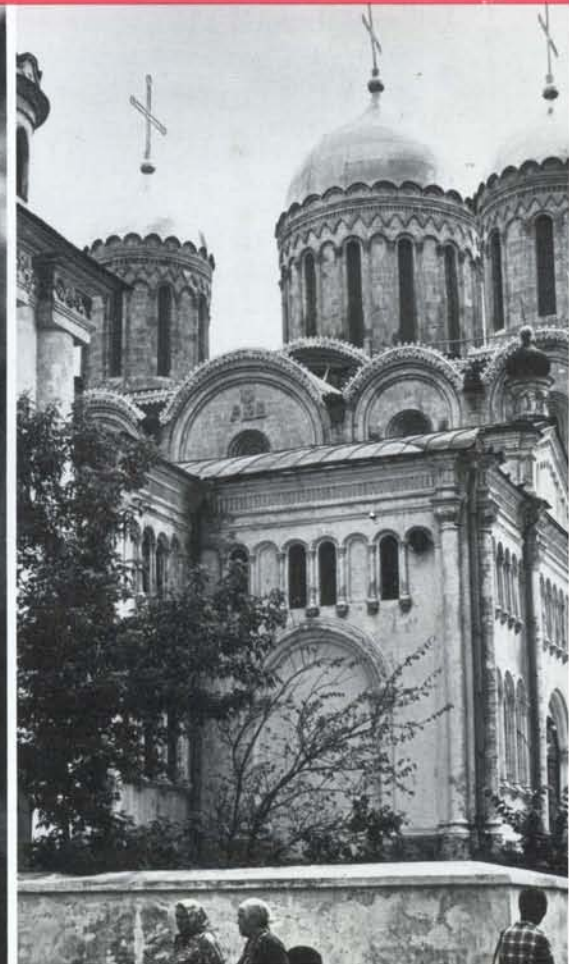
Executive Intelligence Review

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Mrs. Seineldín: 'If they execute my husband'
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'New World Order' means technological apartheid

**The truth about the Soviet
shift to dictatorship**



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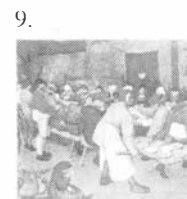
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From the Editor

All over the world, people look to imprisoned American statesman Lyndon LaRouche for leadership to rescue humanity from the abyss. Our *Feature* package this week begins with his New Year's message and presents some of the predicates that prove that he has been absolutely right over the past decade, and his enemies have been wrong. The focus this time is on the state of affairs inside the Soviet Union, but it could just as well be the state of the U.S. economy.

The program outline for a "Productive Triangle" spanning Berlin, Vienna, and Paris, with "spiral arms" of development outward into Eastern Europe, Russia, the Mediterranean, Scandinavia and so forth, inspired by LaRouche's concept, has been translated into German, Czech, Polish, and Romanian and is circulating among patriots in the Captive Nations of the Soviet Empire. Many of these patriots have been watching LaRouche for years, ever since in 1983 Lyndon and his wife Helga Zepp-LaRouche were singled out for attack in the Soviet print media for their role in conceptualizing and promoting the new strategic doctrine behind the Strategic Defense Initiative.

It is very clear, now that approximately a year has passed since the freedom movements swept through Eastern and Central Europe and began the process of freeing those countries from communist dictatorship, that only chaos and suffering, indeed *genocide*, can follow if steps are not taken to put those lands on the road to economic health. It is also clear that the rescue will not be made through the so-called free market liberalism which has spun Thatcherite Britain back toward a dark age and brought the United States into a severe economic depression, but rather through the very same kind of "American System" economics that built the United States as an industrial power in the last century, and transformed Japan and Germany in the postwar period. In other words, LaRouche's economic method.

Meanwhile, George Bush promises us a "short war" in the Middle East, sort of like the "short recession" his economic advisers are forecasting. There is only one way to make these tragedies short—and that is to prevent them, by shortening Lyndon LaRouche's prison term, by freeing him now. We remind readers that Bush has in his hands the evidence to prove LaRouche's innocence.

Nora Hamerman

EIR Contents

1990 in Review

- 35 A chronology of events

Interviews

- 43 **Mrs. Marta Labiau de Seineldín**
The wife of the Argentine war hero and military leader says her husband is falsely accused of planning a coup d'état against the corrupt government of Carlos Menem.

Book Reviews

- 47 **A handbook for dismantling the armed forces of Ibero-America**
The Military and Democracy: The Future of Civil-Military Relations in Latin America, edited by Louis W. Goodman, Johanna S.R. Mendelson, and Juan Rial.
- 51 **New French book exposes duplicitous Anglo-Americans in Gulf policy**
Guerre du Golfe: Le Dossier Secret, by Pierre Salinger and Eric Laurent.

Departments

- 15 **Report from Bonn**
Is Germany safe as U.S.S.R. collapses?
- 57 **From New Delhi**
New inflection point in Punjab.
- 58 **Dateline Mexico**
State of Chiapas legalizes abortion.
- 59 **Panama Report**
Is U.S. facing guerrilla war?
- 72 **Editorial**
1991: Dark Age or Renaissance?

Economics

- 4 **Bush crowd finally approves the 'R' word**
And "R" doesn't stand for "recovery." Problem is, beneath the free market voodoo, we've been in an economic depression for years.
- 6 **'New World Order' is technological apartheid against Third World**
- 8 **U.S. bankers circle bleeding cities**
- 9 **Rohatyn's new 'New Deal': fascism with a democratic face**
- 11 **Panel seeks to end manned space program**
Man's great dream falls victim to cowardice and pragmatism.
- 12 **Gulf war will bring cataclysm to Africa**
- 13 **Currency Rates**
- 14 **Agriculture**
U.N. calls for food aid to Africa.
- 16 **Domestic Credit**
Durable goods orders collapse.
- 17 **Banking**
A fourth-quarter fantasy.
- 18 **Business Briefs**

Feature



Stuart Lewis/Stuart Lewis/Uwe Partant

Soviet boss Mikhail Gorbachov flanked by two elements of the Moscow power structure: the military and the Russian Orthodox Church. To the left are top ranking Soviet officers during a 1988 visit to Washington; to the right, a church inside the Kremlin walls. Center, Gorbachov at Andrews Air Force Base in May 1990, arriving for summit with Bush.

20 LaRouche foresaw 'transmogrification' in Soviet Union

The rapid emergence of a more czarist-like Russian empire ruled by a triad of KGB, military, and state church, may have taken the fools in the Anglo-American Establishment by surprise; but LaRouche warned a decade ago that precisely this would occur unless Western policies were fundamentally changed.

22 Russian triad forms dictatorship

24 After Shevardnadze: the truth about the Soviet internal shift

Margaret Thatcher's illusions of a peaceful Anglo-Soviet condominium have been shattered by the force of reality.

26 The LaRouche Doctrine

Draft memorandum of agreement between the United States and the U.S.S.R.

International

32 Madman George Bush set to plunge into Gulf war

But he's trying to fix it so that Israel can be blamed for pulling the trigger first.

34 Turkey in uproar over Gulf policy

39 New Year's greetings from Iraq's Saddam Hussein

40 Czechs and Slovaks still together, but . . .

41 Menem spearheads Bush's assault on Argentinian Armed Forces

43 'If they execute my husband, he will die with honor, as he lived'

Interview with Mrs. Marta Labiau de Seineldín.

46 Brazil's military resists cutbacks

54 Bronfman colluded with communists

55 China's rulers hold socialist road

60 International Intelligence

National

62 Looming war threat spurs new war-avoidance efforts

LaRouche's "Oasis Plan" for regional economic development is the only basis for avoiding global warfare which might rage for years to come.

64 Calendar of national anti-war activities

65 ADL targets the Democratic Party

Any Democrat who claims that Arabs are human beings, too, is to be witchhunted out of the party.

66 Philly bluebloods push Nazi eugenics

Documentation: Citizens revolt against genocide call.

68 Defense rests in Roanoke trial of three LaRouche associates

70 National News

Bush crowd finally approves the 'R' word

by Chris White

Sometime before Dec. 16, the Bush crowd's public relations chiefs finally approved public use of the feared "R" word. This is the single word, whose magic powers are such, that uttered publicly by persons of self-imputed consequence, such as Treasury secretaries, Commerce Department secretaries, never mind Presidents, all kinds of horrible sequelae are set in train.

Now, it can be said. President Bush himself, it seems, was the first to say it; in an interview with the slimily sincere British proto-yuppie David Frost, he said, "We're in a slow-down economically . . . if not a recession. In some areas we are already in a recession." The interview was put into the can on Dec. 16, and was broadcast on Jan. 2.

It isn't just the President whose lips have been freed to shape the potent syllables. In the interim, an administration team, led by Treasury Secretary Nicholas Brady, the head of Bush's Council of Economic Advisers Michael Boskin, and Budget Director Richard Darman, has put together forecasts of what the country's Gross National Product will look like during the last three months of 1990 and the first of 1991.

These forecasts, still subject to revision, are being used as guidelines in government departments' work in preparing the next budget. Still subject to further revision, they show—lo and behold!—that the Gross National Product shrank during the fourth quarter of 1990 at an annual rate of 3.4%. They foresee that it will continue to shrink, during the first quarter of 1991, at a slower rate of 1.3%, and that growth will resume again by the second half of the year.

'A recessionary kind of period'

Two quarters of officially projected less than zero growth—the first time this has been done since the peak impact of Federal Reserve Chairman Paul Volcker's high interest rate policy during the winter of 1981-82. Boskin,

one of those responsible for these projections, told NBC's "Today Show" on Jan. 2: "It does appear that, after the longest economic expansion in the peacetime history of the United States, that the economy probably has entered a recession." And Marlin Fitzwater, the White House spokesman, told the press during his briefing the same day: "We're in a recessionary kind of period."

The dominant, cultist superstition, which heretofore prevented the utterance of this unique collection of syllables, at least in public, was based on certain insanities about money and its power. Two-thirds of what they call the Gross National Product, is made up of sales to consumers. As long as consumers keep buying, the economy keeps growing. Therefore, they argue, nothing ought to be done which might undermine the consumers' propensity to spend. Isn't that what happened after the stock market crash of 1929?

Therefore, words such as the "R" word ought not to be said in public, for fear of their effect on consumer confidence, and thus for fear of being the administration on whose watch it was, that the feared consequences came to the light of day.

Actually, that last concern is the more significant, and in this case, probably decisive. Bush and company were running the risk of losing all credibility, by sticking to the approach they had taken through the elections of November 1990. Then, the officials who now utter the "R" word with impunity, each lined up, from President Bush himself on down, in support of the Commerce Department's fantastical report of third-quarter growth, and anticipation of more such in the fourth quarter. Now, two months after those elections, the same people say the economy declined by 3.4%.

No policy change

But, they now insist, as Bush did in the interview with David Frost, that the recession won't be deep, and the econo-

my will come out of it in a few months. Therefore, no policy changes. So, here comes the cultist insanity that proscribes the use of the "R" word all over again. Again it comes back to money: They say, lower interest rates, make money available for banks to lend again, and then consumers and others will be able to buy. In the Boskin version, the fairy-tale happy ending is that the so-called recession will be turned around by the end of the summer, with no policy changes required.

The money isn't the problem. These people should know; they are the ones who make it. As a matter of fact, the Treasury Department, which prints dollar bills, has just had to open up a new operation down in Texas, because the printing shop in Washington could no longer churn out the green stuff fast enough.

What if there were an infinite amount of money? Would that be any comfort, if there were no goods available to buy? It might be green, but it isn't edible. Elton John may have figured out how to wear it. No one has managed to live in it, even though, these days, they do manage to do some pretty peculiar things with it.

A swindle and a coverup

What the administration's pundits won't say, is that it isn't simply a recession: The economy is and has been in a depression. A depression is not simply a slowdown, or what Alan Greenspan of the Federal Reserve called in December, avoiding the "R" word, "a meaningful downturn"; it is a self-feeding spiral of economic collapse, in which deflation of economic activity is accompanied by hyperinflationary blow-outs of pricing arrangements.

The United States went into a depression during 1981 and 1982, because of the policy associated with then Federal Reserve Chairman Volcker, of usuriously jacking up interest rates. This policy was begun under Jimmy Carter, and continued under the first Reagan administration. Despite all the talk in the interim about the "longest running sustained period of peacetime economic growth" in U.S. history, the economy never did recover to its pre-1981 levels of functioning.

The depression was covered over by genocidal looting against developing-sector nations, such as those in Ibero-America, forced to become exporters to the United States, to supply part of what the U.S. would no longer produce for itself, and by the most rapid expansion of debt in all of U.S. history.

The coverup began to come unglued in October 1987, with the meltdown on Wall Street. It was delayed, for a while, by the insane proliferation of leveraged buyout takeovers, which culminated during the winter of 1988-89 in the \$40 billion or so committed to the buyouts of RJR Nabisco and other companies. The collapse of the buyouts in the fall of 1990 began the shift into the downward spiral of deflation. The progress of the depression, and the accompanying

wreckage of lives and livelihoods, has been, to date, the biggest political coverup and swindle in U.S. history.

And still, the Establishment's wise men insist, the policy doesn't have to change.

That means that there will not be any bottom to the economy's downslide. It means that there will be a wave of bankruptcies, and layoffs developing over the next months like none ever seen before, with all the misery and suffering that go with that.

LaRouche was right

It could have been avoided. Certainly in 1982, it could have been avoided—and perhaps later. What was to happen was forecast repeatedly by Lyndon LaRouche and *EIR*, along with the method and measures that ought to be adopted to change it: financial reorganization to permit jump-starting the economy through increasing productive employment in industry, agriculture, and manufacturing, through technologically progressive investment. Put the economy and population back to work to produce wealth, instead of looting out the investments of the past through speculation and usury.

But Washington said, "No," just like they now insist, "No change."

They don't want to have to admit that it was they who were wrong, and that LaRouche, all along, was right. They, like just about everybody else in this culture, would rather look for a scapegoat to blame, than to confront the consistent blunders of 25 years, which brought the current catastrophe into being.

'The problem is . . . Saddam Hussein!'

So it is, now that the "R" word is permissible. Bush has said it; Boskin says it too, as he did on Jan. 2. Believe it or not, it's Saddam Hussein. "We said . . . back in August that the economy, which was suffering already from high worldwide interest rates and tight credit conditions . . . would take a hit in the fourth quarter from the oil shock. We weren't sure how large that would be. It now looks like it's likely to be substantial," said the economic wizard.

That's Bush's crowd. After all, he, and his British friends, launched the caper in the Persian Gulf in order to change the subject away from the internal financial and economic catastrophes which were accumulating by the end of July. But this line is still too absurd a story for others. *New York Times* veteran Leonard Silk, for example, blames it on the populist conservatives who forced tax-cutting and debt growth on Ronald Reagan, over and against what Silk calls "the establishment"—meaning Bush, and his crowd of carry-overs.

Both versions are lies, just like the worn-out propaganda about the "longest period of economic growth in U.S. history." And neither will avert the catastrophe in progress, no matter what letter of the alphabet begins the words which express it.

'New World Order' is technological apartheid against Third World

by Kathleen Klenetsky

Since the Persian Gulf crisis first erupted, *EIR* has contended that the Bush administration deliberately manipulated Iraq's invasion of Kuwait, for the purpose of accelerating the creation of a new Anglo-American imperialist order—the Bush-Thatcher “New World Order”—based on looting the resources of the developing sector, by military means, if necessary.

Now, the Bush administration, using the specter of Iraq's chemical weapons capability as a pretext, is moving toward implementing another key aspect of the new Anglo-American colonialism, the cutoff of Western exports of advanced technology to the developing sector.

Bluntly described by one advocate as “technological apartheid,” the new policy is another means of depopulating non-white nations of the Third World.

It is physically impossible for any economy to improve the living conditions of its people or to support a growing population, without constant technological innovation. Without the mechanization of agriculture, for example, or the transition from wood burning to utilization of coal and oil, the process of Western industrialization would never have occurred.

The developing sector is still dependent on obtaining technology from the advanced nations. By restricting that technology, the U.S. is effectively signing the death warrant for the Third World. In fact, it is the denial of credit for infrastructure and modern agro-industrial development which has been responsible for the deliberate murder of the African continent over the last 20 years. Now the genocidalists are codifying their policy of destruction.

Bush blocks advanced exports

On Dec. 14, the White House announced that it was imposing much tighter controls on exports that allegedly can be used to produce chemical, biological, and nuclear weapons. Administration officials said that the purpose of the new policy, known as the Enhanced Proliferation Control Initiative (EPCI), is to obtain a global agreement to restrict the export of some 50 chemicals.

EPCI stemmed from an Executive Order which President George Bush issued Nov. 16, mandating a series of measures to curb the export of chemical technologies to certain devel-

oping countries. Executive Order 12735, “Chemical and Biological Weapons Proliferation,” also established numerous sanctions against governments or individuals who contribute to helping a proscribed country develop such weapons.

With typical hypocrisy, Bush accompanied the unveiling of the new export restrictions with an announcement that he will allow the export of a powerful Cray supercomputer, which has known military applications, to the People's Republic of China. In Bush's disordered mind, the Butchers of Beijing are somehow far more deserving of U.S. development assistance than many other Third World countries.

The Bush administration claims that restrictive controls on exports are essential to head off Third World nations from building chemical weapons.

What the administration carefully neglects to say is that developing-sector countries must have access to these chemicals if they are to develop their own industrial and agricultural base.

Without many of the chemicals the United States now proposes to restrict, these countries will be unable to develop indigenous petrochemical, fertilizer, pesticide, and other industries integral to a modern economy.

But that is precisely what the Bush administration's EPCI is all about. The scare which the administration has been whipping up around Iraq's chemical weapons capability was intended to justify these draconian restrictions on exports to the developing sector—restrictions which are directed primarily toward sabotaging Third World economic development, and toward preventing a more advanced Third World nation, such as Iraq or Brazil, from developing to the point where it could become an independent source of high technology for other Third World countries.

Administration officials concede that many of the restricted chemicals are “dual use” technologies; i.e., they have both a civilian and a military capability. One State Department spokesman admitted that the new policy represents a sharp change. Until now, he said, export restrictions were limited to technologies or products which had a “unique” military application. “Now, we're looking at products that may have a number of applications, not just military ones.”

Washington's EPCI is part of a growing drive to keep the developing sector in economic backwardness, and thus

vulnerable to the Anglo-Americans' "new colonialism" policy of raw materials looting and population wars—a policy exemplified by Bush's war against Iraq.

The role of the ADL

That drive was summed up by the demand for "technological apartheid" made by a Western defense official, writing under the pseudonym Jean Villars, in the Sept. 7 issue of the French newspaper *L'Express*.

Villars called specifically for the advanced Western countries to impose a policy of "technological apartheid" on the developing sector. "Technological apartheid," he explained, would ban not only military-related technology exports to the developing sector, but all high-technology exports of any kind. The Third World should be denied all advanced technologies, wrote Villars, save for so-called appropriate technology, the neo-malthusian euphemism for forcing Third World countries to rely on small-scale, inefficient projects, such as water holes instead of dams and irrigation networks.

"Technological apartheid is a brutal formula," Villar admitted, but is nevertheless essential to protect the West.

The fact that Villars's diatribe appeared in *L'Express* was hardly fortuitous. The newspaper is owned by Jimmy Goldsmith, an international financier—and leading corporate raider—with close links to British intelligence, as well as to the Anti-Defamation League (ADL), which is now lobbying to shut down Brazil's nuclear industry, claiming—falsely—that Brazil is secretly building a nuclear bomb for Iraq.

Goldsmith is a leading patron of the so-called neo-conservative political faction, whose members are not only in the forefront of the "technological apartheid" campaign, but also figure among the most bloodthirsty advocates of bombing Iraq back into the stone age.

Bush's EPCI incorporates proposals put forward last September by the Center for Security Policy, a Washington-based "neo-con" think-tank, that countries such as Germany and Japan, who sell technology to Third World nations that might conceivably be used for weapons technology, be severely punished. Those demands were put into legislative form by Sen. Jesse Helms (R-N.C.), and adopted by the Senate.

CSP is run by Frank Gaffney, a leading neo-conservative who has recently showered the newspapers with commentaries, and Congress with testimony, calling for all-out war against Iraq. On the board of CSP is Richard Perle, Gaffney's superior when the two worked in the Reagan Defense Department, where, among other things, they helped sabotage the Strategic Defense Initiative. In September, Perle was quoted by London's *Financial Times* saying that CoCom (the Coordinating Committee for Multilateral Export Control, an international group charged with controlling Western strategic exports to communist countries) should play a major role in policing North-South trade, now that it was relaxing its oversight on Western trade with the Soviet bloc.

Fifty countries affected

Although the administration is trying to pretend that the only targets of the EPCI are "dangerous" countries—Iraq and Libya, for example—some people in the business community fear that as many as 50 Third World countries could be affected by the new policy, and that the export of any technology that might be remotely connected to the construction of a hypothetical chemical weapons plant—heavy trucks, for example—could also be banned.

Indeed, a State Department spokesman explained, only half-joking, "We might even have to ban the export of pencils, if we knew some scientist in some country was using it to perform calculations in the course of developing a nuclear plant."

It is not only the developing sector which will suffer as a result of Bush's new initiative. Industrialized countries which have strong export ties to the Third World, especially Germany and Japan, are also intended victims, as the third-party sanctions announced in Bush's Executive Order testify.

That effort is being aided by the CSP and related groups, which, for months now, have been churning out one purported analysis after another, charging that Western Europe has irresponsibly assisted Iraq, Libya, and other countries in developing various advanced weapons, through the indiscriminate export of technology. Back in late August, for example, the CSP issued a report entitled "Rabtagate," which castigated the German government of Helmut Kohl for allowing German firms to sell components used in Libya's Rabta chemical plant.

And Villars's article was cited approvingly in a similar report recently issued by the Simon Wiesenthal Institute, called the "Poison Gas Connection," which likewise blames Western exports, especially those of Germany, for Libya and Iraq's development of "unconventional weapons" capabilities.

The '1980s Project' in force

Bush's policy is the effective implementation of the New York Council on Foreign Relations' "1980s Project," a massive project launched in the mid-1970s to set the course of U.S. economic and strategic policy for the coming decades. Initiated when George Bush was a CFR member, the "1980s Project" had several fundamental themes: first, the Third World was grossly overpopulated; various policies, including forced birth control, deurbanization, denial of high technology, and nuclear non-proliferation must be enforced. A second was that any tendency toward "neo-mercantilism"—defined as the revival of Alexander Hamilton's ideas on a global scale, through technology- and development- vectored economic relations between East and West and North and South—must be defeated.

Jimmy Carter's administration went a long way toward realizing the CFR's sick vision; George Bush and his "New World Order" is finishing the job.

U.S. bankers circle bleeding cities

by Steve Parsons

During the last week of 1990, the nation was awash with news of surging budgets deficits and stringent austerity measures by cities and states throughout the nation. Gov. Douglas Wilder of Virginia, for example, announced \$250 million more in cuts, slashing agency budgets another 7.5% on top of earlier excisions between 5 and 10%. On the same day, Gov. William Donald Schaefer of Maryland ripped another \$243 million from this year's budget, and proposed laying off 5% of the state's work force.

The depth of the depression collapse is inciting demands for austerity so severe that several cities are being readied for bankers' dictatorships.

Leading the way, as usual, is New York City. In late December, the David Dinkins administration announced a \$2.4 billion cut in the first four years of the city's preliminary 10-year capital spending plan. This 14.4% cut will not merely slow construction projects dramatically, like new schools, but will particularly hit basic maintenance programs involving roads, bridges, parks, shelters, and city institutions of every kind.

For the Parks Department, capital spending will be cut 38%; for libraries, 26%; and for the Transportation Department, a whopping 50%. Scores of New York City bridges, already on the verge of collapse, will go untended until "sometime after 1995," as funds for bridge reconstruction and repair will be cut an additional \$22 million over the next five years, on top of \$252 million already slashed in November. The city is also considering a further \$2 million cut in its preventive maintenance budget, which has already been slashed 38%—from \$9.4 to \$5.8 million—for 1991. The \$2 million cut would eliminate a program to remove loose concrete from the underdecks of bridges—begun in 1989 after a man was killed when a falling slab struck his car.

This will hardly save money: Many bridges will suffer major structural damage if left to deteriorate further.

The last time such a "deferred maintenance" program was enforced was during the years of direct austerity rule in the late 1970s by Wall Street's Financial Control Board (FCB) and Municipal Assistance Corp.—"Big MAC." That period "blew out" New York, turning it into a crime-ridden drug haven and destroying what remained of its productive economy.

Then, as now, debt service costs were spiraling, and the

bankers demanded the marrow from the city's population and infrastructure to preserve their usury collections. The current level of debt service is projected to *double* by fiscal year 1994. Wall Street wants to reduce the budget, as well as capital spending, even further, all the while demanding higher interest rates on loans because of their added "risk."

For example, a Dec. 12 bond issue for \$1.1 billion was sold only after the city agreed to exorbitant interest rates that will cost \$161 million more than two previous issues just months ago. That extra interest alone is more than 10% of what the city will be loaned by "investors."

Big MAC threatens New York, Philadelphia

Big MAC and the FCB are now hovering over New York City, ready to seize direct control, as in 1975, if the cuts they mandate are not severe enough. On Dec. 26, New York State Gov. Mario Cuomo warned Mayor Dinkins that unless the city cracks down with even more vicious austerity, and gives up any illusions of more state aid from the similarly bankrupt state, the FCB will usurp power in the city once again.

At the same time, Cuomo "cleverly" ratified a 5.5% pay raise won by New York City teachers earlier this year. Cuomo was hardly being a bleeding-heart liberal. First, the deal sanctions a precedent whereby 2.5% of that wage hike is to be de facto paid by *the teachers' pension fund*: That is, instead of paying mandated funds into the teachers' pension fund, the city will pay wages, thus underfunding the pension fund.

Meanwhile, the balance of the pay increase is to come from the money that neither the city nor the state has. And this puts the city on an even faster track for Rohatyn's Big MAC and Financial Control Board to take over the city.

Cuomo's threat comes at the same time that banks in Philadelphia are insisting on a similar control board before lending the city a nickel toward a \$150 million loan desperately needed to avoid running out of cash. On Dec. 27, Mayor Wilson Goode caved in by endorsing the creation of an FCB-style state "intergovernmental cooperation authority," which would have the power to review the city's budget and revenue projections, and to abrogate city government measures it deemed insufficient to finance the budget and debt.

City Councilman David Cohen castigated the proposal. It "eliminates entirely the power of the city government of Philadelphia with respect to financial matters," he said. "It totally violates the Home Rule Charter."

Meanwhile, in Washington, D.C., Franklin D. Raines, the chairman of newly inaugurated Mayor Sharon Pratt Dixon's Transition Financial Management Committee, is charging that the city's budget deficit will be \$300 million this year. This is 50% more than previously anticipated, due to collapsing revenues.

Raines just happens to be a Lazard Frères investment bank partner of Felix Rohatyn, the chairman of Big MAC! "Drastic actions" must be taken immediately, Raines demanded. It doesn't take a genius to see what he has in mind.

Rohatyn's new 'New Deal': fascism with a democratic face

by Steve Parsons

In 1975, when the elite of New York's "Our Crowd" oligarchy decided to set a precedent for the "controlled disintegration" of U.S. cities, Felix Rohatyn, from the top investment bank Lazard Frères, was assigned to head a newly-created agency misnamed the Municipal Assistance Corporation, or "Big MAC." As its chairman for the past 15 years, and in tandem with the state-run Financial Control Board, Rohatyn has wielded virtually dictatorial power over New York City's government, specifying incredibly high levels of austerity and disinvestment in the city to guarantee an uninterrupted flow of city debt payments into Wall Street's coffers. Rohatyn was heralded as the "savior of New York," and the Big MAC-control board model was wielded against cities across America.

Rohatyn's New York "success" resulted in Wall Street's restoration of the city's creditworthiness and bond ratings—at the expense of decimating the nation's greatest city. His policies fostered new levels of unparalleled speculation and decay, complementing the national hot-air boom of the 1980s. Ironically, and lawfully, the success of these measures has now generated in New York a renewed—and far worse—financial crisis.

In short, Rohatyn's innovative ideas for New York and other urban areas were dismal failures, by any real physical economic measure, and have only exacerbated the economic and financial unraveling now seen in New York and throughout the country.

Rohatyn and his New York solution exemplify the approach of the so-called more "enlightened" sections of the U.S. financial elite who realize that they must shift gears in order to maintain control over the American population and the economy while exacting such looting. Supposedly innovative thinkers like Rohatyn are trotted out to float new, often "radical" ideas to induce the population to accept fascist regimentation under an aura of democratic choice, in order to preserve and augment the establishment's political power.

In November, Felix the Fixer unveiled the perspective of at least a significant faction of the establishment for dealing with the U.S. economic collapse. That perspective can be summed up as "fascism with a democratic face."

But, like his achievements in New York, Rohatyn's latest scheme cannot work; it will merely aggravate the ongoing collapse.

The fascist demagogue

In a Nov. 13 speech in New York City, Rohatyn condemned the decade-long debacle of unbridled speculation, debt pyramiding, and disinvestment in the real economy. There has been "no attempt whatsoever," he said, "to deal with this country's basic problems: our loss of industrial competitiveness; the inadequacy of our public investments; the failure of our public schools; the capital inadequacy of our financial institutions; the losing fight against drugs and crime." The government has perpetrated "the most gigantic spending and speculative binge in the country's history . . . they have bankrupted the richest country in the world."

Rohatyn's prescription is an updated version of the New Deal of the 1930s, replete with a retooled National Recovery Act and a new leader in the mold of President Franklin Delano Roosevelt, who can rally the population to accept sacrifice.

"Neither the national economy nor our social structure can function unless state and local governments can fulfill their roles," said Rohatyn. "This is no longer possible . . . without a change in the federal role and reallocation of national resources. This can only happen if, for some period of time, be it four or eight years, a national administration, elected on the basis of a specific *national recovery program*, and commanding a majority in both houses of the Congress, is able to put this program into effect . . . I believe that the Democratic Party, if it adapts to the reality of the 1990s, is most likely to come up with such a program. . . ."

"I know that any call for strong government immediately evokes cries of authoritarianism; but there is something between fascism and anarchy. . . . That something is a democratically-elected government that can act based on policies the voters understand and support."

With his track record as the butcher of New York City, Rohatyn is hardly calling for a real recovery program along the lines of that proposed by economist Lyndon LaRouche, but for a demagogic President who can skillfully manipulate gullible voters into accepting further looting in pursuit of so-called recovery policies.

"I believe that voters are looking for political leaders with a serious program to deal with this nation's problems. Taxes, by themselves, are not a program. The right leader, with a coherent program, can convince the country that some taxes will have to be included to pay for such a program, as long

as the taxes are clearly dedicated to a particular purpose,” Rohatyn continued.

One big problem for Rohatyn and company is that no saleable American Mussolini has yet come to the fore. Rohatyn’s choice might be New York Gov. Mario Cuomo, who on Dec. 17 traveled to Washington to deliver a Rohatyn-scripted diatribe against the administration’s economic policies.

But Cuomo is hardly a viable option. He barely squeaked through his re-election campaign against non-entities in November, and is on the verge of becoming an anathema because of severe budget cuts he is now making in his home state.

What is the new ‘New Deal’?

A closer look at some of the key aspects of Rohatyn’s fascist “New Deal” proposal reveals their fraudulent nature.

Rohatyn does not disagree with the establishment’s, and Bush’s, utopian policy of out-of-area military deployments to enforce looting and genocide against Third World populations. He recognizes, however, that this can only be sustained with sufficient domestic economic and social discipline, as well as bludgeoning our erstwhile NATO allies to bear more of the burden.

“The U.S., today,” he stated, “is the only superpower . . . that can exercise influence anywhere on the globe. . . . We have to maintain the unquestioned military capability to deter aggression and punish it, if need be. However, if we do not deal with urgent domestic problems which have long been neglected, we will have neither the means, nor the reach, to exercise our influence as powerfully as we have to. . . . There will be other Kuwaits; other Iraqs.” But: “The European Community will have to carry a much larger share of responsibility for regional stability.”

Our trading partners are to be victimized through a “more aggressive international posture.” Any financing the United States provides, especially for the Third World, must be tied to increasing “privatization” of nations’ national industries—that is, through the sale of national industries to multinational corporations. Actual physical capital formation in these industries is to be sacrificed to profits being squeezed out of them.

Rohatyn decries the lack of capital available for rebuilding infrastructure and industry, as well as education. But where is the capital funding supposed to come from? From a virtual police-state regimentation of the society, which “will require a mobilization and a reallocation of domestic resources requiring war-like determination and a willingness to experiment which we have not seen since the New Deal.”

This means, specifically:

- Gouging “the sacred cows: social security, Medicare, military cuts, taxes.”

- Gutting the labor force, which he euphemistically described as “generat[ing] capital through high savings and

productivity rates.”

- Most importantly, looting the \$2 trillion pool of workers’ pension funds.

Rohatyn proffers two schemes for grabbing these funds. first, the creation of “special state bonds, guaranteed by the federal government” and financed with a 50¢ or more national gasoline tax; and second, a 20% tax on pension fund income.

Bailing out the banks

All of this is premised on preserving, at all costs, the debt bubble and the major financial institutions that created it. While castigating the excesses of “speculation and financial irresponsibility . . . financial deregulation, easy credit, and regulatory neglect,” Rohatyn, in almost the same breath, wants even more deregulation—such as limiting deposit insurance and ending the separation among banking, insurance, and securities brokering—“to provide our country with a banking system that can respond to our needs.” There should be no doubt that the “our” referred to is Rohatyn’s establishment friends.

This will all feed into shrinking and consolidating the banking system into just a few large national banks, led by the Federal Reserve, which will function as enforcer, stockholder, and bankroller.

“The Federal Reserve Bank could . . . encourage the creation of institutions of sufficient size and efficiency. . . . The Fed should be authorized to inject new capital as part of such a program through the purchase of new non-voting bank securities to provide an adequate capital base. This was done by the RFC [Reconstruction Finance Corp.] in the 1930s. Our banking system, today, requires a minimum of \$25 billion, more likely \$50 billion of new capital to function effectively.”

This would mean that the Federal Reserve, which from its inception has been the handmaiden of the House of Morgan interests, would control, top-down, every aspect of banking policy, including most emphatically, the allocation of credit to only its favored allies.

Furthermore, the Fed should replace all bank regulatory agencies and subsume dictatorial control, says Rohatyn cronny Henry Kaufman. According to *Washington Post* columnist Hobart Rowen, “Kaufman thinks there needs to be an overhaul of the entire existing system of financial regulation to ease what he called ‘the crumbling’ of credit. ‘We need centralization in regulation and supervision,’ Kaufman says, nominating the Fed for the job.”

These “innovative ideas” are likely to turn up, at least in part, in the overhaul of the banking system that Treasury Secretary Nicholas Brady will propose in 1991. This, of course, would come at the expense of the taxpayer and the productive economy—which in their collapse will, ironically, ensure the destruction of the very financial institutions and elites which Rohatyn is trying to save.

Panel seeks to end manned space program

by Marsha Freeman

On Dec. 10 the Advisory Committee on the Future of the U.S. Space Program headed by Martin Marietta Corp.'s president, Norman Augustine, released its recommendations, which essentially called for the phaseout of the manned space program. This unprecedented capitulation to the pragmatic environment of budgetary straitjacket in Washington, by people who played leading roles in the space program, leaves only isolated individuals, small pro-space groups, and the political movement affiliated with Lyndon LaRouche, as the spokesmen for the future of space exploration.

The sweeping recommendations, if implemented, would allow the Space Shuttle to be retired out of existence past the turn of the century. Space Station Freedom would be reduced to a small laboratory focusing only on life science research and microgravity experiments, rather than a permanent manned presence in space, and transportation node to the rest of the Solar System. President Bush's Moon/Mars Exploration Initiative is reduced, by the Augustine Committee, to a noble long-range goal which should be scheduled on the basis of "affordability," the most frequently used concept in the report.

Had this advisory committee been headed by pop "science" figure Carl Sagan, its use of the lying argument that man in space takes money away from science, as the basis for recommending the end of the manned space program, would hardly have surprised us. But considering the distinguished makeup of the committee, there is no explanation but cowardice to account for how its members unanimously signed on to this report.

Among the 12 members of the Augustine Committee were Tom Paine, the head of NASA when Apollo 11 landed on the Moon; former astronaut Dr. Joseph Allen; Gen. Robert Herres (ret.), head of Air Force Space Command; Edward "Pete" Aldridge, Secretary of the Air Force when that service contributed \$1.8 billion to replace the Challenger Shuttle orbiter; and former House Science and Technology Committee Chairman Don Fuqua, who now heads the Aerospace Industries Association.

At the press conference announcing the committee's findings, National Space Council head and Vice President Dan Quayle elatedly announced the committee would reconvene in six months to see how successfully NASA is implementing its recommendations. According to *Washing-*

ton Technology newspaper, the White House will not request any funds for the Exploration Initiative to the Moon and Mars in the next, fiscal year 1992, NASA budget.

The end of man in space

Specifically, the committee recommended that, after the Endeavour orbiter is built to replace the Challenger, no more orbiters for the Space Shuttle fleet be built. Past the turn of the century, when the current fleet of orbiters reaches retirement age, there will be *no* manned vehicles to take anyone anywhere, as the only man-rated vehicles in the U.S. space program are the Shuttles. Though the committee admits that there is a high probability that an orbiter from the Shuttle fleet will be lost over the decade of the 1990s, they do not recommend replacement.

The Augustine Committee suggests that Space Station Freedom not be built; that it is too big—and mainly, too expensive. Something "less complex" should be built, if there is the money. Most dramatic is the recommendation that the mission *from* planet Earth—i.e., to anywhere else such as the Moon or Mars—be done on a "go-as-you-pay" basis, scheduled to "match the availability of funds."

To make it look as if they are positively recommending *something*, the committee suggests NASA concentrate on the Mission to Planet Earth. While that is a valuable Earth remote-sensing effort, it is touted by the Greenies as being sure to provide support for all of their hoaxes, "global warming," ozone hole, and the like.

Lies about the past and future

The committee justifies its wretchedly short-sighted recommendations by lying about both the past and the future of the U.S. space program.

While the committee usefully demonstrates the fact that the recent problems with the Hubble Space Telescope and Space Shuttle hydrogen leaks were not the most serious difficulties in space exploration, by reviewing the numbers of rockets that have blown up on the launch pad, the committee also makes the incredible statement that "no goal short of perfection is acceptable." If that were the case, no one would ever launch *anything*.

Perfection is emphatically *not* the goal of the space program, not just because it is unattainable, but because it is the very lack of fear of failure which allows real breakthroughs to be made on the frontiers of science and exploration.

There is no consensus on what the future of the space program should be, the committee asserts, yet the bibliography in Appendix V includes the studies of the past 10 years which have *all* recommended the same progression of technologies and missions, with the goal of getting back to the Moon and then to Mars.

The members of the Augustine Committee have capitulated to the demoralization characteristic of a policy-making process which is based on dollars, but no sense.

Gulf war will bring cataclysm to Africa

by Linda de Hoyos

A U.S. war against Iraq will not only cost thousands of lives on the battlefield in the Middle East. The oil crisis that will result from the destruction of the Mideast oil fields and/or embargo will cost the lives of millions of people, especially those human beings living on the continent of Africa. The extreme fragility of the economies of the sub-Saharan African nations makes these nations completely unable to withstand the hammerblow of a 300-500% increase in oil prices.

Already, the African countries' economies are undergoing severe contraction due to the pre-war hike in oil prices. Kenyan Vice President George Saitoti reported in November that the oil price increases registered so far would cause a 10-20% decline in Kenya's Gross Domestic Product for 1990. "It is very serious for us," he stated, "far worse than in 1973," when the underdeveloped countries bore the brunt of the Arab oil embargo.

What will happen when the oil price leaps up to \$65 or \$100 per barrel—as is expected under conditions of war, in which the Mideast oil fields are either destroyed as military targets, or the Arab world is forced to shut down the supply in protest of U.S. obliteration of Iraq?

No oil, no food

The oil price crisis will quickly turn into a food crisis, as the 1973-74 oil crisis showed. The 500% rise in oil prices then sent the economies of the Third World reeling, contributing to the horrible famines which afflicted India in 1974 and the Sahel in 1975.

Those countries projected by the World Bank to suffer most under conditions of another leap in oil prices are Angola, Mozambique, Malawi, Ethiopia, Somalia, and Sudan. Four of these countries—Angola, Mozambique, Ethiopia, and Sudan—are *already* suffering famine, with millions in danger of starvation.

In 1990, the Anglo-American war party and its international banks already stated that they will not lift a finger to blunt the effects of the crisis this time. In the 1973-74 oil crisis, for example, the International Monetary Fund and World Bank established a recycling facility to attempt to reimburse developing countries for some of their losses. In September 1990, IMF Managing Director Michel Camdes-

sus promised that the IMF Administrative Council would "examine what help the IMF can give to developing countries which are affected by the oil price increases, and what form it can take." But the IMF Interim Committee then rejected out of hand any new pool of resources to aid those countries worst affected by the jump in oil prices to \$30 a barrel that was caused by Bush's embargo against Iraq.

Similarly, in November, Edward Jaycox, vice president of the World Bank, announced that only countries which have signed up for the World Bank's "structural program" are eligible for oil price relief. And, he underlined, this money will be *deducted* from the \$8 billion already pledged to Africa's poorest 21 countries! In short, there will be no new money at all!

Export earnings wiped out

The problem is exacerbated by the fact that the sub-Saharan African countries are extremely dependent upon imported oil. As Charles Constantinou, chief of the energy branch of UNESCO, stated, "Many of these countries in Africa may have a comparatively small consumption of oil, but they depend on oil much more than the industrial economies. Many of them have no gas or coal or hydroelectric power. . . . Oil supplies, to them, are absolutely essential."

Even if there is no war, the countries of sub-Saharan Africa will face a significant contraction in their economies. According to the British daily *Independent*, these countries will pay twice as much for their energy as they paid before the crisis started. If the oil price hovers around only \$30 per barrel, the United Nations estimates that African importers will face a near doubling of their 1989 costs.

This will wipe out the African countries' export earnings, whose productive use has already been crushed by a rise, over the last decade, in the proportion of export earnings dedicated to debt service, from 7% to 25%.

Without any further rise in oil prices, consumption of oil in this area of the world is expected to fall by 30% in 1991. This will have a devastating impact on the region's productive output, which is 70% dependent on oil. The fall in oil imports will lead to the closing of power stations, factories, and mines, and will bring transport to a grinding halt.

Take the case of Mauritius. The oil price increase has already destroyed the country's sugar industry—its only export crop. The *Baltimore Sun* reported Dec. 5 that there is an average of 6 million metric tons of sugar cane to be moved from the fields to the sugar mills, and 650,000 tons of sugar to be transported from the mills to Port Louis, where it is loaded for export. The prices for gasoline and diesel fuel have already risen 50%, forcing sugar producers to shut down operations.

The projected cut in energy consumption will also have a devastating impact on agriculture. The Sudanese government has pointed out that oil price increases destroy farm-

ers' ability to pump water into elevated irrigated areas, since the pumps run on electricity. In times of drought, which Sudan is now experiencing, irrigated agriculture accounts for 30% of total food consumption.

Nor is it expected that Africa's oil producers—Nigeria, Gabon, Angola, Zaire, and Cameroon—will reap any benefit from the oil price rise. These countries are already producing at near capacity and, unlike Saudi Arabia and Kuwait, African oil reserves are primarily offshore and costly to develop.

More to the point, the IMF and World Bank are working to ensure that any increased profit from the oil price hike goes directly to paying the debt. Losing no time, in October, the IMF demanded that oil-producer Nigeria cough up more than \$1 billion in arrears, in anticipation of increased revenue.

On the margin of death

What then will Bush's war against Iraq mean for the 456 million people of sub-Saharan Africa? Given the fragility of the African economies, for many millions, it will mean the difference between barely scraping out a living and death by starvation, as the means of existence begin to evaporate. In this region today, only two countries out of 36—Mauritius and South Africa—register average life expectancies over 60 years of age. In Sierra Leone, people live an average of only 41 years.

In the United States, per capita energy consumption is 7,193 kilograms of oil equivalent. For two-thirds of the sub-Saharan countries, per capita energy consumption is below 100 kilograms, according to the World Bank. Only South Africa, with an energy consumption of 1,744 kilograms per capita, registers above 1,000. Even for Nigeria, one of the world's leading oil producers, per capita energy consumption is no more than 134 kilograms of oil equivalent.

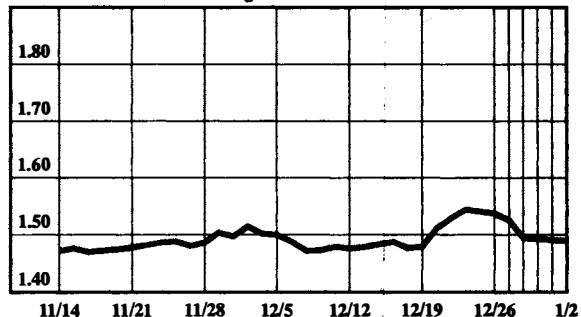
In the cases of Malawi, Togo, Kenya, Zambia, Sierra Leone, Ghana, Mauritania, Senegal, and Liberia, energy consumption has already fallen in the 1980s, with Liberia cutting consumption by as much as 12%. In the cases of many countries, oil imports have also risen as a percentage of total merchandise exports over the last 25 years—by as much as four times for Ethiopia, Tanzania, and Benin.

Furthermore, in the last decade, many sub-Saharan countries—Ethiopia, Mozambique, Somalia, Sudan, Liberia, Nigeria, Ivory Coast, and the People's Republic of Congo—have become increasingly dependent on imported food. Ethiopia's dependency upon imported grains has increased nearly tenfold in the last decade, and sixfold for Mozambique and Somalia. Nigeria has been forced to trade its oil for food, with food imports rising 400% over the last decade. With their export earnings wiped out by the oil price rise, governments will simply be without the means to feed their people.

Currency Rates

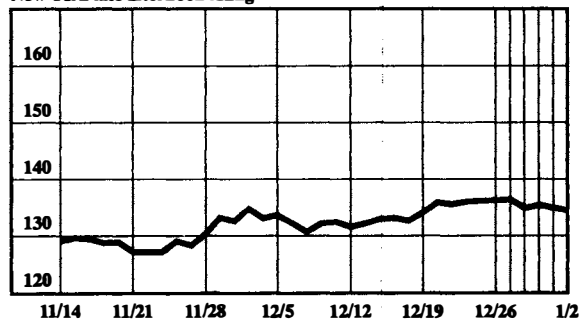
The dollar in deutschemarks

New York late afternoon fixing



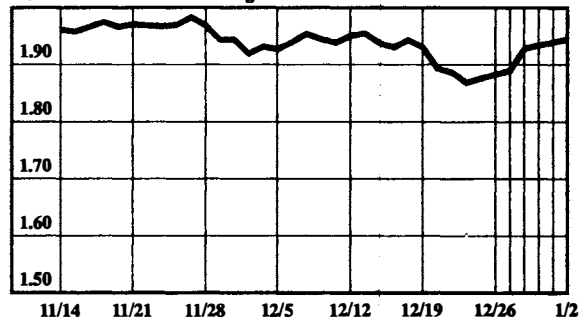
The dollar in yen

New York late afternoon fixing



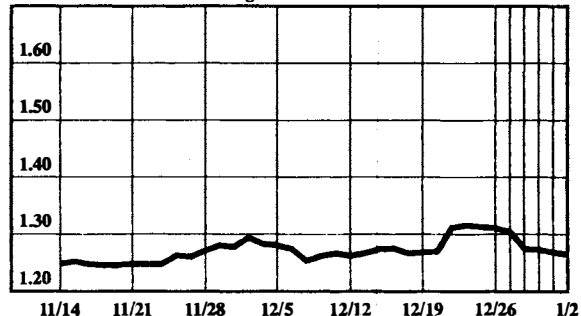
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



U.N. calls for food aid to Africa

Africa is facing starvation as a result of years-long disinvestment imposed by Anglo-American elites.

On Dec. 28, the U.N. Food and Agriculture Organization (FAO) closed out the year with an urgent appeal for food shipments for Africa to relieve massive hunger from huge food shortages plaguing the continent.

On Dec. 11, Britain's Disasters Emergency Committee issued a report entitled "Crisis in Africa," warning that 20 million Africans face death by famine, in part because of the Persian Gulf war plans of the Anglo-American axis.

The FAO's latest warning follows a series of appeals for food aid for Africa by the Rome-based organization during 1990. While ironically, in every report, citing the "improvement in world food security in 1990/91," the FAO said in its November *Food Outlook* report that "regional food supply problems are becoming more acute."

The meaning of the apparent paradox of FAO estimates of "improved" food supplies globally, while food supply "problems" worsen regionally, is genocide. Food availability and the means to produce food are both being systematically denied to entire regions of Africa and other poor areas of the globe.

The annual grain statistics of the FAO reveal this. Except for 1990, the last four years running saw worldwide total grain harvests *below* minimum levels of total grain consumption. The average annual grain harvest was about 1.6 billion tons, while at least 1.7 billion tons was the average annual level of grain consumption (and, at that, a level below requirements for decent human nutrition). World grain stocks were precipitously drawn

down, well below the 17% level that the U.N. considers necessary for minimum food security.

However, the impact of the draw-down was not felt uniformly, but concentrated on the world's poorest populations. Whole nations in Africa have been experiencing the death toll from absolute food shortfalls. The nations with sufficient grain over the past few years, in the main the relatively well-off societies, traded among themselves, and both commercial and food aid grain flows were cut off to Africa and to poorer nations.

This starvation policy was knowingly coordinated by the grain brokering companies, such as Cargill, Continental, Bunge, Louis Dreyfus, Archer Daniels Midland, and by the International Monetary Fund (IMF) and World Bank. Their euphemistic term for the process is, "decline in effective demand."

Total world food aid fell from 13 million tons in the mid-1980s, down to little more than 9 million tons last year. In sub-Saharan Africa for example, only 2.7 million tons of food aid were delivered in 1989-90, when 3.9 million tons had been pledged by donor nations. The donor nations simply reneged. And people died.

Now, the situation is worsening by the hour. And the Dec. 28 FAO report further warns that food aid needs for 1991 are expected to increase sharply. African nations have an impossible balance of payments crisis, and soaring oil prices have hit on top of that.

The new FAO report, however, cites the causes of food shortages in

Africa as civil wars and drought. The deeper, underlying cause is the deliberate obstruction of all stages of infrastructure development that has undercut farming and all sectors of vital economic activity. The food cartel companies, the IMF, World Bank, and the U.S. Departments of State and Agriculture coordinated this.

The nations most afflicted are Ethiopia, Sudan, Angola, Mozambique, and Liberia. But there are regions hit hard throughout the continent. From Mauritania in the west to Ethiopia in the east, there have been two successive years of low or poorly timed rain, so that these Sahelian nations are in severe need. The report stated, "Of most concern is the rapidly deteriorating situation in Sudan and the continuing food emergency in northern Ethiopia." The London Disasters Emergency Committee estimates that right now in Ethiopia, 3.5 million people are in need of 800,000 tons of food aid.

On Dec. 17, the Washington Embassy of the Republic of the Sudan issued a press release headlined "Statement on the Food Situation in Sudan," in which they stated that, "cereal [sorghum] production will be less than the estimated cereal requirements for the second consecutive year, and with the stocks depleted following the 1989/90 poor harvest, imports of about one 1 million tons of cereal will be required during 1991." The causes for the shortfall include two years of poor rains, and the IMF-enforced lack of means to expand irrigated agriculture and high-technology rain-fed farming.

In September, the IMF declared the Sudan to be a "non-cooperating member," and moved to cut off all funding. A U.S. State Department-funded group, the U.S. Committee on Refugees, is now calling for a trade embargo against the Sudan.

Is Germany safe as U.S.S.R. collapses?

Instead of being paralyzed by fear of a Soviet hard line and civil war, Germany should launch big economic projects.

The imminent threat of war in the Persian Gulf is still relatively far away in the perception of most Germans. There is far more concern about the crisis in the Soviet Union.

A side-effect of the media coverage of the ongoing campaign for food aid to the Soviet Union, is that the public has been flooded with alarming reports about the disarray and disaster in the Soviet Empire. Media reports from Minsk, Leningrad, Kiev, Vladimir, Odessa, and other cities, have added to fears that a collapse of the Soviet Union would unleash a stream of refugees far outnumbering the 340,000 refugees escaped from East Germany in 1989.

Fearful talk in Germany over the past few weeks about the future of the Empire in the East has ranged from predictions of "mere" economic collapse to open military coup and civil war. But the resignation of Soviet Foreign Minister Eduard Shevardnadze just before Christmas shocked Germany. Numerous senior figures of German politics expressed their concern about the future of the heavily armed neighbor in the East.

The collapsing Soviet Empire may try a military breakout—striking out at home and abroad—warned Horst Teltschik, the outgoing, longtime national security adviser of Chancellor Helmut Kohl, in an interview with the year-end issue of the German daily *Tageszeitung*. "We cannot be certain," Teltschik said, "that we may not be faced with dramatic tensions in Europe again, in the next years. The economic decline of the Soviet Union is alarming for two reasons: political an-

archy (the Russians have a tradition of anarchism) and the disintegration of the Union along with ethnic tensions between the nationalities.

"These developments could take a violent course. They could become very threatening, since a weak, anarchistic world power could be tempted to solve its problems in an aggressive way, domestically and abroad."

Most other German experts ruled out a military break-out of the Red Army against the West, but expressed deep concern about the likelihood of civil war inside the Soviet Union.

Interviewed on DLF radio Dec. 27, Lev Kopelev, the most prominent Russian exile in Germany, said that the Soviet Union "might move from the current cold state of civil war to a hot one," which would be provoked by "open apparatchik sabotage against the reformers."

On Dec. 20, Heinrich Vogel, director of the government-run Eastern Studies Institute in Cologne, told *EIR* that the West had been trapped for the past five years by the notion of a "Gorbachov reform program." There never was a worked-out concept of reform in Gorbachov's mind. Faced with economic and political disintegration, the lack of a concept made it virtually impossible for the Kremlin to get the situation under control, Vogel said.

An intervention by the Army, the KGB, and the Ministry of Internal Affairs troops couldn't be ruled out, Vogel said, but military rule would never succeed in stabilizing the Soviet Union. More likely was the outbreak of years-long civil war "not in the sense that there is one side fighting against the other,

but rather in the form of many small civil wars," with warlords taking control of various regions.

Vogel and other experts expressed concern that under conditions of civil war, it would be impossible to develop the in-depth economic relations that the Sept. 13 German-Soviet long-term cooperation treaty envisaged. German industry would not invest substantially in the U.S.S.R. as long as the country was unstable and it was unclear if the state would survive the struggles of the republics against Moscow.

But withholding investments is the wrong approach. Faced with the threat of disarray and chaos, the Germans should assist interested groups inside the Soviet Union in building a perspective for development. Long-term, low-interest credits should be issued for select projects that are vital, whether they are governed from Moscow or the capitals of the individual republics.

Infrastructure projects in the sectors of public transportation, food, and energy supply must be given the highest priority because they help to define mutual interests in economic development between the center and the regions, or at least among some of the regions.

Infrastructure projects alone won't solve all the problems, but they would inject some political reason that might help to prevent the expected chaos or outbreak of civil war. The political commitment to, planning, and implementation of projects, preferably ones that could absorb productive aspects of the military—like Pioneer (youth) and engineering units—would contribute a lot to defuse the situation.

Germany has taken the lead on the mobilization on the Soviet food emergency; it must also take the lead on these infrastructure projects.

Durable goods orders collapse

This drop in a critical indicator of production reveals the state of the physical economy.

The year 1990, the second year of George Bush's stewardship of the U.S. economy, yielded two record monthly collapses in new orders for durable goods. In January 1990, orders for durable goods, which include industrial machinery, household appliances, transport equipment, military equipment, and other items expected to last three years or more, fell 10.5% compared with December 1989, to \$118.6 billion. It was the single largest drop in durable goods orders posted since the Commerce Department first began keeping records in 1958.

In November, another 10.5% collapse in durable goods orders was recorded, to \$116 billion, from \$130 billion in October, led by a 27.4% decline in orders for transportation equipment, and a 24.5% drop in orders for military equipment.

Especially troubling was the third hardest hit category, capital goods, which dropped 17.6% to \$40.24 billion, from \$48.83 billion in October. Capital goods, which alone account for just over one-third of all durable goods ordered, are regarded by economists as a key indicator of business investment plans.

Other Commerce Department data indicate that the U.S. economy is in for many more such shocks. In a separate announcement on Dec. 20, the Commerce Department said that its most recent survey of expected capital expenditures showed that U.S. companies were planning to increase spending for new plant and equipment in 1991 by only 2.4% over 1990. That compares with the results of the same

survey taken in October and November, when U.S. companies were expected to increase their 1991 expenditures on new plant and equipment by 5.2%. In January through March, spending for new plant and equipment was expected to increase by 8.1%.

Other data similarly indicate a rapidly accelerating contraction of the U.S. physical economy. The most important is the spectacular free fall in the number of manufacturing jobs, which dropped by a staggering 200,000 in November, after losing 95,000 jobs in October, and 28,000 in September. That leaves less than 19 million workers in America's plants and factories—780,000 less than in January 1980, an almost 4% collapse.

Construction employment fell by 62,000 in November, after dropping by 80,000 in October, when unemployment in the sector hit 13.2%. Contracting for new construction sank to the lowest level since 1985, even though it was bolstered by the initiation of an \$800 million program of pipeline repair and replacement in Alaska. Housing starts rose an unexpected 9.3% in November, to a seasonally adjusted annual rate of 1.129 million units. However, that rate is 16% below the rate of last year. Construction starts of single-family homes fell 9.8% from October.

Measured on a per capita basis, U.S. new housing starts are at the lowest level since the end of World War II, and the Great Depression of the 1930s. New housing starts in September were at a seasonally adjusted annual rate of 1.135 million units, the lowest since 1946, when 1.026 mil-

lion units were built. On a per capita basis, in September 1990 there were 4.506 new housing units started for every 1,000 Americans, the lowest since 1939, if the war years are not included, when housing starts were sacrificed in favor of the war effort. The per capita figure for November will be worse, since the annual rate is 6,000 lower, and the population has increased slightly.

Things have gotten so bad that the Bushmen have stepped up their earlier attempts to blame the "recession" on Saddam Hussein, while some still attempt to deny that a recession is even here. According to a *New York Times* story of Dec. 30, the Economic Cycle Dating Committee of the National Bureau of Economic Research, which is charged with declaring the exact date of economic peaks and troughs, held a phone conference earlier in the month, and decided to make an "early" announcement that a recession had "probably begun."

The *Times* wrote that the committee's early announcement was tantamount to a baseball umpire calling a strike before the ball crosses the plate, because new data, and later revisions of already-released data, may show that the economy suffered only a temporary stall, not a sustained downturn.

Unfortunately, the Economic Cycle Dating Committee did not make its early call in response to the pressing reality of economic disaster, using solid criteria of their dismal science, but because committee members feared adverse publicity. "We did not want to be viewed as laggards," University of Chicago professor and Economic Cycle Dating Committee member Victor Zarnowitz, told the *New York Times*. "If we had waited a few months to say something, when most people are convinced that we are in recession now, then we might have been laughed at."

A fourth-quarter fantasy

The reappointment of the Comptroller of the Currency is another futile attempt to paper over the depression.

When President Bush reappointed Comptroller of the Currency Robert Clarke to a second five-year term Dec. 11, nine days after his first term had expired, most observers took the delay to be a signal from the White House that federal banking regulators should ease up on the banks. Federal Deposit Insurance Corp. (FDIC) chairman William Seidman, who is in a position to know, called it a "shot across the bow."

Clarke, in a statement issued upon his reappointment, said, "We can work through the current problems if lenders assume their responsibility to make loans and take reasonable risks, and if regulators follow a responsive, balanced approach that takes into account . . . the very significant national interest in not unnecessarily depressing credit availability."

"Now is a time for common sense, a time when neither regulators nor lenders should overreact or be unresponsive," Clarke said.

Since Clarke's reappointment, federal regulators have made a series of moves to ease the crisis afflicting the U.S. banking system.

On Dec. 18, the Federal Reserve Board voted unanimously to drop the discount rate—the rate the banks pay to borrow money from the Federal Reserve—by 0.5%, to 6.5%. The last time the discount rate was changed was Feb. 24, 1989, when it was raised 0.5%. The discount rate hadn't been lowered since Aug. 21, 1986. The action, the Fed said, "was taken against the background of weakness in the economy, constraints on credit, and

slow growth" in the money supply.

The Fed also lowered the Federal Funds rate, which is the rate banks charge each other for loans. The Fed has dropped the Federal Funds rate four times since July.

The ostensible purpose of these interest rate decreases is to induce the banks to lower the interest rates they charge their customers, in order to help ease the credit crunch. However, as of year's end, only one major money center bank, First Chicago Corp., had reduced its prime rate; the rest kept their 10% prime rate. Many of the banks have lowered the interest rates they pay to their depositors, while maintaining the rates they charge for loans. They have, as the Fed knew they would, kept the extra money for themselves, to bolster their disastrous balance sheets.

Another signal that the Bush administration has decided to try to paper over the banking crisis for the fourth quarter, is the announcement by Citicorp that it was adding a mere \$340 million to its loan loss reserves for the quarter. Citicorp's loan loss reserves are ludicrously low, even by the standards of the other major banks. Citicorp would have to add some \$2.5 billion to its reserves for the quarter just to bring it up to the still-inadequate level of the other big New York banks. To seriously address its nonperforming loans problem, Citicorp, with \$230 billion in assets, would have to add at least \$5-10 billion to its reserves for the quarter.

Since federal bank regulators had

just finished an examination of Citicorp's books, and knew full well that the \$340 million was no more than a token, they should have objected, loudly. But they didn't, because the administration does not want the true condition of Citicorp to be known.

One of the guiding tenets of bank regulators has been the doctrine of "too big to fail," under which large banks are closed only when they become so hopelessly insolvent that they simply cannot continue in business. Even then, under this doctrine, all deposits have been protected by FDIC insurance, even those exceeding the nominal \$100,000 limit.

The underlying goal of the "too big to fail" doctrine is to protect the stability of the banking system. By guaranteeing the safety of large deposits, the government reduced the likelihood that weak banks would be hit with devastating runs on deposits.

But the doctrine itself has now become an impediment to the regulators, given the government's stated plans for large-scale consolidation of the banking system. Treasury Undersecretary Robert Glauber recently admitted that the administration is working on "a mechanism that would make it much less likely that regulators would intervene" to keep large banks from failing. Even so, Glauber said, the doctrine cannot be eliminated entirely, because "there really is such a thing as systemic risk."

Thus, the Bush administration is in effect writing the epitaph which will appear on its tombstone: "Too Big to Fail."

Other measures under consideration by federal bank regulators to ease the pressure on the banks, include giving the banks more leeway to pretend that their nonperforming loans are still good, and to maintain artificially high values on collateral taken for loans, especially on real estate.

Business Briefs

Infrastructure

Pravda team calls for Soviet rail modernization

Two reporters of the Soviet daily *Pravda* went on an investigative tour of key Soviet railroads, and came to the conclusion that "the increase of commodity transport volume simply makes it unavoidable that we put the entire rail transport system on a modern basis as soon as possible," they wrote in the paper Dec. 17.

In light of the international food aid effort, border transit stations should receive massive new investments, the reporters wrote, after an inspection of Brest-Litovsk, the central transit hub between East and West. There, they found chaotic circumstances, with an immense number of freight cars standing around unused because of their poor condition. The director of Brest-North Station told the reporters that his own workers are forced to repair many Soviet freight cars before they are ever used, since they arrive in a dilapidated state.

An estimated 4,000 freight cars, many carrying food supplies from Romania, Poland, Hungary, and Czechoslovakia, are now blocked at the border because of disarray and mismanagement.

U.S. Cities

Escape from New York? Bridges closed!

Scores of New York City bridges already on the verge of collapse will be left to rot until "sometime after 1995," as a result of budget cuts ordered by the administration of Mayor David Dinkins. City engineers were informed that funds for bridge reconstruction and repair would be cut an additional \$22 million over the next five years, on top of \$252 million slashed in December.

Many bridges will suffer major structural damage if left to deteriorate further. Corroding decks will develop large holes that could force engineers to close bridges. Many others are losing concrete around their reinforced steel

supports, which corrode rapidly when exposed to water and polluted air. City engineers say that deferring maintenance and repairs will eventually cost the city billions of dollars in reconstruction costs.

The city is also considering a \$2 million cut in its preventive maintenance budget, eliminating a program to remove loose concrete from the underdecks of bridges.

Of the 842 bridges and viaducts in New York City, 56% are deficient and 26 are in "critical condition," according to a study by the Parsons Brinkerhoff engineering company and the Peat Marwick accounting firm. The study was chartered in 1989 and due Oct. 1, 1990. The city missed that deadline and a Nov. 1 extension, prompting State Comptroller Edward Regan to accuse the city of a coverup. "City officials are sitting on a time bomb," he warned.

Meanwhile, at least 20 of the 173 bridges maintained by the Boston Metropolitan District Commission are in poor condition, that agency says. In addition, several of the dams and locks—a few of which are more than 100 years old—are in need of costly inspections, at minimum. In the last three years, however, the MDC's operating budget has dropped from \$87.4 million to \$60.9 million this fiscal year.

Research

U.S. fusion energy research being shut down

Major portions of what remains of the U.S. magnetic fusion energy research program were killed Dec. 5. The canceled projects include the \$76 million ZTH magnetic confinement fusion machine at Los Alamos National Laboratory, scheduled for start-up in 1992; the functioning \$20 million Advanced Toroidal Facility (ATF) at Oak Ridge National Lab; and the \$10 million Large Spheromak Experiment (LSX) funded by the Department of Energy at Spectra Technologies in Bellevue, Washington.

The Bush administration strategy is to favor only the Princeton program—by cutting it less. Princeton's \$11 million PBX-M project

is being axed. Princeton's magnetic fusion research staff has dropped from 1,300 in 1984 to 800 today.

In laser fusion, Los Alamos lost funding for the \$87 million Antares laser fusion machine, just built in 1987, and now apparently will lose funds for the recently completed Aurora fusion laser, "because Livermore's Nova fusion laser is considered the leader in inertial confinement fusion research," according to the *New Mexico Albuquerque Tribune* Dec. 6.

At \$275 million, the 1991 budget for magnetic confinement fusion research will be the lowest since 1981, before adjustment for inflation, according to the *Tribune*.

Dick Siemon, program manager for magnetic confinement fusion at Los Alamos, declared, "This is one first-rate disaster from the point of view of the world's energy needs."

Development

Nigerian leader asks 'African Marshall Plan'

Nigerian leader General Babangida demanded an "African Marshall Plan" to develop the continent, in a statement to delegates attending the World Conference on Reparations to Africa and Africans of the Diaspora, in Lagos in mid-December. He charged that the granting of independence to African nations after World War II was only a "tactical political concession," while the African continent was thereafter subjected to economic exploitation and civil wars supported from the outside. He said, "We want an African Marshall Plan to compensate for the centuries of abuse and lack of attention."

Delegates to the conference demanded a form of indemnity from Europe and North and South America, to compensate for the damage done to Africa by five centuries of slavery. One speaker pointed out that Germany is still paying Israel reparations for Nazi crimes, and that the U.S. has begun to pay indemnities for its treatment of Japanese-American internees during World War II. Africa should be accorded the same consideration.

The reparations demand will be a formal

Briefly

● **THE GAP** between income and rent is growing so large that more than 50% of all renters in Massachusetts, Maine, California, Nevada, and Vermont cannot afford a two-bedroom apartment, according to a new study. No one earning the average wage of a retail salesperson—\$195 per week—can afford the average rent in any state in the Union.

● **ENVIRONMENTAL** legislation—the Clean Air Act, the Clean Water Act, and Waste Pollution regulations—cost the U.S. economy over \$100 billion in 1990, more than 2% of GNP, according to a study by the Environmental Protection Agency—released two years late.

● **CANADA** has announced the sale of a Candu nuclear reactor to South Korea, the first foreign sale since 1981. Minister of Energy Jake Epp said it was “a straight commercial deal,” with no export financing on the part of Canada.

● **A BLACK SEA** Economic Cooperation Zone will be the subject of a study and proposal by Turkey, following talks among representatives of the Soviet Union, Turkey, Romania, and Bulgaria in Ankara in late December. The project is to include cooperation in energy, telecommunications, transportation, and the environment.

● **THE U.S. BUDGET** deficit was up to \$48.1 billion in November, an increase of 62% over November 1989, according to Treasury Department figures reported Dec. 21. Individual income tax and corporate tax collections dropped 21% and 46%, respectively.

● **THE LONG ISLAND** Power Authority voted Dec. 21 to submit a decommissioning plan for the Shoreham nuclear plant to the Nuclear Regulatory Commission. The plant was built at a cost of \$5 billion, but never operated because of environmentalist obstruction. Energy shortages are now predicted.

agenda item at the June 1991 Organization of African Unity summit.

Space

Budget causes NASA facilities to deteriorate

A new study by the U.S. General Accounting Office has found that eight National Aeronautics and Space Administration (NASA) centers have severe problems caused by a lack of money for maintenance, the Dec. 18 *Washington Times* reported. In the 52-story Vehicle Assembly Building at the Kennedy Space Center, where the Shuttle is mated to its external tank, GAO inspectors found that NASA had installed netting to catch pieces of concrete falling from the roof.

Experts at the National Research Council recommend that agencies spend at least 2-4% of their facilities' replacement value on maintenance, the report says. For most of its facilities, NASA spends between 0.9 and 1.5%.

The space agency's facilities include 2,700 buildings and 3,200 other major structures encompassing 36 million square feet.

Trade

Comecon no longer functioning, says U.N.

Trade among the nations of the Soviet dominated Council for Mutual Economic Assistance (CMEA or Comecon) collapsed in 1990, and worse is on the horizon, says the *Economic Bulletin for Europe*, just released by the United Nations. It details a systemic “collapse of the CMEA trading system” over the course of 1990 between East European nations and the U.S.S.R.

Because 1990 was to be the last year of settling trade imbalances in rubles, CMEA economies have desperately tried to minimize year-end ruble holdings. “The individual East-European countries resorted to a variety of direct con-

trols on their exports and imports to and from one another, a process which led to mutual re-primation and retaliation.” The result has been a devastating average 18% drop in intra-CMEA trade in 1990. Soviet exports to CMEA states, mainly oil, fell some 15% in volume.

The Jan. 1, 1991 conversion of all East European oil imports to a hard currency basis will have an impact “larger than that of 1973 and 1979 in the West.” The U.N. calculates that CMEA countries—Poland, Hungary, Czechoslovakia etc.—import 80% of their oil from the U.S.S.R., and had paid a preferential price equivalent of \$7 per barrel. An average \$35 world price in 1991 would add a cumulative \$23-28 billion to East European countries' trade deficits.

The Soviet Union, Bulgaria, and Romania are in a second category of economies where the “situation is deteriorating outside of any coherent policy framework and reflects a collapse of central control.”

Health Care

Soviet pediatric care seen breaking down

The Soviet health care system is breaking down, reports a journalist for the Hamburg-based *Abendblatt*, who visited a hospital for children in Leningrad. “The biggest problem is the lack of diagnostic and treatment equipment,” doctors are quoted. There are only 18 incubators for a total of 62,000 babies born each year. (By Western standards, 62 incubators would be needed.) With every incubator, the lives of 45 children per year can be saved; otherwise, these children die.

“We don't have any ultrasound equipment at all,” doctors say. Surgery is performed in hospital rooms rather than operating rooms. “Especially medicine is lacking, which is not produced in the Soviet Union. For example, there is no medicine available for epileptics, for the thinning of the blood, and so on. There is still enough special food for children, but who knows for how long,” doctors fear.

LaRouche foresaw 'transmogrification' in Soviet Union

The remarks below were made by Lyndon LaRouche on New Year's Eve, 1990:

Six months ago, approximately, I issued a warning which has since proved grimly prophetic. I warned at the end of June 1990, that there were signs of an imminent war in the Middle East. I stated that although the war would not probably erupt until after the November 1990 U.S. elections, there is a danger that is to be considered, that it might erupt earlier.

I indicated at the time, that the war was being orchestrated by British-dominated Anglo-American intelligence factions, specifically a British intelligence faction which controls the then and still present government of Israel; and that thus, the British manipulation of its Israeli puppet government was a crucial indication of what was afoot.

By British intelligence, I mean, as I signified then, entities such as the Hollinger Corp., which employs as its associate a self-professed British agent, Henry A. Kissinger, the former U.S. secretary of state, who later professed he had been a British agent, while serving as U.S. secretary of state.

The purpose of this war has nothing to do with Kuwait as such. The war was planned, essentially, back in the mid-1970s—and actually earlier. The long-range policy of this Anglo-American faction then, was the establishment of a one-world government, ruled by the Anglo-American interests by aid of special arrangements reached with Moscow. The prospect then, when the policy was first articulated, was that as soon as the East-West conflict could be brought under control by “New Yalta” agreements with Moscow, the Anglo-American and other military forces would be directed to new targets: the targeting of military operations which had been through East-West to North-South.

The purpose of the warfare would be the looting of developing nations, of Central and South America, Africa, Asia, and so forth; and the specific targets would be population and raw materials wars—that is, wars fought by aid of food control and



On Dec. 12, 1990, George Bush grips the hand of Soviet Foreign Minister Eduard Shevardnadze in Washington. Now Shevardnadze is out, and the "pro-Western" faction in Moscow is falling like a house of cards—exactly as LaRouche warned.

Stuart Lewis

famine, to force reduction of the darker-skinned populations of the planet, and also wars fought to put valuable strategic minerals and so forth, such as petroleum reserves, under the control of European occupation forces.

As we know, at the end of 1989, a window of opportunity was opened for this Anglo-American operation. It was opened by the disassembly, temporarily, of the Soviet empire. The Soviet empire went through great troubles, beginning the latter part of 1989, and was preoccupied with internal affairs to a great degree, and will continue to be so, *up to a point*, when it reemerges in a new form, under a combination of nationalists, KGB, and military, as it's tending to do now.

The object of the British fellows, including the Hollinger Corp. and its friends, Henry Kissinger and so forth, was to exploit this window of opportunity while the Soviets were preoccupied with their internal affairs, to establish a New World Order, based on North-South conflicts, out-of-area deployment of NATO forces for population wars and for raw materials control wars.

Iraq was selected as the exemplary first target. To this end, British intelligence chiefly, but aided by Washington, manipulated and lured Iraq into the operations in Kuwait. The British, beginning approximately November 1989, launched overt economic and financial warfare against Iraq, putting Iraq in a corner. To aid this, British intelligence factions involved utilized the Emir of Kuwait to provoke Iraq in the most outrageous fashion, repeatedly and increasingly.

The United States intervened, through many channels,

including April Glaspie, U.S. ambassador to Baghdad, to lure Saddam Hussein's forces into Kuwait, saying that the United States had no interest in Kuwait.

Thus, Saddam Hussein, proceeding on the basis of these repeated U.S. assurances that the U.S. would not mind if he did something with Kuwait, moved in. Then, under orders from Margaret Thatcher et al., George Bush moved to sandbag the too-trusting Saddam Hussein, and thus, to set up a no-negotiating situation, intending to use Iraq as a bloody example to break all resistance to future Anglo-American New World Order demands, for population reduction, and surrender of valuable raw materials by developing nations to the nations of the North, particularly the Anglo-Americans.

That war has now broken out. The U.N. has been degraded into nothing but a puppet of the Anglo-American factions involved. It no longer has credibility; it is no longer a peacemaking force; it is simply a tool of the new one-world imperialist agency, unless it decides to free itself of that encumbrance. It has no moral authority; it has no authority in international law. It is a litigant; it is a protagonist; it is a combatant. So, who shall make peace between the combatant force, which includes the United Nations, and Iraq? Certainly not the United Nations Organization in its present form.

Such is the situation. That is the reality.

Now meanwhile, on the Soviet front.

Back in the spring of 1983, based on crucial information which I received directly from Moscow, I forecast that Moscow was undergoing a change to dump the bolshevik-communist

ideological profile of its regime and organization of its government, to bring back a quasi-czarist form of regime, based on what I'd characterized then as a traditional Russian "Third Rome" ideological basis. The bases would include the Soviet military, the Soviet internal security forces, the KGB, and all linked together by a nationalist entity, whose chief spokesman, and chief ideological force, would be the restored and ever-more authoritative Russian Orthodox Church hierarchy.

In this process, the discrediting of Communist rule, to a large degree by economic crisis, by the food crisis, and so forth, has brought about the change now, which I indicated as in the winds back during 1983. What we are seeing is not the dissolution of Moscow, or Moscow's empire; what we are seeing is a process of transformation, a transmogrification. The Russians might prefer to say this is the emergence of the butterfly from the larval state, and, continuing the analogy, some might say that the present discomfiture of the Soviet empire, or the Russian empire, is the pupal state preparing the re-emergence of a new Russian empire, more czarist-like than the bolshevik empire, based on the elements which participated in the leadership of Soyuz, and which reflected themselves in the letter of the "53" recently, demanding a certain quality of changes in the character of the Russian state.

Those are the principal features, strategically, of 1990 to date.

The depression deepens

The year 1990 has also brought to a new degree of devolution the general worldwide economic depression, which erupted on the New York Stock Exchange and elsewhere during October 1987.

The savings and loan system, which was bankrupt already in 1982—the S&L banks were kept in place merely to be looted by George Bush's friends—that's past.

The major U.S. commercial banks, once involved in foreign business, are now on the chop. Banks around the world, those tied too closely to the American banks, for example, are on the chop. There is not a recession in the United States; there is already the onset of a deep depression, potentially far worse than that of the 1930s. And thus the world, at the end of 1990, is gripped by a new worldwide depression, affecting different parts of the world, at different rates: Japan somewhat less, and Europe, dominated by Germany, the least. But all the world is affected.

During the first part of 1991, as we face the prospect of a war with incalculable effects in the Middle East, we are also gripped increasingly by the plunge at an accelerating rate into the deepest depression of the twentieth century.

You know where I stand on these issues. If anybody were serious about avoiding a depression, or at least, if enough people were serious, I wouldn't be in prison in the first place—the prison where George Bush, the present President who made this mess, or at least who is responsible for it, who is responsible for my imprisonment, put me.

Russian triad forms dictatorship

by Konstantin George

As the decisive session of the U.S.S.R. Congress of People's Deputies, which had begun Dec. 17, drew to a close, the New Year brought to fruition a "post-bolshevik" presidential dictatorship in the Soviet Union. The imposition of this dictatorship, ratified by the Congress on Dec. 26, signifies for the short term a policy of intimidation and confrontation up to and including military intervention against the Baltic states and other independence-seeking non-Russian republics. For the medium term it denotes a policy design for the creation out of the chaos and wreckage of the present system, of a new form of Russian Empire.

The presidential dictatorship represents a power triad of the Army, KGB, and Russian national political and party elite. The Congress majority, acting as the rubber stamp for this triad, gave Gorbachov emergency powers to impose direct presidential rule over any republic or region, and to issue any emergency decrees on the economy.

But neither Gorbachov nor anybody else at the Congress advanced any economic policies that could solve the crisis. That means that the U.S.S.R. is going to explode, no matter what kind of dictatorship emerges.

The Congress also approved a measure to enlarge the Federation Council's composition to include, in addition to Gorbachov and the 15 republic presidents, the heads of the U.S.S.R.'s 20 autonomous republics, 16 of which are autonomous republics of the Russian Federation. By this charming device, the Federation Council—the one seeming concession of influence to the non-Russian republics—has now become an institution with a pro-Russian majority.

On Dec. 22, Soviet KGB head Gen. Vladimir Kryuchkov delivered a vintage Cold War-style tirade to the Congress, denouncing the reformers and hinting at the kind of transformation that is currently under way. "Although the international atmosphere has changed, foreign spies are still working against us," he said. "They are collecting information on our politics, on the Army, and on our industrial development. They are assessing how much money the Soviet Union has. Foreign agents and anti-Soviet groups abroad are constantly improving their techniques for collecting information." He charged that emigré groups are providing "moral and financial support for the nationalists." Kryuchkov explicitly identified the U.S. CIA as responsible for many of these activities.

Call for dictatorship

The state policies and the institutional power constellation—the Army, the security forces, the Russian Orthodox Church hierarchy, and the Russian national political-cultural elite—behind the transformation appeared in what is called the “Letter of the 53,” a friendly appeal by the Russian military, church, and political leadership to Mikhail Gorbachov to rule ruthlessly as a dictator. The letter was circulated to the deputies at the Congress on Dec. 19, the day that Foreign Minister Eduard Shevardnadze resigned, warning of a “dictatorship.” That evening the letter was read to the nation on the main evening television news program, *Vremya*.

The list of signatories to the letter is a who’s who of the empire’s Russian-national institutional elite. Among them: Chief of the General Staff Gen. Mikhail Moiseyev; Deputy Defense Minister and Ground Forces Commander-in-Chief Gen. Valentin Varennikov (an old protégé of retired Marshal Nikolai Ogarkov); Patriarch of the Russian Orthodox Church Aleksei II; Commander-in-Chief of the Soviet Navy Adm. Vladimir Chernavin; former Warsaw Pact Commander-in-Chief Marshal Viktor Kulikov; the commander of the Soviet Interior Troops, Gen. Col. Yuri Shatalin; the Communist Party Central Committee Secretary in charge of military industry, Oleg Baklanov; and three of the most prominent arch-Russian nationalist writers, Yuri Bondaryov, Vasili Belov, and Aleksandr Prokhanov.

The document called on Gorbachov to declare war against any non-Russian republic refusing to support the “new Union Treaty” and remain in the empire. It demanded that Gorbachov declare a state of emergency in the “zones of big conflict, should constitutional methods of combating separatists and criminal elements, and insurrectionist organizations that are continuing to shed the blood of the people, prove inefficient.” There is great danger, the authors stated, that the social order that has been created in the past 70 years “under the highest casualties and sacrifices” may be abolished under the flag of reforms. “These forces hostile to the people and to socialism are committed to the utmost” to destabilize the country, the 53 leaders of the Army and church charged.

A state of emergency, the 53 said, would be backed by the “workers and peasants, the creative and technical intelligentsia, the self-reviving Communist Party.” Three days earlier, on the eve of the Congress, *Pravda* published a call by Ivan Polozkov, head of the Russian Communist Party and political front-man for the Army, for the founding of a “Union for the Salvation of the Fatherland.” Polozkov stated that this new organization should “unite the patriotic and democratic forces so that they can acquire control over the process of social transformation and prevent a transition to the market economy behind the backs of the working people.”

Baltic states under siege

Moscow has decided to go ahead with an all-out confrontation against the Baltic republics, having set in motion there

a process termed by Baltic patriots a “creeping coup,” to contain and then destroy the patriotic independence forces of Lithuania, Latvia, and Estonia. The policy may confine itself to a “low-intensity,” pinpointed type of use of force, or may escalate into mass, bloody repression. The latter colonial variant is especially possible under conditions of America going to war in the Gulf. With the bulk of U.S. and NATO forces tied down in a senseless imperial war, Moscow would take the occasion to unleash the Red Army domestically.

The Red Army leadership is certainly looking for a Baltic “Hungary.” On Dec. 26, the day Gorbachov received his emergency powers, Adm. Vitali Ivanov, Baltic Fleet commander, addressed the Congress, issuing his third declaration in as many weeks that the Armed Forces were ready to use force to crush the Baltic states. On the same day, TASS published a statement by Lt. Gen. Anatoli Vodopyanov, Baltic Military District chief of staff, saying that “present developments are pushing us unavoidably to the critical line.” These statements, just a sampling of many from Army generals during December, are eerily identical in tone to charges made by Moscow under Stalin in the spring of 1940 about the “threat” to Soviet troops based in the Baltic republics under the October 1939 agreements. Said “threat” became part of the pretext for the June 1940 occupation of the Baltic republics.

Over the Christmas weekend, Lithuanian President Vytautas Landsbergis had warned of the danger of a Russian military takeover, dissolving the Baltic governments. In Lithuania, starting Dec. 25, Sajudis Parliament deputies began a rotation, where every night a group of them sleeps in the Parliament building. Should the Russian Army occupy the Parliament, members of Lithuania’s Parliament must be arrested in the process, thus creating a much greater international outrage. Similar measures are being considered by parliamentarians in Latvia and Estonia.

Moving into the New Year, the “creeping coup” escalated. In Lithuania, the son of Deputy Prime Minister Romualdo Ozolas was murdered. On Jan. 2, special “Black Beret” units of the Soviet Interior Troops arrived in Latvia, and one unit occupied the Latvian press publishing house. The provocation “justified” an ominous “fact-finding” visit to Latvia the next day of newly appointed First Deputy Interior Minister Gen. Boris Gromov, ex-commander of Soviet forces in Afghanistan, and an ardent advocate of crushing the republics by military means. In a Jan. 3 interview with Radio Free Liberty, the vice chairman of the Latvian Supreme Council, Andrejs Krastins, was asked whether the occupation of the press center was the first step toward a Soviet military crackdown: “Today Soviet Deputy Interior Minister Boris Gromov will arrive in Latvia along with the commander of the Interior Troops” Gen. Col. Shatalin, one of the “53.” “Their visit is perhaps tied to repressive measures,” he said.

After Shevardnadze: the truth about the Soviet internal shift

by Carol White

The announcement by Eduard Shevardnadze on Dec. 20, 1990, of his resignation as foreign minister of the U.S.S.R., should be viewed in tandem with the resignation of British Prime Minister Margaret Thatcher, barely one month before. Despite the feverish quality of the apparent love fest between Thatcher and Soviet President Mikhail Gorbachov, it is Shevardnadze who has been most consistently identified with the pro-West phase of Soviet policy.

Since meeting him in 1984, Thatcher was an ardent defender of Gorbachov, a man—she assured President Reagan—whom she, and presumably the West as a whole, “could do business with.” In April 1989, Mrs. Thatcher was interviewed by *Izvestia* correspondents, and she restated there the premises underlying the condominium policy for a New Yalta, two-empire accord. She said then of Soviet reforms: “Sometimes it seems to me that you are trying to do in five to ten years what it took more than a century for us to do.”

Even as late as Nov. 24, 1989, in an interview in the London *Times*, Thatcher was almost rhapsodic about the Soviet dictator, a man whom she claimed had “fantastic vision” and “personality and largeness of mind.”

This miscalculation is typical of the failure of Anglo-American policymaking circles to understand what is really going on in the Soviet Union. Obsessed with their own plans for world disarmament, they continue to underestimate the threat which the Soviets will pose to a new Anglo-American imperialist design.

As Lyndon LaRouche commented in a strategic evaluation issued Dec. 16, “The entirety of Anglo-American policy toward Moscow since November 1983 . . . is now exposed as one of the most colossal strategic errors.” Shevardnadze’s resignation, LaRouche added on Dec. 20, “must be seen essentially as a conformation of what I have forecast as the essential characteristic of emerging Soviet developments beginning the spring of 1983.”

LaRouche’s warning

From 1983 on, LaRouche had been issuing a consistent series of warnings regarding the danger of miscalculating the significance of the end of the Bolshevik era. As he pointed

out, and as is being borne out today, Bolshevik rule was merely another variant of czarism, with all of the included features of military-vectored imperial policy.

On Oct. 31, in a half-hour Washington, D.C. area television broadcast, LaRouche said: “What happened at that weekend [Sept. 30-Oct. 2, 1988] shakeup in Moscow? The short answer is that the Soviet military and KGB moved in to grab more power than they have since Stalin’s time. All of the key promotions during that weekend were given to members of one very tight group. All of those promoted had been top associates of former KGB chief Yuri Andropov and Marshal Nikolai Ogarkov since as early, in some cases, as the Leningrad front during World War II.”

The precision of that analysis has been borne out during the just-concluded Congress of People’s Deputies. True, in the interim the Soviets have relinquished control over the eastern sector of Germany, and within the East bloc, and they have had to recognize a semi-independent status for the Baltic republics, and to deal with significant liberation movements in Georgia and Ukraine. But at present, it appears that Gorbachov is using his new dictatorial emergency powers to reverse this and reinstitute military control in Latvia, to be followed in Estonia and Lithuania.

While Western commentaries on the recent Soviet Congress have stressed the fact that Gorbachov received the reorganization of government which he had demanded, the significance of the Shevardnadze resignation cannot have escaped any thoughtful individual. This is particularly so as Shevardnadze has continued to reiterate his warning, that the Soviets are engaged in a turn away from the West in international policy, and toward dictatorial rule domestically.

No doubt, part of the motivation for the shift has been the obviously perceived threat by them, of the U.S. deployment of 450,000 troops and 1,000 nuclear weapons on their back doorstep in the Persian Gulf. Yet the major problem facing the Soviets is the depth of their economic crisis.

Of relevance here, is LaRouche’s evaluation of the so-called Soviet liberalization, with regard to policy toward the East bloc and East Germany: “The Soviets,” he said, “have thrown away, not the primitive accumulation, they’ve dis-

carded some of the countries, which are no longer manageable after being depleted.”

One crucial element in the magnitude of the present Soviet crisis, despite the longer-term problems associated with a bureaucratic communist regime, has been Soviet overdeployment into military investment. This is a point which *EIR* has stressed repeatedly in articles and reports, especially in the 1985 and 1988 editions of *EIR's Global Showdown* reports.

Ironically enough, the Soviets refused LaRouche's proposal for joint development of Soviet and U.S. anti-missile defense systems. In the United States, the Strategic Defense Initiative became policy, but was rapidly diverted from LaRouche's initial conception of an SDI based upon advanced physical principles. The Soviets pursued a high-technology capability but at tremendous cost, due to the inability of their backward economy to assimilate the spin-off technologies from automated laser machining and the like. Unlike the West, the Soviets will never sacrifice their military capability to bolster consumerism. This defines their most recent hard-line turn.

Shevardnadze: 'Dictatorship is coming'

On Dec. 20, Shevardnadze resigned his post, complaining of the insults to which he had been subjected by those within the Soviet Union who opposed his alliance with Margaret Thatcher and the Anglo-Americans as a whole. Indeed, his loyalty to the Soviet regime had been questioned. He said then: "Things went as far as personal insults. I endured that, too. Comrades, a hounding is taking place. I will not name the publications, all manner of publications, the Pamyat society—I add the Pamyat society to these publications—what expressions: Down with the Gorbachov clique!

"They also add Shevardnadze and several other names. Who are they, the so-called reformers? I will put it bluntly, comrades: I was shaken; I was shaken by the events of the first day, the start of the work of our Congress. By pressing of a button, the fate not only of the President, of perestroika, and democratization was decided. Is that normal? Democrats, I will put it bluntly: Comrade democrats, in the widest meaning of this word, you have scattered. The reformers have gone to seed. Dictatorship is coming. I state this with complete responsibility. No one knows what kind of dictatorship this will be and who will come—what kind of dictator—and what the regime will be like."

The Congress, of course, ratified the reorganization of the government demanded by Gorbachov. However, although he has remained in office and with apparently strengthened powers, it would be a major blunder to see in him the creature of Margaret Thatcher's dreams. This Gorbachov is a creature of a KGB-military dictatorship, as the election of Gennadi Yanayev as U.S.S.R. vice president indicates. This congress finalized the reassertion of Russian hegemony in the Soviet Union, and the turn away from liberalization. Yanayev is a member of the Russian Communist

Party Politburo. In his acceptance speech he declared: "I am a convinced communist, down to the depth of my heart."

Another ominous sign of the Soviet turn away from the West and possibly back to police-state rule like the Stalinist period, was the statement on Dec. 22 by Soviet KGB head Gen. Vladimir Kryuchkov, who warned that deputies of Western intelligence agencies were seeking to destabilize the Soviet Union. This was a clear threat to liberalizers that they could be considered as traitors. Articles of a more extreme nature have also begun appearing in the Soviet press, warning that the West is exporting poisonous materials to the U.S.S.R. Such xenophobic propaganda must be seen as a step in mobilizing the population to accept the possibility of war—to protect Holy Mother Russia.

One should not overlook the fact that while the United States and Britain have refused to answer Lithuanian President Vytautas Landsbergis's call for support to the Captive Nations of the Soviet Union, they are perfectly capable of sowing discord in the U.S.S.R. in order to distract the Soviets, as they suppose, from opposing Anglo-American adventures in the Gulf. This is also the significance of the new International Monetary Fund hard line against giving aid to the Soviets, as the Germans have been doing. The Anglo-American establishment is now cherishing the secret delusion that there is only one superpower, which we might perhaps rename Angloamerica. This miscalculation, as LaRouche has warned repeatedly, may be taking us to World War III.

Precisely because LaRouche had recognized the underlying dynamic operative in the Soviet Union since the beginning of the 1980s, he made a series of policy proposals which would have offered the Soviets a viable alternative to either communism or an Anglo-American-run bankers' dictatorship. This was the significance of LaRouche's SDI proposal in 1980-82, his 1988 call for the use of Food for Peace as the means to achieve the reunification of Germany, and lastly his 1989-90 proposal for a major infrastructure development project centered in the high-technology Triangle encompassing Germany, France, and Austria, which would connect Western Europe to the former East bloc.

The German initiatives toward the Soviets offer a certain hope toward stabilizing the situation. Yet they are insufficient, precisely because the government of Chancellor Helmut Kohl has been unwilling to make a clean break with the Anglo-Americans on issues such as Gulf policy, and on the question of a free market in Eastern Europe. Rather than a policy vectored toward major infrastructure investment financed by public credit, and low-interest credit (at 2% interest rates) to the private sector, they have relied upon private initiatives.

There is still time to alter the situation, but not by trading on illusions. Without the kind of policy thrust implicit in LaRouche's Triangle proposal, the Soviet Union will disintegrate into chaos, but this will make it more—not less—of a military threat.

Draft memorandum of agreement between the U.S. and the U.S.S.R.

by Lyndon H. LaRouche, Jr.

On March 30, 1984, then-presidential candidate Lyndon LaRouche presented the following, which appeared in EIR's April 17, 1984 issue.

Article 1 General conditions for peace

The political foundation for durable peace must be: a) The unconditional sovereignty of each and all nation-states, and b) Cooperation among sovereign nation-states to the effect of promoting unlimited opportunities to participate in the benefits of technological progress, to the mutual benefit of each and all.

The most crucial feature of present implementation of such a policy of durable peace is a profound change in the monetary, economic, and political relations between the dominant powers and those relatively subordinated nations often classed as "developing nations." Unless the inequities lingering in the aftermath of modern colonialism are progressively remedied, there can be no durable peace on this planet.

Insofar as the United States and Soviet Union acknowledge the progress of the productive powers of labor throughout the planet to be in the vital strategic interests of each and both, the two powers are bound to that degree and in that way by a common interest. This is the kernel of the political and economic policies of practice indispensable to the fostering of durable peace between those two powers.

Article 2 Concrete technological policy

The term, technology, is to be understood in the terms of its original meaning, as supplied by Gottfried Leibniz, as the French translation of this same term, *polytechnique*, was understood by the Ecole Polytechnique under the leadership of Lazare Carnot and Gaspard Monge, and as the successive discoveries of Carl F. Gauss, Lejeune Dirichlet, and Bernhard Riemann provide an improved comprehension of the mathematical (geometrical) comprehension of Leibniz's

original definition of "technology."

Technology, so defined, is understood to be the indispensable means not only for increasing the potential relative population-density of societies, but as also indispensable to maintaining even any present level of population potential. Potential relative population-density is measured in persons per square kilometer. The increase in potential relative population-density requires both an increase in usable energy supplies of a society, per capita, and also an increase of the energy flux density of primary energy supplies, and in the form of application of such energy to various modes of production.

The foundation of development of productive powers of labor in agriculture (broadly defined) and industry (also broadly defined), is the development and maintenance of such elements of basic economic infrastructure as fresh-water management, transportation systems, energy production and distribution, general improvement of the habitability of land-areas, and urban industrial infrastructure of both industries and populations' daily life.

Next, in sequence, is the development of production of raw materials by agriculture and mining-refining. All other physical-goods production depends upon the scale of output and productive powers of labor in these two categories of raw-materials production. Most essential, economically, socially, and politically, is the increase of agricultural yields per hectare and per capita, effected through technological progress in both infrastructure improvement and in modes of production employed.

Since developments during the fifteenth century in Europe, all advances in technology, all advances in the productive powers of labor have been based on the development of the machine, or on the design of processes analogous to the functions of the heat-powered machine in terms of other sub-species of physical principles, such as chemistry, biology, the development of electrical energy supplies, and the emerging role of productive processes based on principles of plasma physics. "Technology," as comprehended from the combined standpoints of Gauss, Dirichlet, and Riemann, treats each of these varieties of production-methods as subsumed by a common set of principles.

In all aspects of production excepting agriculture, and in

respect to industrial goods required by agricultural production, advances in technology are transmitted into the productive process as a whole through the incorporation of improved technologies in capital goods, most emphatically capital goods of the machine-tool or analogous classifications. Therefore, the only means by which a national economy can sustain significant rates of technological progress, is by placing emphasis upon the capital-goods sector of production, and maintaining sufficiently high rates of turnover in that sector to foster high rates of technological innovation in the goods produced.

It follows that general increase of the productive powers of labor requires relatively high rates of investment of technologically progressive forms of such capital goods per capita in all spheres of production.

Therefore, the general advancement of the productive powers of labor in all sovereign states, most emphatically so-called developing nations, requires global emphasis on: a) increasing globally the percentiles of the labor force employed in scientific research and related functions of research and development: a goal of 5% of the world's labor force so employed is recommended as a near- to medium-term goal; b) increasing the absolute and relative scales of capital-goods production and also the rate of turnover in capital-goods production; and c) combining these two factors to accelerate technological progress in capital-goods outputs.

Therefore, high rates of export of such capital-goods output to meet the needs of developing nations are indispensable for the general development of so-called developing nations: Our common goal, and our common interest, is promoting both the general welfare and promoting preconditions of durable peace between our two powers.

The foreseeable direction of advances in technology over the span of the coming 50 years or longer is already clear in categorical terms of reference. There are clearly three general categories of scientific and technological progress on which humanity must rely into the period to come: a) very high energy-flux density, controlled thermonuclear plasmas, typified by the development of "commercial" fusion-energy production as the emerging, principal source of energy supplies for mankind, both on Earth and in exploration and colonization of nearby space; b) the application of energy supplies in the modes of coherent, directed-energy radiation, illustrated by the case of high-powered laser and so-called particle-beam modes; and c) new directions in biology, for which microbiotechnology is but a subordinated, but important aspect.

These three areas of technological breakthroughs define the role of powered, extended interplanetary and related forms of space travel, and of preconditions for life in synthetic, Earth-simulated environments of growing populations in colonies on the Moon, Mars, and elsewhere during the course of the coming 50 years.

Scientific cooperation in the development of these breakthroughs, and in respect to their applications to production

and to exploration of nearby space, is an area in which the two powers must promote efficient cooperation between themselves, and with other sovereign states.

Article 3

Economic policies

By supplying increased amounts of high-technology capital goods to developing nations, the exporting economies foster increased rates of turnover in their own most advanced capital-goods sectors of production. As a by-product of such increased rates of turnover in that sub-sector of the exporting nation's production, the rate of improvement of technology in such categories of goods is increased, with great benefits to the internal economy of the exporting nation. Thus, even were the exporting nation to take no profit on such exports, the promotion of higher rates of capital turnover in the capital-goods sector of that exporting nation would increase the productive powers of labor in the exporting nation's economy as a whole, thus supplying great benefit to the exporting nation's economy in that way.

The importer of such advanced capital goods increases the productive powers of labor in the economy of the importing nation. This enables the importing nation to produce its goods at a lower average social cost, and enables it to provide better-quality and cheaper goods as goods of payment to the nations exporting capital goods.

Not only are the causes of simple humanity and general peace served by such policies of practice; the arrangement is equally beneficial to exporting and importing nations. Only a profound ignorance of true interests of nations could desire any contrary policy of practice respecting "technology transfer."

Moreover, the general rate of advancement of the productive powers of labor is most efficiently promoted by no other policy of practice.

Article 4

International monetary policy

The only equitable and workable relations in financing of world trade among sovereign states with different economic and social systems is a system of credit based on fixed parities of national currencies, parities fixed by aid of a gold-reserve monetary order among states.

To prevent a gold-reserve system of fixed parities from becoming subject to disabling inflationary spirals, it is necessary to limit the extension of credit within the monetary system to "hard-commodity" categories of lending for import and export of physical goods. If such world trade emphasizes high proportions of efficiently employed advanced-technology capital-goods, the increase of productivity fostered by

such trade has a secularly deflationary impact on prices.

In the present situation, in which world trade has been collapsing under pressures caused by pyramiding of refinanced external and domestic indebtedness of national economies, it is necessary to reorganize the present indebtedness, to the effect that low interest rates prevail in the anti-inflationary environment of a gold-reserve system, and that the schedule of repayments of existing, outstanding indebtedness does not consume more than 20% of the export earnings of any of these nations.

The general benefit of such monetary reforms is the creation, immediately, of greatly increased markets for trade in high-technology capital goods.

Article 5

Military doctrines

Since the rupture of the wartime alliance between the two powers, U.S. military policy toward the Soviet Union has passed through two phases. The first, from the close of the war until a point beyond the death of Joseph Stalin, was preparation for the contingency of what was sometimes named "preventive nuclear war." The second, emerging over the period from the death of Stalin into the early period of the administration of President John F. Kennedy, was based on the doctrines of Nuclear Deterrence and Flexible Response as those doctrines were described in the keynote address by Dr. Leo Szilard at the second Pugwash Conference assembled in Quebec during 1958.

Until President Ronald Reagan's March 23, 1983 announcement of a new U.S. strategic doctrine, which overthrew the Nuclear Deterrence doctrine, from the time of the Kennedy administration, U.S. military doctrine toward the Soviet Union was more or less exactly that outlined by Szilard's keynote address at the second Pugwash Conference, of 1958. During the same interval, military negotiations between the Soviet Union and the U.S.A. have been premised on the assumption of continued U.S.A. adherence to the Nuclear Deterrence and Flexible Response doctrines.

From approximately 1963 until approximately 1977, it might have appeared, as it appeared to many, that the doctrines of Nuclear Deterrence and Flexible Response had succeeded in preserving a state of restive peace, something called "détente," between the two powers. This appearance was deceptive; during the period 1977-83, there was an accelerating deterioration in the military relationships between the two powers.

From the side of the United States, the impending breakdown of "détente" was signaled by the 1974 announcement of the so-called Schlesinger Doctrine. In fact, the Schlesinger Doctrine's perspective of "limited nuclear warfare" between the powers, or their so-called surrogates, was neither a violation of the Pugwash Doctrine, nor any innovation within

that doctrine. Szilard, in outlining the doctrine in 1958, had already specified that the doctrine required provision for "limited nuclear warfare," as well as "local warfare" of a colonial-warfare variety.

The Schlesinger Doctrine's appearance was an embedded feature of Nuclear Deterrence and Flexible Response from the outset. If the Nuclear Deterrence doctrine were continued, it was already evident from the time of Szilard's 1958 address, "limited nuclear war" in the European theater was more or less an inevitable outcome.

Beginning shortly after the inauguration of President Jimmy Carter, the deterioration of the military situation accelerated. The Soviet Union's response was typified by the deployment of the SS-20 missiles in Europe, and the 1979 NATO response, prompted by Henry A. Kissinger, to deploy Pershing II and land-based cruise missiles as weapons to be deployed in an effort to induce the Soviet Union to eliminate the SS-20s deployment: the so-called double-track arms negotiations tactic.

As an arms-negotiation tactic, Kissinger's double-track gambit proved substantially less than worthless. Over the interval 1981-83, continuation of the Nuclear Deterrence/Flexible Response doctrine impelled both powers to the verge of the military postures of "Launch Under Attack" and the more ominous posture of "Launch On Warning."

In response to this direction of developments, the U.S. public figure Lyndon H. LaRouche, Jr. proposed that both powers develop, deploy, and agree to develop and deploy "strategic" defensive, anti-ballistic-missile defense based on "new physical principles." This proposal was issued publicly by LaRouche beginning February 1982; he proposed to U.S.A., Western European, and Soviet representatives that the development and deployment of such strategic defensive systems be adopted policy, as a means for escaping from the "logic" of Nuclear Deterrence.

During a period of not later than the 1962 appearance of Soviet Marshal V.D. Sokolovsky's *Military Strategy*, leading Soviet circles had recognized the dangerous fallacies of Nuclear Deterrence/Flexible Response doctrine from a military vantage-point, although no comparable assessment appeared as part of U.S.A. military doctrine until President Reagan's announcement of March 23, 1983.

In that sense, LaRouche's proposed strategic doctrine, as first announced publicly in February 1982, was congruent with the analysis first publicly offered by Marshal Sokolovsky in 1962. LaRouche's, and later, Dr. Edward Teller's and President Reagan's proposal of "Mutually Assured Survival," implicitly put both powers on the footing of identical military doctrines: LaRouche's doctrine, and President Reagan's, are properly judged to be U.S. versions of the Sokolovsky doctrine.

The leading objections raised, first, against LaRouche's proposal, and, later, the similar proposals of Dr. Teller and President Reagan, centered upon the observation that aban-

donment of Nuclear Deterrence/Flexible Response implied a new technological arms race centered around the development of layered ballistic missile defense. Examining the fallacy of that objection points toward the necessary changes in the military policy governing relevant negotiations between the two powers.

As key architects of Nuclear Deterrence, notably Bertrand Russell and Leo Szilard, emphasized most strongly during the 1950s and later, their purpose in proposing Nuclear Deterrence was to further Russell's feudalistic, utopian dream of creating an agency of world-government which would enjoy a monopoly of use and possession of means of warfare, including a monopoly of nuclear arsenals. Given the reality of Soviet development of nuclear arsenals, Russell et al. abandoned their earlier policy of "preventive nuclear warfare." They proposed to divide the world, at least temporarily, between what were proposed to be in effect, two world empires, an eastern and western division of the world between two "empires."

Nuclear Deterrence and Flexible Response were presented by Russell et al. as means for making general thermonuclear warfare between the two principal powers "unthinkable." The ability of either power to assure the annihilation of the other was argued to represent physical means for ensuring the preservation of the "two-empire" system. Flexible Response was added, to provide means for military adjustments, including local, and limited-nuclear warfare, without risking the escalation of such wars to general thermonuclear warfare.

History shows that such schemes are inherently unworkable. Exemplary is the case of the plan to divide the Persian Empire into two parts, Eastern and Western Divisions, during the fourth century B.C. Also exemplary is the effort of the Venice-centered European "black nobility" to orchestrate balance of power among the Ottoman, Austro-Hungarian, Russian, and German empires, during the interval 1453-1914 A.D. The very logic of such attempted arrangements ensures wars leading to the destruction of one or all of the contending powers. Such is proving to be the case for the doctrines of Nuclear Deterrence and Flexible Response, respecting the deteriorating situation between the Atlantic and Warsaw Pact alliances.

It is the nature of competently elaborated military capabilities of major powers that those capabilities must be developed and prepared to ensure the survival and victory of the power in case of war with the opposing power. At the point that continuation of the existing form of peace is perceived to ensure the destruction of one of the powers, that power must either launch war or must accept the destruction of the nation which it represents. Marshal Sokolovsky and his Soviet co-thinkers were obviously correct on this point, and so was LaRouche.

The Nuclear Deterrence and Flexible Response doctrines were worse than merely incompetent. Had the threat of general warfare been perceived during the period beginning 1961-63, as Nuclear Deterrence seemed temporarily to re-

move that possibility, the powers would have been impelled to seek political and economic alternatives to such threats of general warfare. Instead, the political and economic impulses leading in the direction of warfare were permitted to aggregate. The political and economic impulses toward warfare were offset by adjustments in Nuclear Deterrence postures: including adjustments under the titles of détente generally, and arms-control agreements more narrowly. The unresolved political and economic issues seized upon the embedded logical of Nuclear Deterrence, to drive the powers to the verge of thermonuclear, general warfare.

The assumption prevailed, that as long as political and economic impulses toward general warfare did not surpass the "threshold" of Nuclear Deterrence, that such impulses toward war could be confidently maintained in existence, since neither power, it was assumed, would "dare to resort to the unthinkable" remedy of general thermonuclear warfare. So, under instruction of such deluded confidence in Nuclear Deterrence, the powers marched blindly toward the brink of general thermonuclear warfare.

If both powers and their allies were to deploy simultaneously the "strategic" and "tactical" defensive systems implicit in "new physical principles," the abrupt shift to overwhelming advantage of the defense would raise qualitatively the level of threshold for general warfare. This would be the case if defensive systems based on such "new physical principles" effectively deployed into the potential battlefield of Europe, as well as in the form of "strategic" defensive systems. For a significant period of time, the defense would enjoy approximately an order of magnitude of superiority, man for man, over the offense, relative to the previous state of affairs.

This would permit negotiation of a temporary solution to the imminence of a "Launch On Warning" posture by both powers: a solution which might persist for 10, 15 years, or longer. The true solution must be found in the domain of politics and economics, and the further shaping of military relations between the powers must produce military policies by each coherent with the direction of development of the needed political and economic solutions.

Articles 1-4 of this memorandum stipulate the leading, principled features of the required political and economic solutions. If each of the powers adheres to the republican military traditions exemplified by the work of Lazare Carnot and the Stein-Hardenberg reforms in Prussia, and defines its national interests according to the provisions of Articles 1-4, there need be no expectation of warfare between the powers: as warfare is the "continuation of politics by other means."

On the part of the United States of America, the government is committed to avoiding all colonial, imperial, or kindred endeavors in foreign policy, and to establish, instead, a growing community of principle among fully sovereign nation-states of this planet. This shall become a community of principle coherent with the policies of the articles of this

draft memorandum. If any force should endeavor to destroy that community of principle, or any member of that community of sovereign nations, the United States will be prepared to defend that community and its members by means of warfare, should other means prove insufficient. With respect to the Soviet Union, the government of the United States offers the Soviet Union cooperation with itself in service of these principles, and desires that the Soviet Union might enter fully into participation within that community of principle.

Article 6

Weapons policies of the powers

The distinguishing kernel of most of the defensive weapons systems classed under the title of "new physical principles" is the development of applications of both accomplished and imminent breakthroughs in two of the three general areas of scientific progress to dominate the coming 50 years: controlled, high-energy plasmas, and directed-energy applications. The development of these military applications signifies an expansion of the varieties of research and development facilities and staffs occupied with such new technologies. The deployment of weapons systems of this class signifies development of production facilities oriented to these technologies.

The impact of this upon the economies is suggested by the reasonable estimate, that the U.S.A., Western Europe, Japan, and the nations of the Warsaw Pact, will spend aggregately about 1983 \$3 trillion on development of "strategic" and "tactical" systems of this class by approximately the close of the present century, using U.S.A. costs as a standard of estimate. Although this amount is only a large ration of present levels of military expenditures by the same aggregation of states, to concentrate so large a ration of those military allotments upon the frontiers of present science and technology must have a very great impact upon the economies.

The best standard of comparison for estimating the impact of this upon the economies affected is the case of the impact of NASA research and development upon the U.S.A. economy, notably NASA's phase of intense development through 1966. The impact of the indicated program of high-technology military expenditures would be four to ten times as great as the NASA expenditure of that indicated period.

The impact of these technologies upon the civilian economies is suggested by the fact that the "second generation" of "commercial" fusion power might provide us with energy-flux densities in the order of as much as a half-million kilowatts per square meter, in contrast to between 40,000 and 70,000 kilowatts per square meter with best generating modes today. The industrial applications of high-powered lasers, including the important class of "tunable" such lasers, mean leaps in productive powers of labor, reasonably estimated to be as much as a twofold or threefold increase in

productivity of U.S. operatives by the year 2000 A.D.

If this connection between military expenditures and civilian benefits is adequately realized, the return to society for such military expenditures will be many times the amount of the military expenditure.

Two conditions must be fulfilled.

First, it must be policy that new such technologies developed in the military area be rapidly introduced into the civilian area.

Second, the rate at which economies can assimilate new technologies is limited by the relative scale of and rate of capital turnover within the capital-goods sector of production, most emphatically within the machine-tool-grade sub-sector of capital-goods production.

The second of these conditions can not be adequately fulfilled unless the trend toward "post-industrial society," of the past 18 years, is sharply reversed. Although such an urgent change in policy of practice is chiefly a matter of domestic policy of sovereign nation-states, no sovereign nation-state can adequately pursue the needed policy-changes without very significant degrees of international cooperation.

To accomplish such a shift within sovereign states' economies, priorities must be set accordingly for investment allocations, in priorities for flows of credit, in relative costs of borrowing by priority categories of investment and employment, and in relative rates of taxation. Similar measures are required in international lending, including relative amounts available for financing international trade, and related extension of credit for investments of importing nations.

It should be general policy, that the goal for employment of operatives in agriculture, mining and refining, industrial production of physical goods, and as operatives developing and maintaining basic economic infrastructure ought to be not less than 50% of the total labor force of nations, and that employment for science and for research and development ought to be not less than 5% of the total labor force of nations. It should be general policy that the percentile of the total labor force employed as operatives in production of consumer goods ought not to increase, but that the increase in supply of consumer goods per capita should be fostered by high rates of capital investment per operative in such categories of production. In this way, the percentile of the operatives employed in capital-goods production should rise—assuming that not less than 50% of the labor forces are employed as operatives.

Under these conditions, provided that all nations share in development of the frontiers of scientific research, in laboratories, and in educational institutions, all nations will be made capable of assimilating efficiently the technological by-product benefits of the military expenditures on systems derived from application of "new physical principles."

To lend force to this policy, the powers agree to establish new institutions of cooperation between themselves and other nations in development of these new areas of scientific break-

through for application to exploration of space.

To this purpose, the powers agree to establish at the earliest possible time institutions for cooperation in scientific exploration of space, and to also co-sponsor treaty-agreements protecting national and multinational programs for colonization of the Moon and Mars.

At some early time, the powers shall enter into deliberations, selecting dates for initial manned colonization of the Moon and Mars, and the establishment of international space stations on the Moon and in the orbits of Moon and Mars, stations to be maintained by and in the common interest and use of space parties of all nations.

The powers jointly agree upon the adoption of two tasks as the common interest of mankind, as well as the specific interest of each of the two powers: 1) The establishment of full economic equity respecting the conditions of individual life in all nations of this planet during a period of not more than 50 years; 2) Man's exploration and colonization of near-by space as the continuing common objective and interest of mankind during and beyond the completion of the first task. The adoption of these two working-goals as the common task and respective interest in common of the two powers and other cooperating nations, constitutes the central point of reference for erosion of the potential political and economic causes of warfare between the powers.

Article 7 Arms negotiations policy

The pre-existing arms-control treaties and related agreements between the two powers are to be superseded by new agreements consistent with the preceding Articles of this draft memorandum.

The existing and future arsenals of so-called "strategic" thermonuclear weapons are to be destroyed as rapidly as deployment of "strategic" defensive weapons systems renders such thermonuclear weapons technologically obsolete as weapons for general assault for general warfare.

On condition that such agreements sought progress as presently anticipated, the powers shall act first to withdraw all thermonuclear weapons in excess of some specific kilotonnage from territories of nations other than their own.

No arms agreement shall be sought whose verifiable adherence requires on-site inspection by personnel of a foreign nation. Rather, both powers and other nations shall be encouraged to deploy such methods of defense by aid of weapons-systems based on new physical principles, that any "cheating" in deploying weapons of assault is virtually nullified by capabilities of the defense.

Progress in implementing the agreements on policy identified in this draft memorandum shall be the precondition for negotiating additional agreements as may be deemed desirable.

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Madman George Bush set to plunge into Gulf war

by Joseph Brewda

Despite last-minute face-saving efforts to portray himself as genuinely willing to negotiate peace, George Bush has committed the U.S. to a bloody war in the Persian Gulf, and probably in January.

Although intervention by non-Anglo-American powers, or a last-minute change of mind by the erratic President, might yet lead to the avoidance of war, the evidence that war is now on the agenda is compelling. This evidence includes persistent efforts by his administration to sabotage any diplomatic attempt to solve the crisis, as well as activation of the "breakaway ally" scenario of the British-controlled zombie state of Israel on a course toward war.

At the same time, the Anglo-Americans have finally succeeded in bludgeoning NATO into entering the conflict, through deploying its forces to Turkey. On Jan. 1, NATO announced that it would be sending three squadrons of German, Italian, and Belgian jet fighters to Turkey to strengthen its border with Iraq. A Turkish request for the deployment of a 5,000-man German-based NATO Allied Mobile Force is still under discussion. Also, Turkey has now made public that it has deployed some 100,000 troops to the Iraqi border, capitulating to a Bush demand that it open up a potential second front against Iraq. The entrapment of NATO overall as a potential belligerent party, sharply limits NATO countries from attempting to negotiate peace.

According to one scenario floated in Washington spook circles these days, the Anglo-American-led war will begin with massive aerial bombardment of Baghdad and other population centers of Iraq, modeled on the "air doctrine" policies employed by Hitler against England in 1940. The use of tactical nuclear bombs and neutron bombs against Iraqi positions in Kuwait also appears likely.

On Jan. 3, the White House issued a press release stating that Bush still "wanted to resolve this crisis peacefully," and that he was willing to arrange a meeting between U.S. Secretary of State James Baker and Iraqi Foreign Minister Tariq Aziz in Geneva, Switzerland, sometime between Jan. 7-9. "I am ready to make one last attempt to go the extra mile for peace," Bush claimed.

One Bush administration official quoted in the Jan. 3 *Washington Post* was more honest than Bush and Baker on the reasons for the announcement. The administration is fearing and expecting an "explosion of freelance peace initiatives," he stated. "We are in a period now approaching the Jan. 15 deadline where everyone is getting into the act. . . . Our goal here is to hold a steady course knowing all kinds of hurricanes, squalls and such are going to erupt."

Among the "freelance peace initiatives" that the Bush regime fears are those announced by the Vatican, the European Community (EC), and various Arab leaders.

- On Dec. 30, Agostino Cardinal Casaroli, the outgoing, longtime Vatican secretary of state, announced that Pope John Paul II was prepared to become a mediator in the Gulf conflict. Casaroli noted that Pope John Paul II is a highly respected person in the world and especially among the Arabs, and therefore well-qualified for a mediating role. In December, the Chaldean rite of the Catholic Church, which is based in Baghdad, sponsored an international conference of Christian leaders on the threat of war.

- On Dec. 30, German Foreign Minister Hans-Dietrich Genscher announced plans by the 12-member European Community to hold an emergency meeting on the Gulf crisis on Jan. 4. It is expected that the meeting will result in a trip by EC President Jacques Poos, the Foreign Minister of

Luxembourg, to Baghdad over the coming days. Meanwhile, the chairman of France's parliamentary foreign affairs committee, Michel Vauzelle, flew to Baghdad on Jan. 2.

● Also at the end of December, King Hussein of Jordan announced plans to fly to Europe during the first week of January as part of a last-minute diplomatic effort to find a way out of the war. The King had made several attempts to negotiate a settlement since the Anglo-Americans deployed an armada into the Gulf in August, all of which have been sabotaged by the United States. At the same time, Algerian President Chadli Benjedid continues his own mediation effort. On Dec. 14, Saudi officials, under U.S. orders, canceled a planned meeting with Saudi King Fahd. It has always been clear that an inter-Arab solution to the crisis could be found, except for such interference.

A wrecking operation

Bush and Baker have played such wrecking games before. At a Nov. 1 Washington press conference, Bush first announced that he was prepared to "go the extra mile for peace," by arranging for meetings between Iraqi Foreign Minister Tariq Aziz and himself in Washington, and Secretary of State James Baker and President Saddam Hussein in Baghdad. The apparent purpose of the offer, as many reported at the time, was to assuage U.S. public opinion which feared Bush was driving the U.S. into an unnecessary war. The press conference took place one day after the Bush administration had forced through a Jan. 15 deadline following which any U.N. member-state would be sanctioned to use force against Iraq.

In his press conference, Bush stated that such meetings could occur anytime up to Jan. 15. When the Iraqi government suggested Jan. 12 as a date for Baker-Saddam Hussein discussions, the Bush administration heatedly rejected the proposed meeting, claimed that the date was "too late," while canceling an already scheduled meeting between Tariq Aziz and Bush in Washington.

However, even if some Iraqi-U.S. meetings were now to occur in Geneva or elsewhere, not much can be expected from them. Bush has repeatedly refused any negotiation—while offering "discussion." Bush's conditions for the talks, he proclaimed in his Jan. 3 statement, were, "No negotiations, no compromises, no attempts at face-saving and no rewards for aggression."

Moreover, Bush has made clear that even if Iraq were to withdraw from Kuwait, the economic sanctions would continue. "The *status quo ante* is unacceptable," Bush ranted in an interview with David Frost, broadcast in the U.S. by PBS on Jan. 3. "There will have to be some international order established to guarantee against future adventurism by" Saddam Hussein. Meanwhile, Defense Secretary Richard Cheney has repeatedly stated that a sizable presence of U.S. forces would remain to occupy the region as part of this "guarantee."

Unleashing the zombies

While attempting to appear reasonable, the Bush administration has also unleashed its Israeli monster, to provoke a war in which, it hopes, it will not have to take the blame.

On Jan. 1, Israeli Foreign Minister David Levy directly threatened Jordan with a war, in the government's first public comments on the formation of a new Jordanian government that day. "For a long time, very, very extreme elements have been growing stronger in Jordan and this must set off a red light, first and foremost for the authorities in Jordan," he told the Israeli press. Levy has long been promoted as a candidate for prime minister by Jon Speller, a former aide to former CIA director Allen Dulles and an operative within related Anglo-American intelligence circles.

The pretext employed by Levy in describing the new Jordanian government as "extremist" is that it includes members of the Jordanian branch of the Muslim Brotherhood, which, unlike its headquarters in Egypt, is opposed to the Anglo-American Gulf deployment.

The "breakaway ally scenario," as currently conceived, will begin with an Israeli strike into Jordan, or even Iraq, supposedly to defend Israel from Palestinian or Islamic terrorists. The strike would probably follow some atrocity against Israeli civilians, preferably children, covertly run by Israeli intelligence, but blamed on either Palestinians residing in Jordan or on Iraq. On Dec. 24, Israeli Prime Minister Yitzhak Shamir's Likud Party-led coalition entered into serious negotiations with the Labor Party to form a national unity crisis government, with full emergency powers, signaling that the war move was on. The Shamir war cabinet had been formed back on June 11 by the Anglo-Americans to enable the war scenario to more easily be put into effect. The scenario had been set into motion at Shamir's meeting with Bush in Washington on Dec. 12.

Jordan has, sensibly, increased troop concentrations on its border with Israel over recent days, and put its forces on full alert on Jan. 1. Israeli officials have already announced that in the coming war they may fly their jets over Jordan and any interference by the Jordanians would lead to a repeat of the 1967 war where Israel seized the West Bank territories. "I sincerely hope he [King Hussein] does not repeat the same error" of resisting Israeli expansionism, one Israeli official threatened to the *New York Times* on Jan. 3.

To feed the climate, Israeli soldiers shot and killed two Palestinian youths for painting anti-Israeli graffiti on the walls of a building in the Rafa, Gaza Strip refugee camp on Dec. 29, and shot into a crowd of demonstrators who gathered after the killing, wounding more than 100 more. On Dec. 31, two Israeli planes bombed a house used by the Palestine Liberation Organization in Sidon, Lebanon, killing 12 PLO officials. Responding to similar incidents over recent weeks, Iraqi Foreign Minister Tariq Aziz told the Madrid daily *El País* on Dec. 28, "If the United States does not attack us, sooner or later Israel will."

Turkey in uproar over Gulf policy

by Joseph Brewda

A mid-December request by Turkish President Turgut Özal for the deployment of 5,000 men from the NATO Allied Mobile Force to Turkey's border region with Iraq, has accelerated the political crisis in Turkey. The Turkish population is overwhelmingly opposed to Turkey's participation in a Persian Gulf adventure.

Simultaneous with the request, approximately 100,000 Turkish soldiers were deployed to the border district with Iraq, which has been administratively transferred from civilian to military control.

The political response to the recently disclosed troop request and border militarization has been harsh. Former Prime Minister Suleyman Demirel, leader of the True Path party, in a debate in parliament on Dec. 26, accused Özal of "high treason" for trying to entangle the nation in war. Earlier, Demirel said that Özal's compliant policy toward Washington would transform Turkey into another "Israel"—that is, a country serving Anglo-American interests rather than its national interests and the interests of the region.

Social Democratic Populist Party parliamentary leader Erdal Inonu stated in the same debate that "the adventurist ambition of our President is leading us straight into a war which the Turkish people does not want. What Özal is doing is playing roulette with the lives of innocent human beings."

New elections possible

The two opposition leaders have entered into discussions over collaborating on forcing new elections, to bring down the ruling Motherland Party over the foreign policy crisis.

The stance of these opposition politicians is backed up by most Turks. A poll published in the Turkish daily *Milliyet* in October showed only 35% of the population supports the government's overall Gulf policy, while 74% of the population is against the proposal to deploy Turkish troops into the Gulf. Since the poll, popular opposition to the government's policies has increased.

Turkey is also the only country in the world where a major labor strike is in process against the war. The ongoing strike of 47,000 coal miners of the Black Sea city of Zonguldak—the heart of Turkey's coal-mining district—began on Nov. 30. The union is demanding that Turkey withdraw from

the anti-Iraq war coalition, in addition to meeting the union's economic demands. The district is the political base of former Prime Minister Bulent Ecevit, the leader of Turkey's Social Democratic Party, who has condemned Bush's war policy as an example of the old imperial technique of "divide and conquer," which, he says, is opposed to Turkish national security.

A national general strike of Turkey's unions, the first in 10 years, took place on Jan. 3, even though the panicked government had declared the strike illegal.

Even chunks of Turkey's military are opposed to the military adventure. On Dec. 3, Chief of Staff Gen. Necip Torumtay abruptly resigned because, he declared, "I don't believe it possible to continue in my duty because of my principles." The resignation followed, by three days, the U.N. Security Council vote which set Jan. 15 as a date following which the Anglo-Americans would go to war with Iraq. Torumtay's resignation is widely seen as provoked by his opposition to the war policy, although the general is not talking about the specific reasons for his departure. His resignation was preceded by that of Minister of National Defense Safa Giray and Foreign Minister Ali Bozer the previous month, both of whom were expressly in opposition to the Gulf deployment policy.

Turkish and U.S. press report that one reason for military opposition to the war is that the Anglo-Americans are funding and arming Kurdish separatists in northern Iraq. Many of these terrorist organizations, which typically maintain their headquarters in France and the Netherlands, have now opened up offices in Saudi Arabia. It has not escaped the Turkish military's attention that these Kurdish separatists lay claim to large adjoining regions of Turkey, claims now supported by some Saudi press.

Economy headed toward ruin

Tensions are high, in part because Özal's agreement to comply with the embargo against Iraq, one of its largest trading partners, has already had disastrous effects on the Turkish economy. The government officially estimates that it is losing \$8 billion in foreign earnings a year as a result of the blockade. The result is mass unemployment. In the transportation sector alone, for example, some 30,000 truck drivers and other transport workers have been laid off.

At the same time, Turkey is being gouged for the increased price it has to pay for petroleum. Before the embargo, Turkey purchased oil from Iraq at the preferential price of \$15 per barrel, and paid for this oil with Turkish export credits rather than cash. Now Turkey must purchase oil from other producers at the market prices more than twice as high, and must pay for the oil in cash.

Meanwhile, Turkey has received none of the aid it desperately needs in return for taking such grave military, political, and economic risks, except that the United States has increased its import quota on Turkish textiles by 50%.

1990: year of lost opportunities

January

February

March

1 Polish currency is devalued by 31.5%—the 12th devaluation since September.
15 Canadian speculator Robert Campeau's U.S. retail firms, Federated and Allied Department Stores, file for Chapter 11 bankruptcy.
17 Brazil postpones payment of \$980 million of interest on debt owed to the Club of Paris.
25 President Bush announces aid package for Panama "valued at about \$1 billion"—in theory.

4 Debt renegotiation agreement is signed by Mexican President Carlos Salinas de Gortari, under the Brady Plan.
8 German Chancellor Helmut Kohl calls for immediate economic and monetary union of East and West Germany.
13 Drexel Burnham Lambert, the number-one U.S. junk bond investment bank, declares bankruptcy.
19 Strikes in Argentina against President Carlos Menem's austerity policies.
20 Riots in Venezuela against President Carlos Andrés Pérez's austerity policies.
21 Tokyo Nikkei Dow stock index falls 3%, the sharpest one-day fall since the October 1987 crash.

5-8 Price rises and budget cuts in Argentina trigger strikes and riots.
20 Venezuelan President Carlos Andrés Pérez announces agreement with creditor banks to reduce debt service under the Brady Plan.
24 U.S. Treasury Secretary Nicholas Brady meets Japanese Finance Minister Ryutaro Hashimoto in California, and tells him that contractions of Japanese stock market and yen currency market are "strictly a domestic Japanese problem."
30 Federated Stores, Inc., of the Campeau empire, files for bankruptcy protection.
31 Mass demonstrations in London against Margaret Thatcher's "poll tax."

1 Vaclav Havel is inaugurated President of Czechoslovakia.
3 Panama's General Noriega surrenders to U.S. troops.
5 President Bush dispatches naval convoy to international waters around Colombia, to monitor Colombian and other ships "for drugs."
13 Pope John Paul II's "State of the World" speech calls on West to help countries of Eastern Europe develop based on moral values, not "hedonism and practical materialism."
18 Soviet Defense Minister Dmitri Yazov announces callup of Army reservists, in connection with new outbreaks of violence in Transcaucasus.
24 "Cocaine" allegedly found at headquarters of Panama's General Noriega turns out to be corn tamales.
28 Romania's National Salvation Front regime ransacks headquarters of the two largest opposition parties.
31 Pope appeals to world to aid Africa, during tour of five of Africa's poorest countries.

2 South African President F.W. de Klerk lifts ban on African National Congress.
5-7 Soviet Communist Party Central Committee Plenum highlights economic crisis.
10 German Chancellor Kohl visits Moscow, preparing the groundwork for German unification.
11 African National Congress leader Nelson Mandela released from jail in South Africa, after 27 years.
15 Swedish Premier Ingvar Carlsson resigns, in fight over austerity package that would include a two-year strike ban.
15 Latvia's Supreme Soviet calls for independence from the Soviet Union.
17 Violent confrontation in Nepal between opposition and government.
18 Japan's Liberal Democratic Party wins elections to lower house, returning Prime Minister Toshiki Kaifu to office.
21 Czechoslovak President Havel addresses joint session of U.S. Congress.
25 Violeta Chamorro, candidate of Nicaragua's National Opposition Union, defeats Sandinista President Daniel Ortega.
27 Supreme Soviet of U.S.S.R. approves strengthened presidential powers.

4 Regional elections in U.S.S.R. result in widespread defeats for Communist Party candidates.
11 César Gaviria Trujillo wins Colombian presidential primary.
11 Lithuania declares its independence from the Soviet Union, elects Vytautas Landsbergis as President.
12 Israel's government, under Prime Minister Yitzhak Shamir, collapses.
12-13 Mikhail Gorbachov is named President of the U.S.S.R.
15 London *Observer* journalist Farzad Bazoft is executed in Iraq for espionage.
15 Fernando Collor de Mello is inaugurated as President of Brazil, launches economic "shock program."
18 Free elections in East Germany. Christian Democrats emerge as strongest party, with 40.9% of the vote.
23 Colombian Interior Minister Carlos Lemos Simmonds, a prominent anti-drug fighter, is forced to resign.
28 Three Iraqis arrested at London's Heathrow Airport, as they allegedly try to smuggle nuclear detonators.

6 Former Attorney General Ramsey Clark gives press conference in Panama City, condemning the "conspiracy of silence" surrounding civilian deaths in the U.S. invasion of Panama.
13-15 Third International Martin Luther King Tribunal convenes in Washington, D.C.
19 Attorney General Richard Thornburgh says U.S. will "not tolerate wrongdoing that violates American criminal law anywhere in the world"—the Thornburgh Doctrine.
22 Fourth Circuit Court of Appeals in Richmond, Virginia, upholds conviction and jailing of Lyndon LaRouche.

1 LaRouche associate Donald Phau is convicted in political frameup trial in Roanoke, Virginia.
10 Virginia Democratic Party's Central Committee opts not to oppose re-election bid of Republican Sen. John Warner, refuses to recognize candidacy of LaRouche Democrat Nancy Spannaus.
14 Department of Justice files civil RICO suit against International Longshoremen's Association.
28 Supreme Court approves "Thornburgh Doctrine," under which the U.S. can investigate and seize foreign nationals on foreign soil if it can claim they violated U.S. law.

4 John Cardinal O'Connor of New York delivers Lenten sermon denouncing heavy-metal rock music and satanism.
12 Illinois judge declares a mistrial in political frameup trial of three LaRouche associates—Patricia Noble Schenk, Ron Fredman, and Richard Blomquist—after the prosecution's chief witness suffers a stroke. Charges are subsequently dropped.
13 President Bush says U.S. will not recognize Lithuania.
13 LaRouche Democrat Harley Schlanger, candidate for U.S. Senate, wins 25% of the vote in Texas Democratic primary.

Economics

International

National

Economics

1 Shearson Lehman Hutton announces losses of up to \$917 million in its first quarter, the largest quarterly loss in Wall Street's history.
 25 More than 1 million farmers and supporters take to the streets in European Community nations to oppose farm price cuts.

1 Negotiators from East and West Germany agree on basic details of German Monetary Union, the first step toward formal reunification.
 3 U.S. Federal Reserve Board's Advisory Council meets with governors of the Federal Reserve System to discuss the crisis in the U.S. banking system.
 23 U.S. Treasury Secretary Brady says U.S. will need to borrow \$89-132 billion more than anticipated to cover debts from federally insured savings and loan institutions.

7 EIR holds seminar in Bonn on LaRouche's Paris-Berlin-Vienna "Productive Triangle" development plan.
 15 Donald Trump fails to meet \$85 million in payments due to his creditors.
 22 Bush administration lists spotted owl as "threatened species," thereby jeopardizing timber industry.
 22 Bush announces plan for financial police apparatus to crack down on savings and loan managers and others.
 28 President Bush proposes hemispheric free trade zone, "Enterprise for the Americas Initiative."
 29 Ninety-three nations at London Conference on Substances that Deplete the Ozone Layer call for ban on chlorofluorocarbons by 2000.

International

1 Mass rallies in Ukraine in support of independent Lithuania.
 2 Iraq's Saddam Hussein threatens to use chemical weapons against Israel if Israel bombs Iraq again.
 3 Dr. Humberto Alvarez Machain is kidnaped in Mexico by U.S. agents and brought to El Paso, Texas, to stand trial for alleged involvement in assassination of U.S. agent Enrique Camarena.
 8 Alberto Fujimori wins first round of Peruvian presidential elections.
 9 First free election in Hungary since 1945 ousts the communists.
 12 East German Parliament votes in the first head of a non-communist government in 45 years, Prime Minister Lothar de Maiziere.
 12 Israeli fanatics from the Ateret Cohanim cult stage a provocation at the Church of the Holy Sepulcher in Jerusalem, leading to riots, gassing, and the injury of the Greek Orthodox patriarch.
 18 Soviet Union imposes economic blockade on Lithuania.
 21-23 Trilateral Commission meets in Washington, D.C., endorses "global warming" hoax.

1 Gorbachov and other Soviet leaders have to leave the Lenin Mausoleum in humiliation during May Day parade, when they are booed by a crowd of 100,000.
 6-8 World Jewish Congress meets in West Berlin.
 6-13 Pope John Paul II visits Mexico, criticizes both Marxism and free market capitalism.
 16-19 North American Conference on Religion and Ecology meets in Washington, launches drive for ecological paganism.
 22 India and Pakistan come close to armed hostilities along the border in Jammu and Kashmir.
 26 Foreign ministers of Baltic states issue declaration that any agreements at Bush-Gorbachov summit concerning the Baltic states are null and void.
 27 César Gaviria Trujillo wins Colombian presidential election.
 28 Russian Parliament elects Boris Yeltsin President of Russian Federation.
 29 Arab summit in Baghdad.
 30 Raid by Palestinian splinter group against Israelis near Haifa.
 30-June 3 Gorbachov in Washington, D.C. for summit meeting with Bush.

6 Soviet Foreign Minister Eduard Shevardnadze says Soviets plan to withdraw certain tactical nuclear weapon systems from Eastern Europe.
 6-15 East German police arrest Red Army Faction terrorists.
 7-10 British Prime Minister Thatcher is in Soviet Union, boosting Gorbachov.
 10 Fujimori wins Peruvian election.
 11 New Israeli coalition government is formed, headed by Yitzhak Shamir, but dominated by Ariel Sharon.
 12 Russian Parliament declares Russian sovereignty.
 12-15 Romanian regime deploys thugs against democratic protesters.
 20 Ukrainian Communist Party Congress proclaims Ukrainian sovereignty.
 20 President Bush formally breaks off U.S. talks with PLO.
 23 Manitoba and Newfoundland refuse to ratify Meech Lake Accord governing Canadian unity.
 25 Chinese regime frees dissident Fang Lizhi, in gesture to Bush.
 28 Iraq's Saddam Hussein says war in Mideast is inevitable unless U.S. blocks Israel's thrust against the Palestinians.

National

3 Senate passes Clean Air Act.
 7 Admiral John Poindexter, former national security adviser, is found guilty on five felony charges stemming from Iran-Contra affair.
 12 It is revealed in court that the Anti-Defamation League (ADL) has attempted to influence Virginia judge Clifford Weckstein, who is presiding over trials of LaRouche associates.
 24 LaRouche Democrat Nancy Spannaus announces she will campaign as an Independent Democrat against Sen. John Warner.
 28 Over 350,000 people demonstrate against abortion, in Washington, D.C.

11 Bush sets goal of putting a man on Mars by 2019, in a speech at Texas Arts and Industries University.
 15 First of many "budget summits" between White House and congressional negotiators.
 23 House of Representatives passes Clean Air Act of 1990, after less than 13 hours of debate.

2 Schiller Institute hosts Martin Luther King Freedom Day Tribunal.
 6 Jesse Jackson in press conference urges Washington, D.C. Mayor Marion Barry not to seek a fourth term in office.
 11 Supreme Court refuses to hear appeal of Lyndon LaRouche.
 20 Lyndon LaRouche, candidate for U.S. Congress, is certified for ballot status in Virginia's 10th CD.
 21 House defeats attempt to amend Constitution to outlaw flag-burning.
 26 Bush says he will raise taxes, in violation of his "Read my lips" campaign promises.

July

- 1 German Monetary Union goes into effect.
- 7 Group of Seven economic summit in Houston, Texas, ends in sharp division between Anglo-Americans and continental Europe.
- 11 Ukrainian coal miners go on a 24-hour warning strike, demanding national independence.
- 16 U.S. Office of Management and Budget Director Richard Darman announces budget deficit of \$168.8 billion for FY 1991—compared to the \$100.5 billion deficit forecast by the administration in January.

August

- 1 Virginia Gov. Douglas Wilder announces \$1.4 billion state budget deficit—the biggest since World War II.
- 6 U.N. Security Council imposes economic embargo on Iraq.
- 8 Peruvian President Fujimori announces economic “shock” measures, essentially adopting the program of his opponent, Mario Vargas Llosa.
- 29 U.S. National Security Council approves a plan for six countries to pay the U.S. a total of \$1.1 billion each month to maintain U.S. Armed Forces in Saudi Arabia.

September

- 5 Brazilian President Collor says nuclear energy deals with Germany must be “rethought.”
- 11 U.S. Comptroller General Charles Bowsher says that 35 big U.S. banks will fail in 1990, at a cost to FDIC of \$4-6 billion.
- 12 U.S. GAO estimates that FY 1991 budget deficit will be \$372 billion—nearly four times original projections.
- 19 Businessman Charles Keating charged in S&L fraud case.
- 24 U.S.S.R. Supreme Soviet passes resolution on transition to a market economy.
- 25 Japan’s Mitsubishi and Germany’s Daimler-Benz meet to map out program of cooperation.

- 2 Congress of the Soviet Communist Party convenes. Boris Yeltsin resigns.
- 2 Lyndon LaRouche issues warning of imminent Mideast war.
- 5-6 Summit of NATO heads of state discusses “out-of-area” wars.
- 8 Iraq’s Saddam Hussein warns on French TV of danger of Mideast war and Israeli attack against Iraq.
- 12 British Minister of Trade and Industry Nicholas Ridley creates international scandal with vituperative public statements attacking Germany. He resigns a few days later.
- 15-16 Chancellor Kohl meets President Gorbachov in Moscow; they sign agreement ending Soviet military occupation of German territory.
- 16 Parliament of Ukraine votes up declaration of sovereignty.
- 23 Italian newspapers reveal that President Francesco Cossiga had called on July 3 for a government investigation into charges that Oliver North’s Iran-Contra gang was involved in the murder of Olof Palme.
- 25 U.S. Ambassador to Iraq April Glaspie tells Saddam Hussein U.S. has “no opinion” on Arab border disputes.

- 2 Iraq invades Kuwait.
- 2 President Bush and Prime Minister Thatcher attend Aspen Institute conference.
- 6 Pakistan’s President dismisses Prime Minister Benazir Bhutto.
- 7 President Bush deploys U.S. troops to Saudi Arabia.
- 7 Gaviria is inaugurated President of Colombia. He brings his opponent, Enresto Samper Pizano, an advocate of drug legalization, into the cabinet, along with Antonio Navarro Wolf, head of the “reformed” narco-terrorist M-19.
- 12 Helga Zepp-LaRouche kicks off election campaign of the Patriots for Germany party.
- 23 East German Parliament votes to merge its state with West Germany on Oct. 3.
- 28 U.N. “Big Five” reach agreement on ending Cambodian civil war. Khmer Rouge esclates its offensive.
- 31 Gorbachov says “a military solution is unacceptable” in the Persian Gulf.

- 5 Colombian President Gaviria calls off war on drug traffickers in favor of “peace” negotiations.
- 9 Bush and Gorbachov summit meeting in Helsinki. No agreement reached on issues of substance.
- 12 Treaty on German reunification signed by foreign ministers of the four allied powers, plus the two Germans.
- 12-13 U.S. Secretary of State Baker meets in Damascus with President Hafez al-Assad.
- 15-17 Schiller Institute delegation headed by Helga Zepp-LaRouche visits Poland.
- 23 Soviet Parliament grants Gorbachov emergency powers to achieve transition to “market economy.”
- 24 King Hussein of Jordan compares crisis to 1914 before World War I.
- 26 Chief of Soviet General Staff Moiseyev warns that U.S. military action in Persian Gulf could trigger world war.
- 27 Lebanon’s Syrian-backed puppet Hrawi regime launches siege against the forces of Gen. Michel Aoun.

- 11 Omnibus Crime Bill passes Senate; it expands death penalty to include “crimes of intent” and crimes against property.
- 17 House rejects a constitutional amendment that would have mandated a balanced federal budget.
- 19 Appeals court upholds ruling that U.S. acted in “bad faith” in bringing involuntary bankruptcy action against companies associated with LaRouche.
- 20 U.S. Court of Appeals overturns Oliver North’s conviction.
- 20 Supreme Court Justice William J. Brennan, Jr. resigns; Bush nominates David Souter to succeed him.

- 3 House passes Civil Rights Act of 1990.
- 7 LaRouche Democrats win 20-45% of the vote in primary elections in the Midwest.
- 10 Washington Mayor Barry’s case is declared a mistrial.
- 22 State of Maryland drops criminal charges against LaRouche associate Keith Levit, citing lack of evidence of any crime.

- 5 Rep. Henry Gonzalez introduces resolution calling for total withdrawal of U.S. forces from Mideast.
- 11 President Bush addresses Congress on the budget, demands that a solution be reached by Sept. 28.
- 11 Sharon Pratt Dixon wins Washington, D.C. Democratic mayoral primary.
- 12 Former U.S. Ambassador to Saudi Arabia James Akins reveals in *Los Angeles Times* a U.S. plan to occupy Saudi oil fields, dating from 1975.
- 29 White House and Congress reach compromise budget package, after President agrees to raise taxes.

October

- 2 U.S. government cuts off food aid to Sudan, because Sudan's President sided with Iraq in Gulf crisis.
- 5 British government reverses its 11-year-long refusal to link the pound sterling to the European Monetary System, the currency bloc of the European nations.
- 22 U.S. 1990 Clean Air Act passes out of House-Senate conference to become law.
- 29 Philippines announces that 40% of its 1991 budget will go to service domestic and foreign debt.
- 31 French and British construction teams link up in English Channel tunnel project, the world's largest undersea tunnel.

November

- 8 New York City Mayor David Dinkins announces huge budget cuts, to try to close a projected \$388 million budget gap this fiscal year.
- 10 GATT trade talks break down in Geneva, when U.S. rejects European compromise proposal on farm subsidies.
- 13 Seven of France's leading industrial spokesmen issue an attack on "post-industrial society" policies.
- 26 Soviet delegation to Washington, D.C. to negotiate grain shipments is turned away empty-handed.
- 28 U.S. Federal Reserve Board chairman Alan Greenspan concedes that there has been a "meaningful downturn in aggregate output."

December

- 1 Rationing imposed in Leningrad for the first time since World War II.
- 5 Germany and the Soviet Union resolve on emergency measures to guarantee the transfer of 250,000 tons of food to the U.S.S.R.
- 6 GATT talks in Brussels break down over U.S. demands that European Community countries cut farm price supports.
- 12 President Bush announces he will mobilize credit for up to \$1 billion worth of U.S. food for the Soviet Union.
- 21 Report on Soviet economy commissioned by Houston summit in July, calls for free enterprise austerity on the Polish model. Report was prepared by IMF, World Bank, OECD, and European Bank for Reconstruction and Development.

- 1 Hundreds of thousands of Ukrainian demonstrators demand sovereignty.
- 3 Germany is formally reunified.
- 8 Israeli police massacre 20 unarmed demonstrators in Jerusalem.
- 12 Assassination of Egyptian Speaker of the Parliament Rifaat al-Mahjoub.
- 13 Syrian armies in Lebanon begin to smash the forces of General Aoun.
- 16 Fifty thousand workers protest in Panama City against U.S.-backed government.
- 18 Thatcher's Conservative Party lose in Tory stronghold of Eastbourne.
- 23 Helga Zepp-LaRouche addresses freedom celebrations in Hungary.
- 24 Elections in Pakistan rout the Pakistan People's Party of Benazir Bhutto and bring the Islamic Jamhoori Ittehad (IJI) to power.
- 28 U.N. Military Staff Committee holds its first-ever substantive meeting. Proceedings are secret.
- 29 U.N. Security Council approves resolution against Iraq, threatening "further measures."
- 31 German Parliament votes in favor of German-Soviet agreement setting end of 1994 as latest date for withdrawal of all Soviet troops from German territory.

- 1 British Deputy Prime Minister Sir Geoffrey Howe resigns.
- 5 Jewish Defense League founder Meir Kahane is assassinated in New York City.
- 6-9 Willy Brandt meets Saddam Hussein and Yasser Arafat in Baghdad.
- 7 Indian government of V.P. Singh loses vote of confidence in Parliament. New government to be headed by Chandra Shekhar of the Janata Dal party.
- 9-11 Gorbachov in Bonn, signs economic cooperation treaty with Kohl.
- 15 EIR holds press conference in Washington, D.C., presenting a dossier on slavery in Kuwait and Saudi Arabia.
- 19-20 Conference on Security and Cooperation (CSC) summit in Paris.
- 22 Britain's Thatcher resigns, following defeat in her party caucus.
- 23 Bush meets Syrian President Hafez al-Assad in Geneva.
- 27 John Major becomes Britain's new prime minister.
- 28 Argentina, Brazil sign accord promising never to engage in nuclear weapons R&D.
- 29 U.N. Security Council passes resolution authorizing "all necessary means" to oust Iraq from Kuwait.

- 2 Elections for national parliament in united Germany. Christian Democrats emerge with 43.8%, the highest any party in Germany ever won in free elections.
- 2 Soviet hardliners Boris Pugov and Gen. Col. Boris Gromov rise to top posts in Interior Ministry.
- 3 Argentinian nationalist officers loyal to Col. Mohamed Ali Seineldin rebel against Army command, are arrested.
- 3 Gen. Hussain Mohammed Ershad, President of Bangladesh, resigns.
- 3-9 Bush tours South America.
- 9 Lech Walesa elected President in second round of Polish elections.
- 9 Elections to Colombian Constituent Assembly, which will rewrite the Constitution. M-19 terrorists win nearly one-third of the seats.
- 9 Israeli Minister of Science and Technology Yuval Ne'eman calls for expulsion of the 1.6 million Palestinians in the occupied territories.
- 17 Gorbachov opens U.S.S.R. Congress of People's Deputies, warning of "the breakup of the state."
- 20 Soviet Foreign Minister Eduard Shevardnadze resigns.

- 1 Solicitor General says U.S. will not contest judge's ruling that the forced bankruptcy of three companies associated with LaRouche was unlawful.
- 2 Senate confirms Judge David Souter to Supreme Court.
- 4 House of Representatives rejects the austerity budget submitted by White House and congressional leadership.
- 5 House passes Omnibus Crime Bill.
- 22 Bush vetoes Civil Rights Act of 1990.
- 27 Congress votes to approve a budget package of tax increases and spending cuts.

- 6 U.S. midterm elections. GOP loses one Senate seat, nine House seats, and one governorship.
- 8 President Bush doubles U.S. forces in Persian Gulf.
- 10 CNN broadcasts taped conversations between Noriega and his legal team.
- 13 Political trial begins in Roanoke, Virginia of three LaRouche associates—Laurence Hecht, Anita Gallagher, and Paul Gallagher.
- 22 LaRouche announces he will run for public office in 1992.
- 30 Bush says he will send Secretary of State Baker to Baghdad.

- 3 Defense Secretary Richard Cheney denies that the President requires a congressional declaration of war in order to attack Iraq.
- 13 Michigan judge throws out murder conviction against Dr. Jack Kevorkian.
- 14 Court orders Missouri hospital to withhold food and water from brain-damaged patient Nancy Cruzan.
- 15-16 Schiller Institute sponsors anti-war teach-in in Chicago.
- 15 Joint Chiefs of Staff chairman Gen. Colin Powell declines to serve as grand marshal of Martin Luther King Day parade.

Saddam Hussein's New Year greetings

On Dec. 30, Iraqi President Saddam Hussein issued the following New Year's message, which has been little publicized in the United States, perhaps because the text belies Bush's label of him as a "new Hitler."

In the Name of God, the Compassionate, the Merciful, to the faithful everywhere on Earth I address myself with the words *Assalam Alaykum*—Peace be upon you.

These are the days every year in which Christians have a look of contemplation on themselves, a look through which to reassess and evaluate life with spiritual elevation, a look which preserves the good and dismisses the bad in oneself, one's thinking, and one's behavior. In this climate of Christmas festivities of joy and spiritual meanings, the world at large shares these festivities not only with Arab Christians, including their brethren in Iraq, but also with the people of all faiths in our nation, as a form of spiritual as well as human expression, each proceeding from his own faith; for Jesus Christ was a prophet through whom God desired, as He did through all other prophets and messengers, to convey the meanings of reverence and responsibility which He entrusted our nation as a nation chosen to be at the heart of nations, to be a witness upon all other nations on Earth, while being witnessed upon by Prophet Mohammed (Peace be upon him). In this, the people of our nation express the meaning of their perception of the essence of religions, of the tasks of messengers, and of the meaning and message of their one Arab Nation.

As we celebrate the birth of Jesus Christ and the advent of a new year, the world and all its nations reflect in detail upon the landmarks of a time at which history made a special pause; reflect in accordance with a general human outlook and responsibility, as desired by God through Jesus Christ and afterwards through Prophet Mohammed.

A moral vacuum

Ladies and Gentlemen: People live in the world of today a life in which a feeling of false happiness prevails over real happiness, in a vacuum of decadence; the world of today is one in which the false and superficial prevails over the genuine and true. This is a world in which many are dying because of malnutrition and of lack of medicine and of basic needs of life, at a time when enormous quantities of grain are continually thrown in the sea as a price-protection measure aimed at maintaining a profit. This is a world in which people die of starvation, while billions of dollars are burnt away on

production or purchase of weapons and on the bagatelles of life. This is a world in which many find more attraction in exterior glitter than in inner substance.

Our world today, ladies and gentlemen, is a world in which many either feel, or actually are without a useful role to play or work to do, whether they belong to scientifically and economically advanced societies, or to scientifically and economically underdeveloped societies.

And he who has no work to do, has no function or role to play, a fact that takes away from him part of his humanity and his effectiveness.

If the absence of a function is coupled with an absence of faith, man is left empty, because man finds himself in what he does to the benefit of his fellow men and on the basis of true faith. In such a situation the happiness of the few, while not shared by many, remains not the genuine happiness which God wants for people, nor is it the happiness that Jesus Christ desired for them in his teaching.

Such a happiness comes at the expense of others, thus failing to bring true and deep joy to the soul, cleanse it of the profanities of life and the temptations of the devil.

Security and peace remain today outside the reach of many people in the world. First among such peoples are our brothers the Arabs in occupied Palestine, in the Golan Heights, and in Lebanon. The situation has now been aggravated by the recent occupation, by the armies of tyranny, of the Muslim holy places in Najd and Hijaz.

As for the people of Iraq, this is a people subjected to a threat of new magnitude, always the latest to be hatched in the beehives of evil in the Western world; the West which is fraught in certain corners with such evil and hostility, although there still are, in other parts, noble people who have given their love to goodness and virtue, and who are still working tirelessly for peace.

The fundamental aspect of our struggle is for our nation, which God honored with His choice of the prophets who conveyed, spread, and struggled for His Divine Message to humanity, so that the voice of faith and virtue should prevail, and for our country in which virtue has filled the souls of the majority of the people, while remaining the aspired goal of the rest; I say, the fundamental aspect of our endeavor and struggle is for our nation to carry out once again its true message to mankind, the message which rejects injustice and calls for virtue, while strengthening faith in people's hearts, minds, and conscience. Such a message cannot be carried out but by the free; and in order for the people of a nation to be free, they have to reject injustice in all its forms, including the injustice of imposing the will of those who have assigned to themselves the role of allowing some things and preventing others, on the basis of double standards and such narrow-minded interests as would ensure false happiness and selfish benefits, achieved through oppression by some at the expense of others, in violation of human values in general and in contravention of the will of God Almighty and all the messag-

es conveyed by His prophets and spread by His messengers.

Thus do good and evil enter in eternal conflict; and thus does the Land of the Arabs, the cradle of Prophets and the birthplace of Divine Messages, become the hotbed and the battleground for their elements.

In as much as the Prophets born in the Land of the Arabs, including Jesus Christ, were messengers to man, sent by the will of God to help humanity at large to spread His Divine Word, then the outcome of the conflict, as we envision it, is one of peace, love, the triumph of good over evil, the rejection of the starvation of the poor in order to make the rich richer, and destroying the chains in which tyrants have fettered liberty, the liberty which we pray to see enjoyed by the whole of humanity, oppressor as well as oppressed.

We want freedom for all nations and peoples, be they white, yellow, or black. This cannot be achieved unless the people of our nation become their own masters.

In this great conflict, as in the case of all major confrontations, the powers of evil have stood on the one side led by the devil, while the powers of good have stood on the other side inspired by the high values of God Almighty, emulating the symbols of faith in their patience, their perseverance, their moral rectitude, and their justice.

No one in the history of our nation and of humanity at large is deeper in his faith, higher in his morality, more vigorous in the defense of justice, or stronger in his patience

and perseverance than the Prophets and Messengers of God and those who followed the faith in God guided by the great principles of life and the Jihad for the word and call of God.

In this confrontation there have been traitors to Jesus Christ and traitors to the principles and values of Islam—traitors enticed by the devil, guiding and emulating each other. May God curse them all! For the teachings of Jesus Christ are as absolved of their conduct as are the principles of Islam. In the same way as did Judas betray trust and Jesus Christ, so has Bush betrayed, through his hostility and deep-rooted evil, the teachings of Jesus Christ.

In the same way as did the renegades and hypocrites betray the principles of Islam during the life of the Prophet Mohammed (Peace be upon him), during the early days of Islam, so has the so-called “custodian” of the two Holy Mosques betrayed the trust given to him, the principles of Islam, and the values of Pan-Arabism, hence deserving the more fitting title of “Traitor of the two Holy Mosques,” who has succeeded in bringing more evil and causing more harm and profanity to the will of God and to our great nation than Abu-Rughal, the traitor who guided the army of Abraha along the road to Mecca.

May God bestow health and happiness upon all, fill them with hope, strengthen their faith in all that pleases Him and help them realize their hopes in goodness, love, and peace.

Peace be upon you.

Czechs and Slovaks still together, but . . .

A report from Prague by a guest contributor:

The post-communist wave of nationalism has not missed Czechoslovakia: The center of conflict was and most probably will be again “law on competences,” the division of rights and responsibilities among Czech, Slovak, and federal governments, with the main divide being between the Slovak one and federal one. The question of competences is closely connected to the division of taxes among the governments.

The recent crisis was caused by the threat of Slovak Prime Minister Vladimír Mečiar to declare superiority of Slovak laws over the federal ones in the case that the federal Parliament would not accept the Slovak version of the law on competences. After an emotional appeal by President Václav Havel in the Parliament and his proposal of enlarging the presidential powers, a compromise version, very similar to the Slovak proposal, has been adopted. Part of the law is division of the tax income in the ratio

of 35% for the federal government, 40% for the Czech one, and 25% for the Slovak one, that is highly favorable to the citizens of the Slovak republic, which are only one-third—and substantially less productive—of the Czechoslovak population.

However painful and unacceptable this compromise may be for some Czechs, because it continues a 40-year-old communist policy of subsidizing Slovakia, it will not last very long. In 1991, the new Constitution is on Parliament’s agenda, which will mean reopening of all basic questions of Czech-Slovak relations, not to speak about numerous Hungarians (600,000 in Slovakia), Germans, Poles, Gypsies, and other nationalities. Further on, there is still powerful and influential nationalist movement in Slovakia, that is not content with the very advantageous deal, because it does not look for deals with Czechs.

Given the economic weakness of Slovakia, conventional wisdom expects Slovakia to stay within the borders of the Czechoslovak state. However, there are historical periods, such as the present one, when this kind of wisdom does not count for much. Breaking points of history are seldom expected, and the will of the Slovak nation for its own state may be stronger than economic arguments.

—Dušan Mrňa, Prague

Menem spearheads Bush's assault on Argentinian Armed Forces

by Cynthia R. Rush

"If they kill him, something much worse will be unleashed here." This was the headline which appeared in several Ibero-American newspapers, from Mexico City to Buenos Aires, during the last week of December, highlighting the statements made to *EIR* by Mrs. Marta Labiau de Seineldín. Mrs. Seineldín is the wife of Mohamed Alí Seineldín, the nationalist leader and Malvinas War hero who opposes the Anglo-American policy of dismantling the institution of the Armed Forces being carried out by Argentine President Carlos Menem. Along with 14 other officers, he is being tried in Buenos Aires as the "promoter and ringleader" of the Dec. 3 uprising of Army nationalists.

In her exclusive interview with *EIR* below, Mrs. Seineldín explains the real reasons behind the uprising, pointing to the failure of Carlos Menem and his predecessor, Raúl Alfonsín, to keep agreements made with nationalist military leaders to resolve the Army's internal problems. The Menem government's repeated provocations over the past 18 months against what Mrs. Seineldín describes as the nationalist "combative army," whose goal is to serve the Army and nation, are what finally led to the Dec. 3 uprising. The Ibero-American press made a point of emphasizing Mrs. Seineldín's remarks that the uprising was the result of the conflict between the "combative army" and the "administrative army."

On and immediately following Dec. 3, Menem insisted that the Army nationalists intended to overthrow his government and kill him. Citing support for him from the Bush administration and the "international community," he followed Henry Kissinger's logic and had Defense Minister Humberto Romero instruct the military prosecutor trying the officers to ask for the death penalty, to make a "horrible example" of anyone who challenged his policies. He demanded summary trials and quick verdicts. He shrieked that those who had organized the rebellion were nothing more than common criminals and fringe elements.

The real story gets out

But beginning on Dec. 24, the Mexico City daily *Excelsior*, Panama's *El Periódico*, Peru's Lima-based *El Comercio*, and the Buenos Aires dailies *Clarín* and *Ambito Financiero*,

ciero, countered Menem's version of events with the EIR News Service press release announcing the interview with Mrs. Seineldín. Each paper quoted her warning that the nationalist phenomenon inside Argentina's Armed Forces was "not finished," and that worse disturbances can be expected if Menem continues with his anti-military policies, or executes nationalist officers.

Several papers extensively quoted Mrs. Seineldín's description of the inhuman treatment given the jailed Army nationalists, as well as the warm support offered her by the Argentine public. She explained that the *Carapintadas*—"painted faces" as the nationalists are known—had no intention of overthrowing the government on Dec. 3, as Menem has charged. Their goal is to fight for an Army which can serve the nation with dignity.

Ibero-American press also emphasized that EIRNS possesses documentation, included in this issue, on the Anglo-American establishment's strategy to dismantle all of the continent's armed forces. The military in virtually every Ibero-American nation is under attack from the Bush administration and other advocates of a "New World Order," who argue that with the end of the Cold War, Ibero-America needs no militaries.

This policy has provided a tremendous boost to communists, narco-terrorists, and assorted ecological terrorists who are active in El Salvador, Peru, and Colombia, but who eye the entire continent for takeover. Brazil's Armed Forces are particularly targeted, as indicated by a commentary in the Dec. 19 *Christian Science Monitor*. Argentine journalist Robert Windhausen lauds Menem's fierce repression of military nationalists, noting that this will send a message to Brazil "where discontent is spreading among officers over what they call 'free falling salaries.'" Windhausen predicts that the crushing of Seineldín and the *Carapintadas* in Argentina "may discourage" the Brazilian military from acting.

Menem's plans backfire

The continent-wide publicity given Mrs. Seineldín's statements, combined with developments inside Argentina, have forced Menem to backtrack on several fronts. After first screaming for the death penalty, he proclaimed in more

subdued tones during a Dec. 27 breakfast with reporters that he would not tolerate "a single execution in the Argentine Republic." Menem admitted that "there are some sectors of the community which have asked me to be more flexible," and added that in any case "it will be a good while before we get to the sentences . . . this situation could go on until the middle of next year." Originally, the President had demanded that verdicts and sentences be made known before the end of 1990.

The continuing crisis in the Army is one factor in this abrupt about-face. Indicative of this was the bombshell dropped by military prosecutor Gen. Carlos Domínguez on Dec. 20, when he recommended to the Supreme Council of the Armed Forces, the military court trying the nationalist officers, that Colonel Seineldín and four others be sentenced to death for leading the Dec. 3 rebellion.

In his statement before the court, Domínguez harshly attacked the country's military and political leadership, and warned that further disturbances are inevitable if policy changes aren't made. He accused political leaders of "irrational hostility and ill will toward the Armed Forces," saying that their attitude was responsible for "sowing internal discord in the military."

General Domínguez charged the Army high command with a lack of "leadership and professionalism," adding that "if the high command doesn't modify the serious intolerance which has characterized much of its action, the tremendous pain caused by these deaths [if the death penalty is carried out] will have been in vain, and the Army will be lost forever." The general criticized the Army leadership's functioning during the 1982 Malvinas War, and during the 1970s war against subversion, referencing "repressive excesses" and "some acts of corruption among not a few of its members."

The prosecutor's statements were the first occasion on which such a high-ranking military officer has spoken out publicly in this way, in effect confirming many of the charges made by the *Carapintadas*. The Army's deputy chief of staff, General Balza, called the prosecutor's statements "despicable" and the high command decided to retire the general as soon as the trials are over. A few days before Christmas, the high command also decided to "purge" the Army, sending 57 officers and 647 non-commissioned officers into retirement or stripping them of rank. Five officers whose units rebelled on Dec. 3 have been relieved of duty, and Army Chief of Staff Gen. Martín Bonnet has announced that the institution will no longer tolerate indiscipline or dissidence. Anyone who doesn't follow orders is out, he said.

But this doesn't change the reality of General Domínguez's statements. Several reports issued inside Argentina warn that another Army uprising could occur anytime after the first of the year. On Dec. 14, Navy Chief of Staff Adm. Jorge Ferrer stated publicly that this branch of the service is facing its worst crisis "in a century." It is known that even among the Armed Forces' top leadership, there is opposition

to the government's plan for "restructuring" the institution, drastically reducing its size and operational capability.

Death penalty debate

Menem suffered another setback on Dec. 27, when the Supreme Court ruled on the matter of whether military or civilian courts should try the Army nationalists. While it determined that military courts would try the accused officers, it countered Menem's desire to charge them with "insurrection," a crime which under military law carries the death penalty. Instead, the Supreme Court charged them with "insurrection in ideal concurrence with rebellion," thus defining their crime as political in nature and eliminating the possibility of a death sentence.

The Argentine President's decision to grant pardons to members of the 1976-83 military junta, jailed on charges of human rights violations along with the terrorist Montenero leader Mario Firmenich, has also opened a Pandora's box of problems for him. Menem has been especially defensive about press reports that the pardons are the result of a deal with the Army high command, and that he is rewarding Firmenich for the financial and political support his left-wing political group gave Menem's 1989 electoral campaign.

Menem claimed that the pardons, quietly implemented on Dec. 29, are a means to "reconcile" Argentine society and heal the wounds of the past. But he can hardly justify putting Army nationalists like Seineldín to death because they oppose his subservience to the Anglo-American establishment, while absolving the likes of Firmenich or former head of the First Army Corps, Carlos Suárez Mason. The popularity of the measure is not increased by the fact that it also includes Henry Kissinger's old buddy, former Finance Minister José Martínez de Hoz, who was not jailed but who still had several legal cases pending against him for his role in destroying the nation's economy from 1976-81.

Most of these jailed individuals are hated by Argentines, who associate them with the years of violence, corruption, and needless deaths which occurred during the 1970s. Firmenich's Monteneros group recruited thousands of young people during that decade, and used them as cannon fodder in a guerrilla war against the Armed Forces and the nation. Recent polls show that 70% of the population generally oppose the pardons, and over 80% oppose Firmenich's release. As soon as the news of their release was made public, citizens took to the streets to protest.

The Anglo-American press also opposes the pardons, but for different reasons. They view the action as a dangerous "concession" by Menem which gets in the way of their policy of dismantling the military. The *Washington Post* made this clear in its Jan. 1 editorial. Commenting on the Dec. 29 pardons, it stated that the greatest threat to Argentina "is this strange military establishment. . . . It is difficult to think of any country on Earth with less need for large and aggressive armed forces."

'If they execute my husband, he will die with honor, as he lived'

Mrs. Marta Labiau de Seineldín gave the following interview to EIR on Dec. 21, 1990.

EIR: Mrs. Seineldín, what do you think is going to happen? What sentence will your husband receive?

Mrs. Seineldín: Well, the prosecutor, as you may know, has asked for the death penalty, but he has also made very strong charges against the Army, because he says that the situation has come to this [crisis] precisely due to the Army high command's inability to lead this combative army. Because these people being charged are those who fought the Marxist guerrillas in the war against subversion that lasted seven and a half years in Argentina, and the Malvinas War, and then they were cast aside because this high command has not known how to deal with this army, which has been called "the combative army"; the other one is called "the administrative army." So, the Army has split in two fractions.

EIR: The "*Carapintadas*" [painted faces], or the phenomenon of the "*Carapintadas*," what is it that they wanted? What are they asking for?

Mrs. Seineldín: Well, they are called "*Carapintadas*" because almost all of them are commandos, they are men of war; and the commando, when he fights, paints his face, right? So, what they want is a small, dignified, combative army, not a bureaucratic or armchair army. These are men who have fought, who have acted, and who cannot tolerate seeing the Army denigrated to what it is now. They want a different kind of army: one that, even if it has to live in poverty, in tents, it doesn't matter; as long as it can actually serve the purpose for which it was intended, to defend the Fatherland.

EIR: You have said, I understand, that the government knew beforehand that the events of Dec. 3 were going to occur. Can you confirm that statement?

Mrs. Seineldín: Well, on Dec. 3, when the action was almost over, the President said, briefly, that they knew about it and were waiting for it. Afterwards, when he was asked again in a press conference, he answered, "state secret." But

his brother Sen. Eduardo Menem said to all the press, "We knew about it, and we were waiting for them so we could finish them off." And all the television reporters, from Channel 9, the director of Channel 9, said, "We knew as of Friday, but we were reluctant to talk until things actually happened."

EIR: But before that, we understood that Colonel Seineldín had had contacts with President Menem, that he had had contact with him before he became President, and afterwards, in the presidency. What happened during this period, that things could have reached this situation?

Mrs. Seineldín: Well, since Villa Martelli [a military action led by Colonel Seineldín in December 1988] in which my husband was directly involved—several officers sought him out in Panama and urged him to act, and he did so as their leader—the agreements began. The first one was directly in Villa Martelli, which was an agreement of honor, that my husband asked not be signed since it was a gentlemen's agreement between the Army commander [Gen. José Dante Caridi], General Cáceres who later became commander, and many witnesses. Of course, it was not kept. Then General Cáceres became the commander; he didn't keep the agreements either. Then my husband, and the defense minister, and General Skalany reached an agreement—going officer by officer down big lists—who would go into retirement, who would stay, who got which posts, everything. And that really wasn't kept. Now, General Skalany was called by the tribunal, the war council, where he confirmed that they had signed all those accords. . . .

Subsequently, my husband wrote to the Army Chief of Staff Gen. Martín Bonnet, informing him of what was going on, that what was promised was not being implemented and General Bonnet punished him with a one-month detention in the province of La Pampa. He served that time, and then sent a five-page letter to the Commander-in-Chief, the President of the Republic, Dr. Menem, warning him of the extremely grave situation inside the Army in which events of such magnitude could occur, he said, "that neither you nor I can predict them."

Again he was punished with two months' detention in

San Martín de los Andes, and the generals laughed at the letter; nobody paid attention. Previously, he had met with the President of the Republic. As soon as [Menem] was elected, [Seineldín] gave him a complete dossier. Dr. Menem promised to solve the problem. We have his signature, his picture, everything. And yet to date, nothing has been done. Despite all of this, and the 600-plus people now under arrest, in addition to those who didn't act when they saw the treason that was taking place, the Army's problems still haven't been resolved. And this was stated clearly by the military prosecutor [Gen. Carlos Domínguez] in his statement yesterday.

EIR: So do you think that the phenomenon of the *Carapintadas* hasn't ended and didn't end on Dec. 3? That is, that the problem will continue?

Mrs. Seineldín: This problem will continue. Undoubtedly it hasn't been resolved, nor will they be able to resolve it, because we're talking about men who are fighting for the honor and dignity of the Army, with a President who cannot understand, who doesn't want to keep his promises. So, as there is no honor and dignity now, I believe that it is not over.

EIR: The rumor has been spread abroad that Colonel Seineldín wanted to kill himself Dec. 3.

Mrs. Seineldín: My husband is an eminently Catholic man. He would never ask for a pistol, because he was serving a minor sentence, for a minor infraction and he was not prohibited from carrying a weapon. So he had no need to ask for a revolver with one bullet. Later, the commander of the regiment where he was being held, Lt. Colonel Menéndez, told me that it was a total lie. My husband wouldn't do something like that, because he is a man who takes responsibility. And I tell you that when this story came out Dec. 3, he had already served one and a half months, 1,300 kilometers from the capital. One and a half months confinement, 1,300 kilometers away! Yet he has taken responsibility for everything. He's in jail for those people who've acted; he really has to take responsibility, because he's fighting for these people.

There are many, many officers here who, since the uprisings of Villa Martelli and Monte Caseros, have no future. They are not retired, but left in limbo doing nothing, and they are trying to denigrate them with this. So, there is really a very enormous split in the Army, very big.

EIR: What kind of treatment have your husband and those who participated in the Dec. 3 action received?

Mrs. Seineldín: Well, for my husband, all right. He was brought from where he was serving his sentence, in the south, by airplane. Fine. But the treatment of the others here was *shameful*. Not even at the battle at the La Tablada base [January 1989] with the guerrillas who laid siege, killed, and assassinated, fighting for three days inside the regiment which they destroyed; they were brought out with their hands

up. But here, the officers were brought out with their hands up; they were forced to remove their boots and socks, to go out in their underwear and with their arms in the air. And Colonel Baraldini was tied to a tank . . . [opposing troops] went in to attack the headquarters with Colonel Baraldini tied to the first tank. After being taken prisoner, men from the Grenadiers regiment were hooded and taken out twice, as if they were going to be shot.

Mrs. Baraldini went to see the commander of the Grenadiers and asked him how her husband was, and he told her, "Your husband is a prisoner of war. He has a soldier's half-ration, a blanket, and the floor." But her husband was a *colonel*. He was kept for a day on bread and water, with no blankets; the treatment was very, very bad, very severe, and totally degrading besides. There are even "washed faces" [anti-nationalist officers], as they're called here, who were shocked at the way the prisoners were treated.

EIR: On the street, among your neighbors, how have the wives and families of the *Carapintadas* been treated?

Mrs. Seineldín: Splendidly. Everyone congratulates us. They tell me, "Keep going, don't give up the fight." The country is watching, because the situation is very, very bad. Our foreign debt is enormous. I don't understand much politics, but economically we are very bad. Every day there are massive numbers of layoffs. Just a few days ago, 127,000 public employees were kicked out on the street. It is unquestionably a very severe economic plan; people are suffering, and do not view us in a bad light.

Of course, the press is controlled by four or five reporters and this is what the public gets. But as for me, people come to give me New Year presents for the colonel, to tell him to keep up the fight, that he is an honorable man. This is generally the kind of treatment we're getting. I've been on magazine covers: People recognize me, and no one treats me badly. So I believe that people are aware that this was *not* a coup d'état; that it wasn't an attack against the President. As [the nationalists] said in Palermo that same morning, "We respect the person of the President; we are against the high command, which does not respond to our needs."

The country was perfectly well aware that this was not a coup d'état. Later, a whole elaborate plan was conjured up, as an attempt on the President's life. It's all a lie, and now suddenly they're quiet, because there's no proof. It was all blown up by the reporters and wasn't true. Anyway, the *Carapintadas* were very clear that this was strictly a military problem, of the Army.

EIR: Much has been said about the death penalty.

Mrs. Seineldín: Well, the military court could give them the death penalty. The Army command has demanded that the action be called an insurrection, because that carries the death penalty, but rebellion does not. For insurrection, yes, you get the death penalty. So that's why they've insisted;

that's why you see [Assistant Army Chief of Staff] General Balza calling the military prosecutor [General Domínguez] "despicable." General Balza is second-in-command behind General Bonnet. He called the prosecutor despicable because [Domínguez] was harshly critical of the generals, of the high command. He has already indicated that he was pressured to ask for the death penalty.

So, the defense counselors have presented their arguments. But under military justice, there is one statement by the defendant and another by the defense counsel, and that's it. There are no arguments presented, as in civil courts; it is very difficult. But there currently exists the right to appeal to civil justice, and I believe the sentences will be reduced. But, should all these people, who have such honor and dignity, be sent to their deaths, they will die as they lived, with honor and dignity, for the kind of army they wanted. And I believe they are going to end up becoming martyrs, and this will unleash something much more serious.

EIR: The two of you lived for several years in Panama, where your husband worked in the service of the Argentine Army. What do you say about the many rumors and slanders spread about your husband's activities in Panama?

Mrs. Seineldín: My husband was military attaché for two years. In Argentina, the number one in each class—my husband was always number one in his area, which was infantry—is always appointed as military attaché. At that time, the post in Panama was open, so my husband was asked to go to Panama. When he completed his two-year term, the President of Panama—who had nothing to do with Noriega, in fact was his opponent—Eric Delvalle, asked Argentina's President Raúl Alfonsín to let my husband return [to Panama] as military adviser. Dr. Alfonsín issued a special decree, because there was no post of military adviser, and sent him, but [my husband] was invited so that he could organize the founding of a military college.

My husband was never an adviser to Noriega. Noriega's adviser was an Israeli general named Harari. My husband went to build a war college, a military college, and that's what he did for those two years. Later, they said he was involved with a thousand different things, but you know in life, the truth always comes out. My husband is a brilliant soldier; he was always number one, from first lieutenant to colonel and, well, the high command in Argentina is totally political. If you answer to the politician-of-the-moment, you get promoted. So Seineldín, who didn't do that, and never played political games, wasn't promoted. That's the way things are.

EIR: Could you tell us a little about the ideals, and the personality of your husband? About the Malvinas?

Mrs. Seineldín: I have known him for 31 years; we have been married for 30. He has always had the same values: love of his army and of his country. Politics means nothing

to him, other things mean nothing to him. He has one goal, which has always been the same. He had the luck to be chosen as the first man to set foot on the Malvinas. Despite the fact that his regiment was quite far—he had to travel four days to reach the Malvinas with his regiment—he was the first man. He went with sailors, commanded by Admiral Bucher, but the first launch to disembark was the *San Antonio*, and my husband was the first to land.

Later his entire regiment landed by air. His base was completely defended—even [British commander] Jeremy Moore says so in his book—because he fortified Puerto Argentino in such a way that the English could never get in. He was congratulated. He was the only officer, along with a few from the Navy, I believe—who was not punished for his actions. Others were sanctioned or punished for their men's behavior, but not him. When he returned, he said, "I return with a regiment of 12 dead heroes and the rest live heroes, because every one of these boys acted heroically."

Earlier, he fought subversion in the Tucumán mountains. He is a man of tremendous fight, with a very Christian spirit and steel-like endurance. Physical pain, exhaustion, discomfort don't bother him; he gives his all for the Army. And this is where his career has led him. It seems therefore that some people can't stand having a brilliant man in the Army.

EIR: It has been said repeatedly—he himself has made statements, if what was in the press were his own words—that he opposed the so-called National Reconstruction Process, the name given to the military junta that overthrew the government of Isabel Martínez de Perón in March 1976.

Mrs. Seineldín: Yes, he opposed the military Process, because he is very democratic; he doesn't want military governments. When the military government was installed, he opposed it; and people said it was because he was a Peronist, but he was never a Peronist nor was he ever political. So, that changed his future, but because of his record and the high opinion held of him, he was placed in a very good position, which was the War College, as professor at the War College, which is a very honorable place among military men. But he always opposed military governments.

EIR: How is the family, and what is the family thinking right now? What are they going to do? What do you expect to happen next year?

Mrs. Seineldín: I know that if they execute him, he will die with the same honor and dignity with which he has always lived. And if not, he will go to jail for a long time. In this country, with such weak and unstable politicians, you never know anything for sure. But, the family has always supported him, and will continue to do so. This is the Fatherland: You never surrender the Fatherland, not even in death.

It is better to die gloriously than on one's knees, and here there are many Argentines on their knees. But most of us are standing up, and standing tall.

Brazil's military resists cutbacks

by Silvia Palacios

In the first public protest of the Brazilian Armed Forces against the wages policy of the government of President Fernando Collor de Mello, Air Force Minister Brig. Socrates Monteiro warned on Dec. 20 that there was a sense of "great frustration" among the troops over the recently announced wage increase of 81%. In fact, according to estimates of the Military Club, a prestigious association of retired officers, the increase should have been 280%, just to keep up with inflation.

The unrest in the Armed Forces is not limited to matters of wages. This was made clear in a farewell address delivered the same day by Gen. Oswaldo Muniz Oliva, the head of the Army Engineering Department, on the occasion of his retirement from active duty. The speech exemplifies the state of alert that the Brazilian Armed Forces are in, as they imminently face the same treatment which is leading to the dismantling of the military institutions in neighboring countries.

Vow to develop the Amazon

Warning that powerful nations in the world are trying to internationalize the Amazon—whose mineral wealth they covet—and calling attention to the fact that, unfortunately, the "Brazilian elites" have not fully recognized the danger, General Oliva asserted that "the greatest challenge to the Army consists of being able to preserve and guarantee the entire Amazon, and at the same time participate in its development." For that, he added, the Armed Forces must preserve their integrity.

He stated that the current budget cuts are already affecting the three main aspects of the institution: operational ability, administration, and the military family. Alluding to the low salaries, which have been drastically reduced by the "anti-inflationary" plan of the Collor government, General Oliva said: "In a household where there aren't enough beans, everyone fights and nobody gets along. The military family is being severely punished."

Before assuming his last post, General Oliva was the head of the Superior War College (ESG), the premier center for the shaping of Brazilian strategic thinking over the last few decades. It was here that the dual concept of national security and economic development was conceived, and where the participation of the Armed Forces in the definition

of national economic priorities was established. Under General Oliva's direction, the ESG drafted the program *1990-2000: the Vital Decade; Toward a Modern and Democratic Brazil*, which proposes, among other things, to restart the country's economic growth with investments in great infrastructure projects, to unilaterally renegotiate the foreign debt, and a number of measures to once again place the country back on the path of "development with social justice" (see *EIR*, May 18, 1990). In the area of national security, the study proposed to take various steps to preserve national sovereignty in the face of "universalist tendencies" which are so powerful in the current government. For example, the study proposed, if necessary, to declare a "state of war" in the Amazon region in light of the threats from foreign forces.

The study, when it was completed many months ago, was delivered to then-presidential candidate Fernando Collor de Mello, who paid no attention to it. Now, the President himself has criticized the ESG's unique role as a formulator of the doctrine of national power. On Dec. 19, at the annual graduation ceremony at the ESG, Collor asserted that "The greatest challenge before pluralist society is that of articulating a national project which is not the result of a single grand theory, but, on the contrary, is the dynamic result of an interaction among multiple interests and points of view."

Plot to annihilate Armed Forces

Meanwhile, the newspaper *Ombro a Ombro*, which has the greatest number of readers among the Armed Forces, and which is run by Col. Pedro Schirmer, who was the assistant to General Oliva at the ESG, published an editorial in its December issue which explains that the unrest within the Armed Forces goes beyond the wages question.

"Looking at the national panorama, it is not absurd to say that the impression given by the economic authorities is that the end of the Cold War allows them to think of reducing the role of the Armed Forces below the level required by the country's needs. If that view arises from a mistaken personal conviction, or from ignorance of the events which move history, or from the manifest intention of discrediting the Armed Forces . . . we leave it to them to reflect on the matter. . . . This assertion is not the result of illusions or fantasies, as can be verified from the fact that the attacks which seek to annihilate the Armed Forces of neighboring countries, are part of a broader context."

The *Ombro a Ombro* editorial recalls the recent, unprecedented actions taken by the influential 100-year-old Military Club, in defense of the standard of living of the military. "The president of the Military Club, Gen. Nilton Cerqueira, in a speech delivered on the occasion of the opening of the assembly, stated: "Those who think that the world conjuncture will lead to a reduction in the Armed Forces over the medium term, are mistaken. Sovereign nations, in our time, will not be able to abdicate the duty of maintaining them strong and well-trained for their rapid use.' "

Book Reviews

A handbook for dismantling the armed forces of Ibero-America

by Gretchen Small and Dennis Small

The Military and Democracy: The Future of Civil-Military Relations in Latin America

edited by Louis W. Goodman, Johanna S.R. Mendelson, and Juan Rial
Lexington Books, Lexington, Mass., 1990
326 pages, hardbound, \$45.95;
paperbound \$24.95

The vehemence with which Argentine President Carlos Menem responded to the recent military protest in that country led by Col. Mohamed Ali Seineldín, shocked observers worldwide. From the outset, Menem called for the death penalty to be applied to Seineldín and his followers; he backed off only when faced with an outpouring of national and international opposition.

Why such violence? Why would Menem risk turning Colonel Seineldín, the acknowledged hero of Argentina's Malvinas War against Great Britain, into a murdered martyr for all nationalists across the continent?

The answer lies not with Menem, but with his international backers in the Anglo-American Establishment, whose policy objectives are shaped by their global power-sharing deal with the Soviets. Their joint objective is to dismantle the armed forces of all Ibero-America, thereby leaving the continent defenseless in the face of Soviet-sponsored narco-terrorist and other subversion—as is now occurring in Colombia, El Salvador, and elsewhere. The armed forces of Argentina and neighboring Brazil, in particular, are in the way: They stubbornly remain bulwarks of morality, pro-development sentiment, and a sense of national purpose, and they have not acquiesced to their institutional dismantling.

This policy of dismantling the military has been operational for a number of years. Over the course of the 1980s, it was pushed by Henry Kissinger and Oliver North's Project Democracy apparatus, which used the promotion of "democracy" and "human rights" in Ibero-America as a weapon to attack nationalist institutions there, in particular the armed

forces. The end-result of this policy is visible in Panama today, where there is no national military force any longer: The U.S. Army runs the show, from top to bottom.

This Establishment policy is laid out, justified, and presented with its philosophical underpinnings, in the volume reviewed here. The theses of this study, which was designed and financed by the U.S. government, and which consists of 17 chapters by as many authors, can be summarized as follows:

1) The "preparation for a new age" of superpower cooperation and "internationalist economic policies" of the International Monetary Fund variety, demands the radical restructuring of the Ibero-American military, under U.S. supervision, and the creation of a "new civil-political culture."

2) The principal obstacle to this is the outlook among at least a faction of the Ibero-American military, especially in the Southern Cone countries of Argentina and Brazil, that they have a national mission to defend the values of the "Christian West . . . honor, dignity, loyalty . . . [and] to guard and guarantee the development process." Such a national security doctrine is mistaken and dangerous, in the view of the authors.

3) This outlook is decried as "Messianic," "fundamentalist," "authoritarian," "ethical-religious," "ideologically inflated," and "patriarchal." It is a view whose ideological basis is found in a "historical period predating the Enlightenment," and which believes that there is a fundamental "struggle between good and evil."

4) This philosophy has been "shared and reelaborated by the armed forces of the Southern Cone, [and] is disseminated throughout the rest of the subcontinent through numerous technical missions. . . . The most notorious [of these] was the presence of [Argentine] Col. Mohamed Ali Seineldín in Panama between 1986 and 1988."

5) This "ethicist" current in the military must be rooted out and supplanted with "pragmatism" and a new "democratic-liberal doctrine . . . of national stability" which defines a new, narrower mission for the military—such as becoming

“a specially trained national gendarmerie.”

6) There are three models cited for the State Department's intended dismantling of the Ibero-American militaries: “A self-important military that had forged an unholy alliance with local oligarchies . . . [was] defeated by popular uprisings in Mexico (1910-1917), Bolivia (1952), and Nicaragua (1978).”

The sponsors of the project

The Kremlin leaders couldn't have concocted a set of policy proposals more favorable to their strategic interests, if they had financed the study directly. But they didn't have to. The U.S. government did it for them.

As the preface explains, the essays in the book are the result of a several-year-long project entitled “Civil-Military Relations and the Challenge of Democracy,” run through the School of International Service of The American University in Washington, D.C., and PLEITHO, Sociedad de Analisis in Montevideo, Uruguay. The project was U.S. government-run and financed: “Primary financial support for the project was provided by the Office of Democratic Initiatives of the United States Information Agency.” The Southern Command and the Secretary of the Army provided logistical and other support to the project. The State Department was involved at every level and stage: “Dr. Norma Parker and Ms. Roma Knee, of the Office of Democratic Initiatives, USAID, Dr. Luigi Einaudi, Terry Kleinhauf, Dr. Michael Fitzpatrick, Bismark Myrick, and Col. Curtis Morris, Jr., USAF, of the Office of Policy Planning and Coordination, Bureau of Inter-American Affairs, Department of State, provided sage advice and assistance with logistics throughout the project.”

In early 1987, the project organizers “invited some 20 experts on civil-military relations” to a planning meeting at the American University to “identify major issues for examination,” set up a work plan, assign chapter authors, and so forth. Drafts of the essays were initially presented at a meeting in Panama City, Panama in December 1987. Logistics for the meeting were arranged by the U.S. Army Southern Command, under Gen. Fred Woerner.

In May 1988, a conference was held at the American University to discuss the conclusions and develop “the themes raised by the project.” The editors proudly note that this was the largest privately sponsored meeting of high-ranking Ibero-American military officers held in the U.S. (“more than 50 Latin American military officers at the rank of colonel or above, including three defense ministers” attended). And why not? Transportation for the Ibero-American military to the conference was provided by the U.S. Secretary of the Army.

The final drafts of the essays published in the book were pulled together after this conference, as were plans “to extend the network.” Now the sponsors expect the publication of the study to further the process of building “pluralist democracy” in Ibero-America—i.e., to the dismantling of the military.

Attack on Ibero-America's Christian culture

This book is hardly the first study of the Ibero-American military coming from such quarters. In fact, a number of the experts involved have spent a lifetime on this issue, preparing the groundwork for the current policy. This is the case, for example, with Luigi Einaudi, who has been a State Department policy planning expert on Ibero-America for nearly a quarter-century, through Democratic and Republican administrations alike. Einaudi, currently U.S. ambassador to the Organization of American States, is widely known as “Kissinger's Kissinger for Ibero-America.” He has written extensive psychosocial profiling studies of the Brazilian and Peruvian militaries, in particular.

What distinguishes the mentioned volume from all earlier studies is its identification of the philosophical and cultural issues at stake, and its unabashed insistence on the need to bring about a total paradigm shift in the Ibero-American military.

Juan Rial, one of the three editors of the book, and a senior researcher at the Uruguayan institute PLEITHO, centers his argument on the need to create for the military a new self-conception to replace their dominant Catholic worldview, a self-conception more in accord with liberal secular society. Today, members of the Ibero-American officer corps:

do not accept the idea that they are members of an organization that can be created, changed, and even “closed down” . . .

Adherence to forms of thought derived from the Christian tradition is a constant among the armed forces of Latin America. In many countries, the military position coincides with the official state position, in that Catholicism is acknowledged as the official religion of the country. In other cases, this stand accentuates the divorce between the armed corporation and the state, particularly when there is marked secularization of the states, which is perceived to be associated with a democratic-liberal political regime. In all cases, the democratic-liberal doctrine and its implementation are perceived to favor the dissolution of traditions rooted in a natural order.

Rial complains:

Some members of the officer corps identify the West with older processes. They believe that today's West is the heir of Greece, Rome, and the Holy Roman Empire—the defender of Catholicism and the so-called natural order. They believe that the Reformation introduced a deviation of that tradition by opening the door to liberalism and to the “dissolving” values introduced by the North Atlantic revolutions. . . . [These tendencies do not dominate] except in some of the more im-

portant armed corps—that is, those of the Southern Cone.

The problem with such an outlook, Rial states bluntly, is that it views the world in moral terms, i.e., that there is right and wrong, and that the military must play a role in “the struggle between good and evil.”

Another contributor, Carina Perelli, also a PLEITHO researcher and a graduate of the universities of Grenoble in France, and Notre Dame in the U.S., puts it thus:

The division between the “pragmatists” and the “fundamentalists” within the military is simply a parallel to that produced within civilian society, between the “politicians” and the “ethicists.” Such division is singularly important, in that it transforms political problems into problems of principle—by definition not negotiable. The potential for compromise is thus limited. . . . The essence of the military group journalists call fundamentalist is . . . the principles that guide its actions—principles that can be synthesized in the struggle between Good (incarnated in the Christian West) and Evil (embodied in the international Communist movement).

Rial is confident, however, that such a view of the world—which actually dares to call for a defense of Christian values!—can be extirpated. Fortunately, he reports, a “post-Enlightenment” outlook prevails in the West—a reference to the 18th-century British and French school of philosophy which promoted an empiricist view of nature and man converging on atheistic materialism. There are no universal truths or values in society or the universe, the victim of the Enlightenment argues, only a pluralist interplay of differing, but equally valid, opinions. Ibero-American military leaders will have trouble implementing their views in a world dominated by such philosophy, Rial gloats:

Taking on projects whose ideological basis is found in a historical period predating the Enlightenment makes it difficult to obtain firm allies for a long-term enterprise. International contexts in which there is a predominance of the rationalism deriving from the Enlightenment, superimposed on postmodern cultural developments, are not favorable to such attempts.

Redefining the military’s mission

But such difficulties are not sufficient to thwart military nationalists, the State Department-funded study argues. It is also necessary to define for them a new, smaller mission. The problem today is that the armed forces think too big: They actually believe they are responsible for safeguarding the nation’s vital interests—a task which presumably were better left to the bankers and the State Department!

Authors Goodman and Mendelson trace the problem back to the 1964 seizure of power by the Brazilian military:

The 1964 Brazilian elaboration of a national security doctrine, which formalized military professional responsibility to respond to internal security threats and to play a role in national development matters, has profoundly influenced debates in other militaries.

Worse still, the Brazilian military has emerged virtually unscathed from the recent return to civilian government. Author Alexandre Barros, who has written broadly on the Brazilian military and was trained at the Catholic University of Rio de Janeiro and at the University of Chicago, states with frank disappointment:

The military establishment emerged from the military regime completely intact. It was touched neither as an institution nor in its human composition. . . . No military personnel were purged, expelled or punished.

In addition to Brazil, the other country that receives especially hostile treatment is Argentina, mainly at the hands of author Carina Perelli. Her thesis is that “prolonged contact with power” has led to the “ideological inflation” of the military, which “is characterized by the sanctification of political principles.” She prefers “ideological deflation, [which] is characterized by the reevaluation of secularization and a call for realism, which discharges ethical-religious commitments from politics . . . [and] visualizes politics as the art of the possible.” This “ideological inflation” has led to very dangerous consequences, according to Virginia Gamba-Stonehouse, the author of the chapter entitled “Missions and Strategy: The Argentine Example.” Gamba-Stonehouse was trained in strategic studies at the University of Strathclyde, Wales, and taught strategy at the high commands of the Army, Air Force, Navy and Chancery in Argentina. She opens her piece with the following alarm:

In South America, the armed forces have usually taken a leading role in the formation and development of the nation. Revolution and independence have been, on the whole, military experiences. This fact has been greatly exaggerated, so that the military, has perceived its role to have been the foundation of independence and national unity. . . .

The military believed that its role was intimately linked to the development and progress of its societies. It proposed to guard and guarantee the development process. . . .

The military feels it is its duty to interpret the wishes of the “silent majority” in its societies, particularly when internal disorder or governmental immobility on

development and economic issues threatens the future of the nation-state. It feels responsible for safekeeping, safeguarding, and guaranteeing a future for the nation that it helped build.

There is a related problem, according to Perelli's essay, and that is the military's self-assigned mission to fight a "total war" against the enemies of their nations' development. She describes the offending outlook:

The subversive war is a total war. This implies that it is a kind of conflict in which there is no room for negotiation or reconciliation of interests. . . . The military of this region firmly believes that it is living a total war, a situation in which wars are life-or-death struggles . . . and what is at stake is the very soul of the nation. . . . The doctrine of revolutionary war extends the military institution's perception of threat to unthinkable limits, both in time and space. At the same time, it provides an inextinguishable justification for the military's political action.

This is all terrible, according to the authors. The military must be separated from feeling any institutional responsibility for either: a) national development, or b) the security of their nation-state as a whole. The simplest answer, concludes Rial, is to deny outright the existence of any such thing as the nation or national interest! In a fit of unbridled nominalism, he argues that the only thing that exists is "society," the momentary, pluralist aggregation of different groupings, each with their own self-interest:

The legitimacy of the armed forces as a political action is founded on the nation. They exist because of and for the nation. It is to that mythical entity—the nation—that they owe "subordination and obedience". . . . [But this] overlooks the impossibility of any purely objective identification of "national interests" or "the common good."

Perelli then poses the task facing her fellow enemies of the Ibero-American armed forces: They must come up with a doctrine to replace the nation-building commitments they so much hate. But it must be a doctrine "of equal level, rigor, and importance, capable of making reality intelligible with the same degree of simplicity and plausibility." But that is easier said than done. "Thus far," she admits, "there seems to be no military or civilian doctrine on the ideological market that meets these requirements."

Rial is also wary about the prospects, and especially of how to sell the package to the targeted military. In his concluding remarks he warns that the task should not be approached in any way that might be perceived as "a threat aimed directly at the corporation. . . . In Latin America, the

military organization is unlikely to accept a change in its model of socialization and its internal authoritarian norms. . . . The emergence of situations in which serious threats are perceived must not be permitted."

How to go about this?

The authors suggest that the hated doctrine of "national security" be replaced with a new doctrine of "national stability . . . conceived as the balance of the political, economic, psychosocial and military powers." The military should face up to "the necessarily limited international roles [their] countries can play," stop thinking of itself as the guardian of the national interest, and instead concentrate on its "professional capabilities," leaving politics to the professional politicians, the bankers, and the State Department. The study suggests extensive training in "managerial" and "administrative" skills, as well as merging the different branches of the armed forces into one, as a means of eliminating institutional resistance to the new tasks.

So who is the enemy?

Certainly not communism, say the book's authors. And not the narco-terrorist hordes that the Soviets help sponsor. In fact, at one point they refer critically to the Peruvian military's "overblown perceptions of threat" posed by the Shining Path narco-terrorists. This, in reference to the continent's most brutal organized subversive force, which has murdered thousands of people in the last decade, which self-admittedly works symbiotically with the international drug traffickers in Peru, and which today controls as much as half the national territory, according to some Peruvian sources.

Author Varas goes so far as to criticize the Ibero-American military for their "thoughtless alignment on the Western world defense side." Could it be he would prefer them to align with the Soviets? Yes. In fact, the entire State Department-run study ends up proposing that all of Ibero-America be transformed into a zone of "neutrality and self-exclusion from the global conflict." What is needed is "the military neutralization of the region and its transformation into a buffer zone . . . in respect to world conflict. In a way, a special 'power void' would be gradually created."

And what would fill this "power void" achieved by destroying the Ibero-American militaries? Why, the United States, of course!

Regional defense systems should protect the hemispheric collective defense interests through a revision of military relations with the United States and a new design for hemispheric defense that is separated from global confrontation. Because world peace depends on regional defense systems, the need for a U.S. presence in them must be recognized.

Sounds a lot like Panama today.

New French book exposes duplicitous Anglo-Americans in Gulf policy

by Mark Burdman

Guerre du Golfe: Le Dossier Secret

by Pierre Salinger and Eric Laurent

Olivier Orban, Paris, 1991

304 pages, paperbound, 120 French francs

The French-language book *Guerre du Golfe: Le Dossier Secret* (*Gulf War: The Secret Dossier*) presents compelling evidence that the current global confrontation in the Persian Gulf could have been prevented, and was, to a considerable extent, set up by the Bush administration, the British, and the arrogant Kuwaitis themselves. The authors are well informed: Pierre Salinger was President Kennedy's press secretary and is today senior ABC News correspondent in London, and Eric Laurent is a star investigative reporter in France. Unfortunately, the book is written in the style of a thriller, pointedly coming to no conclusions about the strategic implications of the facts they expose. They demonstrate that before the crisis, American policy toward Iraq was diplomatically duplicitous, with certain circles in Washington clearly eager to weaken Iraq's influence and power. Then, once Iraq had moved into Kuwait in August, they discuss how the critical interplay became George Bush's personal psychological pique, not only at Iraq but at the Arab nations in general, together with the personal, manipulative intervention into U.S. policy-making by Margaret Thatcher. The then-prime minister arrived in the United States just after Iraq moved into Kuwait and insisted that Bush immediately act to stop an imminent Iraqi move against Saudi Arabia, which was, in fact, nonexistent. Bush and Thatcher's antics wrecked Arab diplomatic efforts, centered around Jordan's King Hussein, who sought to contain the dimensions of the crisis to the Arab world.

The authors have no love lost for Saddam Hussein, and they characterize him generally in the terms that have become typical in the Western media, including with frequent nasty aspersions and comments. Nonetheless, the Iraqi side of the story is at least presented. And while Salinger and Laurent

don't address some significant questions about U.S. and Western policy toward the Middle East, they are inevitably provoked by their account of the events.

'Certain Western circles wanted Israel to attack'

As for the Israeli role, the authors mention briefly in the early section of the book, that the view in Washington, in the weeks prior to the Iraqi invasion of Kuwait, was that Iraq's increasingly belligerent tone was mainly in response to fears that Israel was going to launch a war. Elsewhere, Saddam Hussein is quoted in his Aug. 6 discussion in Baghdad with American chargé d'affaires Joseph Wilson, responding to the American accusation that Saddam had threatened Israel with destruction in an April 2, 1990 communiqué: "Why did I publish this communiqué? Because certain Western and American circles wanted to push Israel to attack us. This communiqué had the goal of discouraging any aggression. We are convinced that it helped peace. If we had kept silent, Israel would have attacked us; this would have forced us to reply."

But these two cases are among the few in which Israel's provocative role is discussed. There is no mention made in *Gulf War* about the dramatic Israeli government reshuffle of June 1990, which brought the Ariel Sharon crowd into power, and really set the Middle East war dynamic in motion. In general, the authors are sympathetic to the Israeli view, and obviously have received some portion of their information from Israeli sources. Future more thorough—and perhaps more courageous—histories of the Gulf conflict will have to take this question on.

Many Americans are probably familiar with one of the book's central pieces of documentation, the transcripts of the meeting between Saddam Hussein with American Ambassador to Iraq April Glaspie on July 25, exactly one week before the invasion occurred. During that meeting, they emphasize, Glaspie gave Saddam Hussein the green light to act against Kuwait three times, going so far as to sympathize with Iraq's insistence on the need for an oil price of \$25 a barrel. She also stated that American policy had traditionally, including

up to that moment, regarded Iraq's conflict with Kuwait as an "intra-Arab" affair. She went further, associating Saddam Hussein's insistence that Iraq would not allow itself to fall prey to coordinated economic warfare, with the revolutionary motto of American statesman Patrick Henry, "Give me liberty or give me death." Americans know very well what it is like to fight against colonialism, she told President Hussein.

Whatever Glaspie may have thought she was doing, she was setting up the circumstances for the Anglo-American military intervention into the Gulf. Salinger and Laurent don't discuss this in its strategic context: They omit the fact that the Anglo-Americans had already been seeking a pretext for a NATO "out-of-area deployment" into the Gulf, and George Bush's need to divert attention from his growing political difficulties as a result of the economic depression. The most glaring omission the authors share with most international press is the fact that a new oil shortage would explode efforts of a newly reunified Germany to stabilize the shaky economies of its former East bloc neighbors, and ease the severe strain on the Soviet Union itself. That window of opportunity is now nearly closed, and as a result, the Soviet military threat is actually greater.

Iraq's right to live

But their report of Glaspie's expressions of sympathy are interesting from a different standpoint: There is, in fact, a similarity between the deeper issues in Iraq's complaints against Kuwait and the reasons why the American colonies fought a war against the British Empire.

As the book makes clear, the issue on Saddam's mind was *not* the annexation of Kuwait. This only became a primary issue after the U.S. had militarily committed itself to Operation Desert Shield, rebuffing an Iraqi offer made as late as Aug. 6 for some kind of U.S.-Iraqi negotiations process and *modus vivendi* in the Gulf. Saddam declared on numerous occasions—to American envoys, to Arab leaders, and others—that Iraq was being victimized by an economic warfare campaign, orchestrated by certain circles in the U.S. and Britain, and carried out through the agency of the Arab Gulf states, particularly Kuwait. He cited Kuwait's increase of oil production beyond OPEC quotas, which forced down the price, and its refusal to alleviate Iraq's war debt and help reconstruction efforts, as evidence.

Saddam made it crystal clear, to Glaspie and others, that Iraq's very survival was at stake, and that the nation would fight, even against U.S. military might itself, rather than see itself strangled. From Iraq's standpoint—a country that had been at war with Iran for eight years—a policy of *de facto* economic sanctions was already in effect *before* the U.N. mandated them.

Resisting Kissinger's new world order

EIR has documented the substance of economic warfare against Iraq, by the Anglo-Americans and others, as a predi-

cate of the Kissingerian policy of controlling Third World reserves of raw materials, and preventing at all costs, the industrial development of Third World nations, such as Iraq, Sudan, Argentina, or Thailand. Anglo-American policy toward the Middle East is economic and other forms of warfare, against any and all of the Arab-Muslim states that try to achieve national sovereignty. The genocidal policies of the "New World Order" have existed since at least the days of Kissinger's reign in the Nixon and Ford administrations in the 1970s.

Whatever the Iraqi leadership's many flaws, and—as unpalatable as this may be to those swept up in George Bush's extravagant propaganda excesses—the fact is that Iraq is on the front line of resistance against an oligarchical policy that seeks to strangle the development of countries whose people have darker skin than the Anglo-Americans.

If we take 1975 as the point of departure, from the moment of the assassination of Saudi King Faisal, an assassination for which Kissinger bears either direct or indirect responsibility, what do we see in the Middle East? We see mass devastation in Lebanon, including the genocidal Israeli invasion of June 1982. We see the undermining of the Shah of Iran, and his replacement by fundamentalist mullahs committed to a dark age for Iran and the region. We also see eight years of war between Iran and Iraq, and to the north, almost a decade of Soviet armed forces' genocidal depopulation of Afghanistan. We see the wholesale deprivation of Palestinian Arabs' rights by Israeli occupation forces. Additionally, and linked to this, we see the International Monetary Fund (IMF) and Chase Manhattan Bank sabotage an ambitious plan to make Sudan into the breadbasket for the entire North Africa-Sahel region, and IMF strangulation of the economy of Egypt. Egyptian President Hosni Mubarak's observation, some years back, that 500 million persons have died of hunger worldwide because of IMF policies is correct, if an understatement, and only makes his present participation in the "new world order" strategy all the more embarrassing and hypocritical.

In sum, what we see are millions dead, even more millions fleeing as refugees from war-torn nations, and whole nations (e.g., Sudan) brought to the brink of total destruction through starvation and civil war. International policy toward the Iran-Iraq War itself epitomizes the same attitude. Throughout that war, *all* of the five permanent members of the U.N. Security Council—not only the U.S. and Britain, but also France, the Soviet Union, and Communist China—supported both sides in the war, for cynical purposes of individual state policy, and for mutual interests in maintaining a focal point of instability in world oil prices and supply. The Anglo-American zombie-state of Israel was probably the most frank about pursuing a policy of supporting both sides, as were certain of the American "neo-conservative" ideologues like Irving Kristol. It is of more than passing interest that Saddam Hussein, during his meeting with Glaspie,

points to Irangate as a sign of hostile U.S. intentions toward his country.

The decline and fall of Eduard Shevardnadze

The other issue raised by the book is the insanity of the Bush-Thatcher "New World Order" mob vis-à-vis the collapse of the Soviet Union and the reemergence of the Soviet Empire as the "Third and Final Roman Empire."

The writing of *Guerre du Golfe* was completed at the end of November. By that time, Thatcher had just departed from the scene, but an event of even greater significance had still not taken place. Looked at from the vantage point of one month later, some of the book's more interesting passages concern the interchanges between U.S. Secretary of State James Baker III and the since-departed Soviet Foreign Minister Eduard Shevardnadze, in the aftermath of the Iraqi invasion.

It is clear, in hindsight, that the Bush-Thatcher-Baker diplomacy sealed Shevardnadze's fate.

While the Soviets have undoubtedly publicly gone along with much of the Anglo-American diplomatic shenanigans around the Gulf crisis, including the U.N. Security Council resolution authorizing the use of force, what is remarkable from the accounts Salinger and Laurent present, is that even Shevardnadze was a reluctant partner, and that the Soviets were presented with a set of American "done deeds," hardly in keeping with all the hoopla about "cooperation in the post-Cold War era."

For example, in the first attempts to bring about a joint U.S.-Soviet statement on the Gulf, Eduard Shevardnadze's willingness to cooperate was, at best, lukewarm. He tells Baker, on Aug. 3, "We insist. The Soviet Union will not accept that you conduct a gunboat diplomacy." Baker, clearly lying, tells him, "There will not be any unilateral action on the part of the United States, unless American citizens are in danger." Shevardnadze nods, but is only "half-convinced," and repeats: "Especially no American military operation."

But as *Gulf War* recounts, military action was being planned in Washington, precisely at that moment. Once Bush had resolved to commit American troops, the question was raised within his cabinet: what to do about "the Soviet reaction"? Should the announcement be made at a press conference that Operation Desert Shield had commenced, Moscow would be presented with a *fait accompli*, and might break ranks with the United States. So, ever sly, the Bush-Baker team decides to present Moscow with a *fait accompli* anyway, but to do so by postponing any public announcement on the troop deployment until Aug. 8, after a key U.N. resolution against Iraq is passed, and until after the Soviets are told privately about U.S. plans. This strategy is defined by National Security Adviser Gen. Brent Scowcroft as "utilizing this emergency situation to more rapidly cement Soviet-American relations."

Baker calls Shevardnadze at his vacation home, when it is evening on Aug. 6 in Washington. Calling him "Shev," and engaging in what is supposed to be amiable back-and-forth, Baker then tells "Shev": "We are going to have to send troops to the Gulf—at the demand of Saudi Arabia." The Soviet foreign minister remains silent, so Baker adds: "We give you the assurance that we are not seeking to take advantage of the situation to increase our influence in the region." The usually glib and friendly Shevardnadze then says in a

There is something frightening in reading these passages, since they indicate a wild miscalculation, perhaps the biggest miscalculation of the 20th century. As Bush has madly careened into confrontation in the Gulf, no one in Washington has been minding the shop about the Soviet Union.

"glacial" tone: "Your call, Jim, what is the purpose? To consult us or to inform us?" Baker, "embarrassed," responds, "We are informing you," and then tries to recoup with some haphazard proposals for joint U.S.-Soviet military operations in the Gulf.

There is something frightening in reading these passages, since they indicate a wild miscalculation, perhaps the biggest miscalculation of the 20th century. As Bush has madly careened into confrontation in the Gulf, no one in Washington has been minding the shop about the Soviet Union, about the global implications of the smashing apart of the Soviet system. All that the Bush White House has come up with, are suggestions for IMF-guided "economic reform" that would bring the devastation that the Middle East has seen in the past 15 years, into the U.S.S.R. itself. The Shevardnadze resignation is a marker for the depth of the Soviet crisis. His playing the role of a junior partner in a crudely manufactured Anglo-American strategy for global hegemony set in motion the process leading to his own demise. No matter what the "New World Order" mob thinks, the Soviets will not for long be able to tolerate Bush's mad escalation in the Gulf. So, in that sense, if Bush "wins" militarily in the Gulf against Iraq, he really loses, except that all of civilization might be brought down in that loss.

That message is only implicit in *Guerre du Golfe: Le Dossier Secret*, but it is there for those who want to see it.

Bronfman colluded with communists

by Jeffrey Steinberg

World Jewish Congress (WJC) and Anti-Defamation League (ADL) leader Edgar Bronfman has been exposed in the German press for working with former East Germany's communist dictators in an effort to block German reunification as late as the winter of 1989-90—weeks after the Berlin Wall had been breached.

In the *Frankfurter Allgemeine Zeitung* on Dec. 21, 1990, noted Jewish historian Michael Wolffsohn published excerpts from the files of the former German Democratic Republic (G.D.R.) Foreign Ministry which catalogue a years-long collusion between Bronfman and his WJC aides, and the top officials of the G.D.R., including deposed communist dictator Erich Honecker, Foreign Minister Oskar Fischer, and Foreign Ministry U.S.A. Department head Herbert Barth. The Wolffsohn article summarized a study that he has been commissioned to prepare as part of his lecture work at the German Army Academy in Munich.

Among the documents cited by Wolffsohn were official G.D.R. Foreign Ministry minutes of an Oct. 17, 1988 East Berlin meeting between Edgar Bronfman and the communist SED party head Erich Honecker; an April 19, 1988 meeting between Dr. Maram Stern, the WJC's representative to the G.D.R., and Fischer; and a Nov. 30, 1989 Stern-Fischer meeting. Even at that late date, the WJC delegate assured the East Berlin communists that Edgar Bronfman was adamantly opposed to the "sellout" of the G.D.R. to West Germany.

Forgive and forget

According to Wolffsohn, since no later than 1985, the G.D.R. regime has sought out American Jewish organizations to broker ties between East Berlin and Washington. Typical of the attitude of most groups was the statement by American Jewish Committee official Ted Elenoff, who drew a sharp line between providing prayer books and other religious materials for East German Jews, and providing political assistance to the communist regime. However, when Edgar Bronfman took charge of the WJC in the late 1980s, all that changed. Bronfman opened up direct ties to East Berlin, and the WJC turned a blind eye to the G.D.R.'s ongoing role in training and financing Arab terrorists and, in effect, absolved the G.D.R. of any responsibility for the Nazi extermination of the Jews.

WJC official Maram Stern claimed in a November 1990 WJC report that he had been personally "reassured by Honecker and Fischer many times that the East German govern-

ment had cut off all contact with the Palestine Liberation Organization (PLO) for eight years." As Wolffsohn pointed out, the PLO had maintained a public embassy in East Berlin since 1973, and such senior officials as Defense Minister Eppelman had confirmed that East German soldiers were training Palestinian guerrillas in camps inside the G.D.R. as late as February 1990. In 1986, just prior to the WJC-G.D.R. opening, President Ronald Reagan had publicly denounced the East Germans for providing a European haven for Libyan terrorists.

According to one Foreign Ministry protocol cited by Professor Wolffsohn, on Oct. 17, 1988, Edgar Bronfman was awarded the Gold Star of People's Friendship, the highest civilian honor by Honecker in person. At the ceremony, according to the official minutes, Bronfman stated that he was convinced the Hitler fascists had forced on German communists the same suffering experienced by the Jews.

While WJC officials later denied in interviews with Wolffsohn that Bronfman had made the statement, the *Frankfurter Allgemeine Zeitung* story cited a *Newsweek* magazine interview with Bronfman two weeks after his East Berlin visit in which he said, "Seen from a Jewish standpoint, I see no reason that the G.D.R. does not deserve Most Favored Nation [trade] status from the United States." Bronfman also called for the White House to invite Honecker to Washington on a state visit.

The issue of East German responsibility for the war crimes of the Nazis is not an academic question. A Jewish Claims Conference had been attempting for years to negotiate reparations payments to Jewish concentration camp survivors; while the West German government has given millions of dollars in such payments, the G.D.R. always refused to cooperate, hypocritically claiming that the socialist character of the East German state had "laid to rest the roots of fascism." According to ministry notes on the Nov. 30, 1989 session between the WJC's Stern and Foreign Minister Fischer, the WJC position was that "neither Bronfman nor [WJC General Secretary Israel] Singer expected money. It would even be harmful because it could encourage anti-Semitism."

Beware the Trojan horse

At the Nov. 30 meeting, Stern went beyond absolving the G.D.R. from any links to the Nazis. He swore that the WJC would use its considerable clout in the United States to assure that there was no "selling-out of the G.D.R. to West Germany." He warned that "joint ventures" between the two Germanys "must be handled with caution." Citing recent reports that the G.D.R. had signed a telecommunications modernization contract with the West German firm Siemens, Stern urged East Berlin to reconsider the contract and perhaps bring in ITT or another non-German firm. He also urged Fischer to work more closely with the Christian Democratic Union (CDU) party young turk Lothar Späth, whom he characterized as being less eager for reunification than Chancellor Helmut Kohl. And finally, Stern, on behalf of Bronfman,

offered to mediate East German-Israeli contacts, proposing that the G.D.R. work through the Israeli ambassador in Bucharest, Romania.

According to Wolffsohn, the G.D.R. minister had some grounds for believing that Bronfman could deliver on his pledge to block reunification. In a Foreign Ministry memo written on April 19, 1988 by U.S.A. Department official Norbert Reemer, Stern is quoted in a meeting the previous day with Fischer as boasting that the WJC "disposes of considerable worldwide political and economic influence and has the right of participation in all political decisions in the United States."

Shortly after the November 1989 WJC-G.D.R. vows of eternal friendship, one of Kohl's leading collaborators in the drive to lay the economic basis for reunification, Deutsche Bank chairman Alfred Herrhausen, was assassinated by terrorists. It was widely acknowledged at the time that British intelligence, to which the Bronfman clan owes its ultimate loyalty, was behind the killing. By the surfacing of the "second generation" Baader-Meinhof Gang in the late 1970s, the West German terrorist scene was under the joint control of the KGB (largely through the East German Stasi) and British Secret Intelligence Service. The Heidelberg Mental Patients' Collective, a psychological warfare center sponsored by the London Tavistock Institute, had provided many of the second generation terrorist cadre.

Over the 12-year period since the Baader-Meinhof Gang spawned several generations of Red Army Faction and related terrorist cells, an extensive East-West apparatus of killers, drug traffickers, and irregular warfare technicians took root. With the fall of the Berlin Wall and the Oct. 3, 1990 formal reunification of Germany, the danger posed by this East-West "Trojan Horse" has by no means abated.

One indication of how this subversive network is pursuing its destabilization of the newly emerging Germany-centered continental European economic development potential, is the recent escalation in narcotics trafficking all over Europe. In the United States, the ADL apparatus has earned itself the reputation of being the "American Drug Lobby," for its longstanding ties to the Meyer Lansky organized crime syndicate and for the role of such senior ADL officials as Kenneth Bialkin in pioneering money-laundering operations. Bronfman himself is the son of a Prohibition-era bootlegger, whose smuggling routes between Canada and the United States today represent one of the major paths of narcotics into the continent.

Bronfman's WJC has launched a major propaganda effort to smear the emerging Central European non-communist governments as hotbeds of anti-Semitism and scarcely concealed Nazi roots. Through corporate conduits like the Hollinger Corp., which owns the London *Daily Telegraph* and the *Jerusalem Post*, the Bronfman crowd is moving to build a publishing infrastructure in Central Europe to expand its political control.

China's rulers hold socialist road

by Mary M. Burdman

Reporting on the final communiqué issued by the seventh Plenum of the Central Committee of the Chinese Communist Party, held the last week of December, Radio Moscow commented that it confirmed China's loyalty to "the socialist order." Although China wants to continue to expand cooperation with the rest of the world, Radio Moscow said, the emphasis will be on "self-reliance." At a time when the Soviet leadership, during the course of a Congress of People's Deputies session that overlapped in time the plenum in Beijing, was itself falling back on reliance on the traditional Russian imperial power structures of Army, KGB, and Communist Party, it is obvious that Moscow was watching the Chinese developments with keen interest.

The Beijing communiqué said: "The success or failure of our efforts in the 1990s . . . will have a direct bearing on the rise and fall of China's socialist system and the future and destiny of the Chinese nation. Faced with a complicated and ever-changing international situation, it is crucial that we manage our domestic affairs well. . . . We must maintain a certain rate of economic growth . . . but guard against and overcome the tendency of being impatient for success and strive to avoid a recurrence of big ups and downs in economic life."

The communiqué, broadcast on national television, called for "in-depth education in patriotism, collectivism, and socialism." Under party leadership, it said, "We are certain to withstand every kind of storm and score even more brilliant achievements." China's goals are to "firmly push forward reform and opening to the outside world," and to "firmly follow the building of socialism with Chinese characteristics."

Thatcherism not popular in Beijing

What does this all mean? While preliminary readings would indicate that the internal power struggles between "Beijing Center" and the provinces are far from resolved, and that these battles will shape the internal Chinese political situation for some time, the bottom line is that the Chinese Communist Party is rejecting any importation of "Thatcherite free market" reforms into China, but is insisting that the Chinese CP reserve its mandate to loot the Chinese population in its own way.

The Chinese leadership has consistently been warning the Soviets and Eastern Europe about the dangers of too-rapid "reform" for the past year. Prime Minister Li Peng, speaking in Manila Dec. 17, stated: "In the previous year, and also in the first of this year, dramatic and profound changes have taken place in Eastern Europe, but what have those changes brought about for the people in Eastern Europe? Bread or happiness?" Li said. "The answer is no, because those changes have only brought chaos, and also unemployment for the people of those countries, and almost all those countries have now been plagued by profound crisis of all kinds. As for the Chinese government and the Chinese people, we will stick to the socialist world."

There is no question that Li is also fully aware of the disastrous economic situation of the Philippines, America's protectorate in Asia, which is now allocating about 40% of its budget to debt repayment, and suffering strike waves, chaos, and ever-worsening poverty in the wake of the Anglo-American engineered Persian Gulf crisis.

Six months ago, Li Peng's economic adviser Liu Guoguang told Stanislav Shatalin, the author of the "500-day reform plan" ultimately discarded by Mikhail Gorbachov, that it would not work. Liu was in Moscow for discussions with Shatalin at his invitation. "It can't be done," Liu said in an interview with the British daily *Independent* Oct. 17. "They have had a command economy for 70 years and now want to move to a market in 500 days. We had only 30 years of the same thing. A decade of reform has brought us only halfway, and even that has not been easy. Change can't come with a simple order from above, as some foreigners think. There are vested interests that have to be dealt with."

"The most important lesson is that you must start by reforming the economy, not politics," Liu said. Getting things the wrong way around as the Soviets have, invites chaos, he said. For reform to work, people must feel better off, not freer to complain.

Internal battle rages

The battle over the growing autarchy of China's provinces, which delayed the plenum, the first since March, for a full three months, is by no means resolved. According to one Western press report, the plenum, originally scheduled to last four days, had to be extended to six because of continued wrangling. The communiqué was most circumspect on this question: "It is necessary to handle properly the relations between the central and local authorities and between the state and the enterprises, and give full scope to the initiative of both." The official *China Daily* commented Jan. 1 that "The irrational division of revenues between the central and local authorities . . . remains unresolved as the new year begins. . . . The correction of such an irrational division" would help reduce Beijing's projected \$2 billion budget deficit.

The Thatcherites, usually ready to see any hint of "re-

form" by the Chinese as an open invitation for full-scale invasion, were disappointed, British and American press coverage of the plenum made clear. Beijing threw them few bones. The plenum resolved that "structural changes" are necessary in China, in enterprises, prices, taxation, banking, labor, and wages, and stated that "these reforms should center around the goal of establishing a new economic system." Just what this new economic system is, was not elaborated. It should, however, "be accompanied by greater efforts to build a system of overall regulation and control," the communiqué stated.

Military strongman President Yang Shangkun spoke on Beijing radio Jan. 1 for the benefit of the gullible abroad, saying, "China continues to open its door wide to the entire world and friends from around the world are welcome to visit China." But the official *People's Daily* New Year's Day editorial was unambiguous. "It is imperative to persist in the four cardinal principles, oppose bourgeois liberalization, smash the 'peaceful evolution' schemes of antagonistic international forces, and inspire patriotism and socialist consciousness," it stated. "Everything must serve economic construction."

It is no coincidence that Deng Xiaoping, 86, made his first public appearance since July Dec. 27, just after the plenum began—to prove he is still alive. It was Deng, the "great reformer," who finally ordered the massacre of demonstrators in Tiananmen Square on June 4, 1989, protesting the unprecedented corruption and economic incompetence of the Communist leaders. The same week, on the 97th anniversary of Mao Zedong's birth, the *People's Daily* carried a full-page tribute to Mao. The official daily gave front-page coverage of a speech by Bo Yibo, vice-chairman of the Central Advisory Commission of the Communist Party, the stronghold of China's "Gang of Ancients," who deplored weakness in the party's recent theoretical work, and claimed that it was "Mao Zedong's Thought" that gave rise to China's Open Door policy.

'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.

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New inflection point in Punjab

There is an anxious watch as India's Prime Minister Chandra Shekhar enters talks with the militant Sikh separatists.

The Dec. 30 meeting between Prime Minister Chandra Shekhar and Akali Party leader Simranjit Singh Mann has generated much apprehension in India. Although the prime minister has tried to allay fears by declaring that the country's unity and integrity would not be compromised, Mann's insistence on "self-determination" for the people of Punjab reflects the fact he is speaking for the Sikh militants, and it is the militants who hold a position of strength in the streets.

Mann came to New Delhi with the backing of all wings of the faction-ridden Akali Party, a development which has been given much significance here. Prior to the meeting, Mann promised it would pave the way for the Sikh militants themselves to meet the prime minister. "I am only an ambassador of those who are fighting from the jungles," he said.

Mann also told newsmen that the Sikh separatist state of Khalistan would be "a nice little buffer" between two enemy countries, India and Pakistan, which have been exchanging war threats for over a year now.

Jailed for five years as a suspected conspirator in the October 1984 murder of Prime Minister Indira Gandhi, Mann was summarily released in November 1989 after winning a seat in parliament. Leaks of secret meetings between Mann and the then-to-be prime minister, V.P. Singh, prior to Mann's release from jail, fed suspicions among the Khalistani gangs, and Mann's attempt to grab the limelight as Punjab's kingpin, one step ahead of the ultra-radicals, was scut-

tled before it got off the ground.

Twelve months and one government later, he has presumably been brought completely to heel.

Mann handed over a memorandum to the prime minister which read: "After being subjected for years to state repression and discrimination, the people of Punjab wish to invoke the right on which basis the Sikhs joined the Union. . . . The Sikhs who opted for the Indian Union are today demanding the right to self-determination."

The memorandum described the 1984 "Operation Bluestar," when the Indian Army entered the Golden Temple to flush out militants who had taken over the shrine and a bloodbath ensued, as a watershed in Indo-Sikh relations. It said that the trauma of that event was so great that to "safeguard their existence, Sikhs are ready to accept any political system which does not concede the right to self-determination, while the youth, whom we call the militants, are shedding their blood daily for a sovereign Sikh state."

Besides the demand for self-determination, a demand also put forward by the Muslims of the northern state of Kashmir, Mann made a reference to Article 51 of the Indian Constitution. Article 51 deals wholly with international relations, specifying in particular that India's relations with other nations be harmonious and based on peace and security.

At the moment, it is anybody's guess how the prime minister will deal with the hardened Akali position. Over the last year, inaction by

a palpably weak V.P. Singh administration has led to a great deterioration of the Punjab situation. According to reports, Punjab registered an all-time high of 3,784 killings of ordinary citizens, militants, and security men—an average of 10 per day—in 1990. In 1989, killings took 1,872 lives.

More striking, however, is the strength of the militants on the ground. According to newspaper reports, the terrorists do not run a parallel government; *they run the government*. Thousands of Hindus are fleeing from the rural areas, terrorized by Kalashnikov-wielding Sikh militants. The army has been called in, but New Delhi has chosen not to deploy them fearing it would only further harden the Sikh psyche.

Whereas the terrorist activity was for many years confined to several western districts of Punjab, the militants' writ has now been extended to the cities, and the state capital in particular. The militant Panthic Committee's orders to use Gurmukhi—and not Hindi or English—in all government affairs, is being enforced by gun-toting cadres, who move through government offices in Chandigarh, and monitoring bureaucrats.

Following the broad-daylight assassination of the state minister of All India Radio, the news media have fallen into line with the Panthic Committee's order prohibiting use of the word "terrorist" to describe the terrorists.

Meanwhile, the so-called moderate Akali leaders have capitulated to the militants, out of sheer physical fear. The unprecedented agreement among the Akali politicians on the Mann initiative is the result of this, and not some product of reasoned consensus. It is no secret that the militants are calling the shots from behind, while Akali leaders parrot their words.

State of Chiapas legalizes abortion

The surprise legislation was a Christmas gift to the IMF and World Bank from the Salinas regime.

On Dec. 18, the legislature of the southern state of Chiapas announced that it had modified Article 136 of the state Penal Code in order to decriminalize abortion. The reformed article now states that "abortions are not punishable when the pregnancy is a result of rape, if they are done within 90 days of conception; when, because of the pregnancy, the mother's life is in danger . . . [or] when abortions are carried out for reasons of family planning, by common agreement of the couple."

The new legislation has actually been in effect since last October, but it was only made public now. The announcement has set off a national debate on whether or not to legalize abortion nationally.

There was an immediate, sharp reaction from the Catholic Church and opposition political leaders, who recognized it as a foot in the door for a broader policy of malthusian genocide.

The Catholic Church's Episcopal Conference responded by excommunicating the Chiapas legislators who voted for the measure, and called on President Carlos Salinas de Gortari to "put an end to this social degeneration that could culminate in a situation of national evil." Bishop Lozano Barragán said that the new law is "equivalent to legalizing murder."

Bishop Genaro Alamilla went to the heart of the Mexican government's malthusian arguments in defense of population reduction. "It would be criminal," he stated, "to argue that, because of Mexico's demographic problems, it is necessary to

eliminate lives, eaters at the national table." The problem, rather, is a government which is "disorganized and corrupt, and which doesn't organize its inhabitants to produce the basic goods for the population. . . . Mexico has everything needed to guarantee a dignified existence, with everything that means in terms of food, clothing, housing, entertainment, education, etc., for twice the current population."

The archbishop of Monterrey, Adolfo Suárez Rivera, also went at the heart of the economic policy issues. The Church isn't trying to make a revolution by opposing the legislation, he said, "but rather is trying to prevent the international bodies like the World Bank, the International Monetary Fund, and the Inter-American Development Bank from continuing to score points against us. . . . It's obvious that the international organizations made this a condition for the granting of fresh money. . . . It's so obvious, that a large part of the loans granted to our country come in the form of contraceptives."

Msgr. Suárez Rivera also addressed the issue of malthusianism. "Mexico does not want to be a nation of the elderly, as occurs in many European countries that dedicated themselves to implementing radical birth control measures. . . . Rather than killing or suppressing eaters, we have to redefine production policies so that there is enough food for all of us."

José Angel Conchello, a national leader of the opposition PAN party, also targeted the international financial institutions, in statements to the

press on Dec. 26. The legislation, he charged, was "due to pressures from international financial agencies, such as the World Bank, which pressed a few years ago for it [abortion] to be used as a birth control method for Mexico, in exchange for having access to new loans." If the government of Salinas did this on its own, Conchello added, it was merely to try to "get in good with the lords of money. By this measure, they wanted to show they had a tough family planning policy so that the creditors would look well on us and loan money."

Conchello added, "Now that abortion is decriminalized, tomorrow they will legislate to apply euthanasia to men and women over 70; that's why the change in Article 136 of the Chiapas Penal Code—supposedly to benefit some nebulous family planning—is really a grave assault on life."

Also outspoken against the measure was Dr. Kunz Bolaños of the PARM party, who said that "abortion in Chiapas is the seed of a fascist policy. . . . Someone will come along and propose that it would be better, because of social problems, if children who are born sick or with physical defects would die, and after that it could be applied to the sick. . . . We'll end up embracing fascism under any kind of pretext—such as poverty, race, or religion."

Seasoned political observers believe that the Chiapas legislation has the behind-the-scenes backing of the federal government. They note a direct family connection between Chiapas Gov. Garrido-Blanco and President Salinas. Garrido-Blanco's wife is the daughter of the dean of Mexican malthusians, Antonio Ortiz Mena, who was for years the president of the Inter-American Development Bank, which Archbishop Suárez Rivera attacked. President Salinas is Ortiz Mena's nephew.

Is U.S. facing guerrilla war?

Purported insurgent leader Capt. Eliecer Gaitán has bested American forces in the past; will he do it again?

The day after Christmas, *EIR* received by fax a message inciting Panamanian soldiers to take up arms against the U.S. occupation army, to all appearances signed by the former security chief for Gen. Manuel Noriega, Capt. Eliecer Gaitán. A few days earlier, in a call to Radio Ancón on Dec. 11, Captain Gaitán announced the establishment of a guerrilla operation to drive the Americans out of Panama.

Gaitán's message is addressed to "my brother officers and the soldiers of the Panamanian Fatherland," and it is issued in the name of "those of us who we are determined to initiate armed struggle against the occupation forces and against the traitors who let themselves be used for the consolidation of the situation of submission of our people and Yankee presence in Panama perpetuates itself." He calls on the former members of the Panamanian Defense Forces (PDF), particularly those currently serving in the Public Force, the U.S.-created constabulary, to "unite in a single battle front."

This movement, it says, will fight "1) against the occupation of the Fatherland's soil, 2) against the oligarchy's handing over the Fatherland to U.S. economic interests, 3) against the gradual destruction of popular and labor organizations by means of the elimination of the gains they won in their historic struggles." Gaitán calls on the former PDF officers and soldiers to "refuse to repress the activities of worker, student, and other popular organizations. Remember

that you are not the protecting force of the oligarchy's and Yankee's interests. On the contrary, you are a soldier of your Fatherland and you swore to defend it with your life if necessary!"

While we cannot vouch for the authenticity of the Gaitán message, several Panamanian officials assert that there is a growing guerrilla movement in Panama. Such a development, if true, would pose a dicey situation for U.S. forces in Panama.

For one thing, on U.S. orders, the government of Guillermo "Por-ky" Endara has done away with any armed forces, and is totally dependent on U.S. troops for its security. The Endara government has little or no popular support. On Dec. 20, the first anniversary of the 1989 U.S. invasion, a crowd estimated by the international press at more than 120,000 marched against the government and the continued U.S. occupation. The massive demonstration took place just days after the government had illegally ordered the dismissal from their jobs of hundreds of labor leaders for organizing an earlier protest march on Dec. 4, in which an estimated 100,000 participated.

Furthermore, Gaitán has already proven himself a formidable opponent. During the 1989 invasion, while George Bush was crowing that the PDF had folded without a fight and that everything was over but the shouting, Gaitán led what the media described as a "daring" daylight attack on U.S. military headquarters in Panama on Dec. 22, forcing "U.S.

military officers to huddle under the tables with reporters."

When armed resistance was no longer possible, he obtained diplomatic asylum with Noriega at the Vatican Embassy in Panama, where he remained for more than nine months.

This past Sept. 16, Gaitán quietly abandoned the Papal legation, causing the U.S. Southern Command to launch a massive manhunt "by land, by air, and by sea," as was reported in the Sept. 28 *EIR*.

The unsuccessful search for Gaitán extended to all of Ibero-America. On Oct. 16, the Argentine daily *Clarín* reported that Gaitán was the "most sought-after foreigner" in all of Argentina, where he was believed to have been given refuge by his mentor, Argentine nationalist leader Mohamed Alí Seineldín. Other reports placed him in Nicaragua, Peru, or Colombia, or even as far away as Libya.

New York Newsday, which often serves as a leak sheet for U.S. intelligence, said in an article on Nov. 14 that the U.S. military feared that "the aggressive, hot-headed and decisive" Gaitán is "a cunning, ruthless soldier more than capable of igniting an insurgency in Panama." According to the report, U.S. intelligence failed to detect that Gaitán was in charge of the PDF's Special Operations Command at the time of the invasion.

Gaitán's troops received training from Israel, Libya, Cuba, and from the Argentine Colonel Seineldín, whose "ultra-rightwing philosophy" he shares, according to U.S. intelligence sources cited by *Newsday*. According to the reports, U.S. intelligence fear that these "elite soldiers" represent a "considerable possibility of future instability" for Panama and are capable of "destabilizing" the country.

International Intelligence

Romanians renew effort to oust communists

A new alliance was formed by Romania's opposition parties Dec. 15-16, and issued a joint platform demanding the resignation of the communist government of Prime Minister Petre Roman and its replacement with a coalition "government of national unity." The new government would have a non-party prime minister.

At the same time, an alliance of non-parliamentary opposition forces was formed in Bucharest, electing as its chairman Marian Munteanu, leader of the student opposition to the regime of Roman and President Ion Iliescu. The students had been on strike for a week, along with truckers and parts of the industrial work force. Anti-government demonstrations have swept Romania's cities.

On Dec. 18, mass protests occurred in the Bucharest too, for the first time in the latest wave. Anger in the population is extremely high, with the dismal economic situation—food and energy shortages that are as bad or worse than they were under the hated regime of deposed dictator Nicolae Ceausescu, combined with rising unemployment—and the fact that the regime remains a communist one, underlining the fact that Ceausescu's ouster last December was no real revolution.

Israel says Germany should keep out Jews

In a decision which could only be classed as anti-Semitic, the Israeli government at the end of December officially protested against Germany's admission of Jewish immigrants from the Soviet Union. The note of protest delivered to Bonn attacked what was called "the open door policy of the German government," as occurring against the interests of the state of Israel, the "true home for all Jews."

The Jewish Holocaust Survivors Committee also mailed a note of protest to the

World Jewish Congress, attacking the support of Jewish organizations, especially in Germany, for immigration of Jews from the Soviet Union. The committee declared that Germany is no country for Jews to live in, after the Nazi Holocaust.

Heinz Galinski, chairman of the Council of Jews in Germany, came out in defense of immigrants from the Soviet Union, however, declaring on Dec. 29 that Germany, which had more than 500,000 Jews before the war, has all the right to build a strong Jewish community again. Galinski said he does not agree with the view of the Israeli government.

Meanwhile, it has been reported from Berlin that among the close to 200 Jewish refugees arriving there every day, more and more are coming from Israel, who had gone there first from the Soviet Union, but didn't like it there.

Some Israelis want negotiations with PLO

Shlomo Lahat, the mayor of Tel Aviv, proposed on Dec. 17 that Palestine Liberation Organization chairman Yasser Arafat should come to Israel and negotiate the establishment of a Palestinian state in the occupied territories. Israelis have to accept that "the Palestinians are a fact, and Arafat is their leader—even if that is something I don't like," he said, according to a report in the German daily *Die Welt* on Dec. 18. Lahat's remarks caused an angry response from the executive of the Likud party, of which he is a member.

Die Welt also reports a proposal by the former head of the Israeli military intelligence agency, Professor Harkabi, that Israel pull out of all the occupied territories, because peace could not be achieved otherwise. In a recent study, Harkabi said that in view of the resurgence of the Intifada, "there is no choice between good and bad options. There is only a choice between bad and worse options."

From the opposition Labor Party, Yossi Beilin, a protégé of former Prime Minister Shimon Peres, called on Dec. 10 for the

creation of a fully sovereign Palestinian state in the Gaza Strip at first, which could then be joined by the Palestinians of the West Bank, if they so desire. Beilin, speaking in the name of the Labor Party's Mashov Circle, said that such a state would be demilitarized, but there would be no other limitation placed on it. It would be entitled to full membership in the United Nations, would send ambassadors to other countries, and would function in every way as a separate country.

The Dec. 12 *Jerusalem Post* noted that the Beilin proposal has provoked an uproar within the Labor Party. Peres himself has not associated himself with the plan, even though Beilin has been a senior Peres aide for years.

Environmental Nazis kill people to save elephants

Alleged "poachers" are being shot on sight in Kenya's national parks by environmental police, in an effort to stop elephant poaching, the *Washington Times* reported on Dec. 19. More people than elephants have been killed in recent months, thanks to this environmental vigilante squad.

Anthropologist Richard Leakey has created a formidable paramilitary environmental police that shoots trespassers on sight. According to the *Times*, Leakey has "directed a small war that killed more than 50 poachers in the first six months alone. He organized a revitalized anti-poaching force of 300 men, armed with 300 NATO-issue G-3 automatic carbines, 100,000 rounds of ammunition, plus a license, as he puts it, to 'get on and fight.'"

Said Leakey when his campaign began, "It is my hope that within the next few weeks the press will not ask permission to film dead elephants but dead poachers."

Leakey's crack environmental police is part of the Kenya Wildlife Service, which, the *Washington Times* relates, "is a state within a state. Mr. Leakey can shoot people, has his own intelligence service and money to spend on it, and can prosecute whom he likes. His kingdom is vast. The Tsavo game

Briefly

park alone is the size of Connecticut." Leakey has also received help and weaponry from international environmental groups. The World Wildlife Fund has provided helicopters so that intruders can be shot from the air. They use anti-personnel mines, grenade launchers, and other heavy weaponry against suspected poachers. Although there are no precise figures, Leakey's paramilitary squads have killed several hundred suspects.

In Kenya, elephants trample the crops, eat the food, and destroy entire villages. People are forced to kill them just to preserve their own food supply, and to earn a bit of income from the ivory.

Peruvian general escalates war on drugs

Three Air Force bombers were deployed to the airport in the jungle town of Tarapoto, Peru in December, assigned to enforce a new anti-narcotics policy announced by the Political-Military Command of the San Martín department on Dec. 19. Under the new policy, any airplane flying over the department which refuses to identify itself, will be captured or destroyed.

The policy was announced one day after Army Gen. Mario Britto returned to duty as head of military operations in the Upper Huallaga Valley, the center of narcotics trafficking in the country, where terrorist groups have established strongholds. The general had spent the last three months recuperating from grave wounds received on Oct. 19, 1990, when terrorists of the Tupac Amaru Revolutionary Movement (MRTA) had attempted to kill him. The MRTA, which brags that it finances its operations through the drug trade, has established an alliance with coca-growers in the Upper Huallaga Valley.

Unlike his predecessor as commander of military operations in the region, General Britto has refused to adopt the suicidal strategy pushed by Washington and his own government of separating the war against drugs from the war against terrorism. General Britto has combined tough military actions

against drugs and terrorists alike, with a campaign to develop the economic infrastructure in the valley. Just before the MRTA attack upon him, Britto reached an agreement with the Tarapoto Chamber of Commerce on the construction of a highway connecting Tarapoto with the town of Yurimaguas, to break the isolation which makes both towns vulnerable to the narco-terrorists.

Haiti's new President is headed for trouble

Before his election as President of Haiti on Dec. 16, Father Jean-Bertrand Aristide had focused his campaign on purging the country of the Tontons-Macoutes, the goon squads of the Duvalier family dictatorship.

Roger Lafontant, the leader of the Macoutes, now vows to "fight against Aristide's victory. The election was a farce. We will fight to take power by legal and not violent means." He claimed that Aristide was "a communist, a terrorist with a psychotic disorder, and is not qualified, has no experience or ability." The Macoutes have made several assassination attempts against Aristide in the past.

Aristide has gained widespread support among the masses of slum dwellers with his liberation theology and attacks on the rich. A businessman calls him "a cross between Ayatollah Khomeini and Fidel Castro."

The Tonton-Macoutes were restrained from preventing the elections by an army of foreign observers led by Jimmy Carter who, along with the U.S. State Department, ensured the quick recognition of Aristide's victory. Carter is now pressuring Aristide to appoint his main opponent in the elections, former World Bank official Marc L. Bazin, as his prime minister.

But World Bank policies are guaranteed to worsen Haiti's economic crisis, and could even lead to civil war. Even the runaway shops, which came to Haiti for cheap labor, have been fleeing the corruption and disorder, and *Newsweek* commented on Dec. 17 that "Haiti's only healthy industry is cocaine smuggling."

● **ANDRE GIRAUD**, the former French defense minister, declared in an interview with Radio Monte Carlo on Dec. 16 that all talk of an Iraqi nuclear bomb capability, whether imminent or five years away, is a "total lie." He warned that any war in the Gulf would be a "protracted" conflict, and it would be a "grave error to underestimate Iraqi ground troops."

● **THE GULF CRISIS** is over the issue of oil, nothing else, wrote Herbert Kremp, chief editor of the German daily *Die Welt*, on Dec. 20. When the West talks about "international law," he wrote, "it is praying into its own pious ears. The U.S.A., the EC, the Japanese all think about nothing else but oil, the modern-day cotton, and about the balance of powers that guarantee its flow. Every other commentary is hypocrisy."

● **FIDEL CASTRO** warned Dec. 21 that the Soviet Union was facing civil war, and that Western-backed internal forces want to "sweep away socialism" and undermine Soviet relations with Cuba. Speaking to the Cuban Students Federation, Castro charged that "there are forces which want to dismantle the Soviet Union and wipe it off the map."

● **TAIWAN** President Lee Teng-hui announced that the state of war between the Republic of China on Taiwan and the People's Republic on the mainland will be ended by May 1991, BBC reported Dec. 25. This move will lead to the "peaceful" reunification of China, Lee said.

● **THE POPE** announced a new encyclical on the social problems of the 20th century, during a mass at St. Peter's Basilica on New Year's Day. He also proclaimed 1991 the Year of the Social Teaching of the Church, and urged Catholics to become more familiar with the Church's social doctrine.

Looming war threat spurs new war-avoidance efforts

by Kathleen Klenetsky

The approach of the Jan. 15 deadline set by George Bush for war in the Persian Gulf has set off a flurry of minute-to-midnight efforts by those opposed to military conflict in the region.

Despite Bush's latest "peace" initiative, his Jan. 3 announcement that Secretary of State James Baker will be "available" to meet with Iraqi Foreign Minister Tariq Aziz before Jan. 15, the President's commitment to unleashing a holocaust in the Mideast has not diminished, according to a well-placed senior U.S. diplomatic figure. Just back from the Gulf, he confirmed *EIR's* contention that hostilities are likely to be set off, by Jan. 15 or earlier, via an Israeli-staged provocation. "Bush's sophomoric statement about kicking Saddam's ass" is "indicative of the mentality dominating the decision-making process in Washington," he said.

Whether the last-ditch anti-war efforts will be enough to head off a potential global holocaust is an open question, whose answer depends in large part on the amount of moral courage which U.S. citizens are able to summon to oppose the lunatic in the White House known increasingly as King George IV.

LaRouche proposes to negotiate

The most promising initiative comes from Lyndon LaRouche, who was put in jail by the Bush circles precisely because of his opposition to the kind of Kissingerian bestiality represented by Bush's war drive in the Gulf. LaRouche's name is synonymous in the developing sector with the fight for a just economic order based on economic development, and his proposed "Oasis Plan" for establishing an enduring peace in the Middle East, centered around Arab-Israeli cooperation in upgrading the area's resources and population, has circulated widely in the region.

On New Year's Eve, LaRouche issued a statement appealing to Bush to agree to a peaceful settlement of the crisis, and offering himself as a negotiator.

LaRouche warned that a U.S. or Israeli assault on Iraq "would become the detonator of a global warfare which might not be stopped for years to come." "At the same time," he continued, "looking at the issues involved and knowing that the basis for a just and equitable peace exists through negotiations, in part, with President Saddam Hussein of Iraq, I appeal to the President to consider the lives of Americans stationed in that region; and think of the flow of body bags containing American dead. . . . That war is not worth the life or the crippling of a single American," LaRouche emphasized, "because a just and equitable peace through negotiations . . . is so obviously available." If the President doesn't believe that such a peace can be negotiated, LaRouche concluded, "he need but delegate me to negotiate it. I assure you, it can be negotiated."

Anti-war campaigns grow

The war issue is clearly dominating the U.S. political calendar. A slew of anti-war events is planned for January, culminating in a potentially large-scale demonstration in front of the White House on Jan. 19, where the featured speakers will include former U.S. Attorney General Ramsey Clark, founder of the Coalition to Stop U.S. Intervention in the Middle East (see box). A week later, on Jan. 26, the National Campaign for Peace is sponsoring a march on the White House.

Congress will be another key target of the anti-war movement. Congress reconvened Jan. 3, faced with the decision of whether to take a stand against Bush's war drive, or to sit back and allow him to trample over the Constitution, killing

hundreds of thousands of people in the process.

After a meeting with Bush on the morning of Jan. 3, Senate Majority Leader George Mitchell (D-Me.) and other congressional leaders announced that they had decided to postpone any formal debate on Bush's Gulf policy, until after James Baker's meeting with Tariq Aziz—which means that Congress would only have a few days to take action before the Jan. 15 deadline.

Despite Mitchell's groveling capitulation, the anti-war mood among members of Congress has risen palpably, doubtless the result of having had to spend the December recess back home with their constituents. The widespread grass-roots opposition to Bush's war drive obviously had an effect on many members of Congress, including some who had previously been stalwart backers of the President's policy. On Dec. 30, three congressional leaders went on national television to advise Bush that Americans won't back him on a war with Iraq, unless he makes another effort to arrive at a diplomatic resolution. They specifically advised Bush not to foreclose the possibility of direct talks between the U.S. and Iraq after Jan. 3, the deadline insisted upon by the administration.

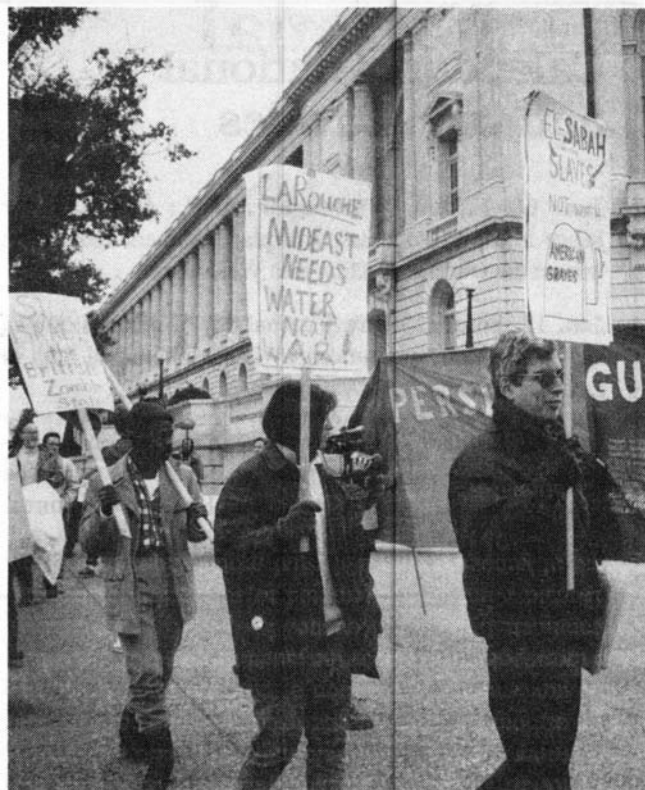
"I have sort of a gut feeling the American people are not yet committed to war, and they want to make certain that President Bush has done everything, pursued every avenue for peace, before the firing starts," said Senate Minority Leader Robert Dole (R-Kan.), who added that the administration must be prepared to sit down with Saddam Hussein himself.

In a similar vein, House Armed Services Committee chairman Rep. Les Aspin (D-Wisc.), who has also exhibited no qualms whatsoever against a U.S. war in the Gulf, said on the CBS News program "Face the Nation" that a "diplomatic effort really needs to be made . . . before the decision to go to war" is taken. Aspin's statement was seconded by Rep. Lee Hamilton (D-Ind.) who noted: "People are very, very nervous about the outbreak of war."

Following his statements, Dole met with Iraqi Ambassador Mohammed al-Mashat in Washington Jan. 2, to explore the potential for a negotiated settlement. This did not please the White House. Asked if Dole was engaging in discussions with Mashat on behalf of the administration, a Bush aide testily replied: "Absolutely not. Dole is being Dole. Like a lot of other people, he is impatient. He informed us of this meeting. He did not ask our opinion."

To what extent Dole and the other two sincerely want negotiations, or simply desire the appearance of negotiations to assuage public opinion, is unclear. But it is indisputable that their comments reflect a growing unease about the war option among the electorate, even among Republicans. According to GOP consultant Kevin Phillips, recent opinion polls show that a significant minority of Republican rank-and-filers opposes the use of force in the Gulf.

Although formal debate on the Gulf crisis has been de-



Jan. 3, 1991: A broad coalition of opponents to the Gulf war demonstrates in Washington, in front of congressional offices.

layed by Mitchell's decision, some members of Congress have gone ahead with their own individual anti-war initiatives. On Jan. 3, Rep. Joe Kennedy (D-Mass.) introduced a resolution to the House opposing offensive U.S. military action against Iraq for at least 12 months. The day before, his uncle Sen. Ted Kennedy (D-Mass.) released a letter to Bush, signed by 127 law professors from around the country, insisting that the President has a constitutional obligation to "obtain prior express congressional authorization" before ordering U.S. forces into war in the Gulf. Kennedy said that if Bush does not seek congressional approval for offensive operations, then Congress should pass a resolution demanding that the President seek authorization before committing U.S. troops into combat.

In addition, more than 110 members of Congress have signed an open letter to George Bush, drafted by Rep. George Miller (D-Calif.), which echoes Kennedy's point that the Constitution mandates that only Congress can declare war. The letter also stresses that United Nations resolutions on the Gulf crisis "must not be interpreted as an authorization for the use of American forces in an offensive capacity against Iraq," adding: "So long as neither the lives of American citizens nor our troops are subjected to immediate danger and the international economic embargo continues to exert

Calendar of national anti-war activities

Jan. 11, Friday, Washington, D.C.: Campaign for Peace in the Middle East will place banners against the war on the viaducts leading into Washington.

Jan. 12, Saturday: International day of demonstrations against the war, announced by Dr. Mohammad Said at Dec. 15 Chicago Anti-War Teach-In.

Jan. 12, Saturday, Washington, D.C.: National Campaign for Peace will deliver petitions against the war to the White House. They expect to present 1 million signatures.

Jan. 15 and 21, numerous states: Schiller Institute spon-

soring citywide vigils and actions to oppose the war and commemorate the birthday of Dr. Martin Luther King, Jr.

Jan. 15, Tuesday, Washington, D.C.: Students of Howard University intend to shut down the university with a student strike. Rally at Metropolitan AME Church in the District of Columbia.

Jan. 19, Saturday, Washington, D.C.: Lafayette Park, 11 a.m. The Coalition to Stop U.S. Intervention in the Middle East will hold a march on the White House. Speakers will include Ramsey Clark and Dick Gregory.

Jan. 26, Saturday, Washington, D.C.: March on the White House, sponsored by the National Campaign for Peace in the Mideast. Assemble 11 a.m., Lafayette Park. Buses expected from other parts of the East Coast. Cost of New York-Washington bus is \$25 round trip.

substantial pressure against Iraq (as confirmed by members of your administration and other knowledgeable observers), we believe that the initiation of offensive military action by the United States unwisely risks massive loss of life, the expenditure of billions of dollars, the possibility of severe domestic economic dislocation, and the further political and military destabilization of the region.”

Opposition from the churches

Church leaders on both sides of the Atlantic are mobilizing their people against the immorality of Bush's policy. Christians must oppose a war in the Gulf, which would lead to “scorched earth, scorched human bodies,” declared Bishop Franz Kamphaus, a senior spokesman of the German Catholic Church, in his Christmas Eve sermon. To plan such a war is incompatible with the notion of love on which Christianity is built, and would betray the hopes created by the peaceful transformation of the East bloc last year, he said.

On Dec. 20, a group of 18 U.S. religious leaders, representing the Methodist, Episcopalian, Lutheran, and other denominations, returned from a fact-finding tour to the Mideast. “War is not the answer,” they announced at a Washington press conference to report on their findings.

A member of the group, the Most Rev. Edward L. Browning, presiding bishop of the Episcopal Church—and Bush's own bishop in Washington—met with the President and Secretary of State James Baker to brief them on their conclusions. “In no way is the war option going to serve our national interest, because I believe the wrath of the Arab nations following such a catastrophe will be with us for years and years and years to come,” Browning said he told Bush. “The Middle East will be scorched beyond belief, and the recovery of such destruction would be almost impossible.”

Navy fireman won't defend slavery in Gulf

A new flank in the anti-war movement was opened on Jan. 4, when U.S. Navy Fireman Donald Alexander, Jr. issued the following statement at a press conference at the National Press Club in Washington:

“Speaking on behalf of all the black soldiers in Saudi Arabia and the Persian Gulf and all people of African descent, I am refusing to take part in the military of a government that is risking the lives of its citizens while pretending to protect freedom. As an American, I am committed to uphold the Constitution of our nation and defend my nation when its borders or citizens are endangered. However, I am not committed, nor am I willing, to support any political system that condones and practices chattel slavery.

“It is contradictory to me that President George Bush would recommend to Nelson Mandela non-violence as a solution to his problems in South Africa, yet threaten to engage in a war to re-establish the slave-holding country of Kuwait.

“I cannot fight in a war to uphold chattel slavery and I will do my best to educate every soldier and potential soldier about the facts of slavery.

“I know that you would like to ask me what proof I have that there is slavery in Kuwait and Saudi Arabia. I call upon President Bush and the United States Congress to prove to the American people that slavery does not exist in these countries. I feel that the United States government *will not* prove that slavery exists, and *cannot* prove that it does not.

“I would like to say more, but this is now in negotiation between my attorney and the United States Navy.

“Yet, I will leave you with this thought:

“Fighting in this war in the Persian Gulf would be for me equivalent to fighting for General Lee against Abraham Lincoln.”

ADL targets the Democratic Party

by Our Special Correspondent

Just days after the Federal Election Commission (FEC) publicly acknowledged that it had whitewashed illegal lobbying by pro-Israeli political action committees, the Anti-Defamation League and the American-Israeli Public Affairs Committee (AIPAC) announced the launching of a new political operation aimed at seizing control of the Democratic Party for the 1992 elections and purging the party of all elements deemed "anti-Israel." Heading the ADL-AIPAC hit list is jailed statesman Lyndon LaRouche, who announced in November his plans to run as a candidate in 1992. LaRouche and his associates have exposed the ADL as a front for organized crime and British-Israeli subversion of the United States.

At a Washington, D.C. press conference on Dec. 11, ADL national commissioner Linda Sher, AIPAC Vice President Monte Friedkin, American Jewish Committee representative Hyman Bookbinder, Democratic National Committee vice-chairman Lynn Cutler, and former Carter Domestic Policy chief Stuart Eizenstat announced the formation of the National Democratic Jewish Council. The chairman of the new group is Morton Mandel, a Cleveland businessman and associate of world federalist Pugwash Conference founder Cyrus Eaton. The executive director of the Washington-based group is Steve Gutow, a national vice president of the American Jewish Congress.

According to Washington sources familiar with the new group, the launching of the NDJC at this time signals an all-out offensive by the Anglo-Zionist lobby to secure control over the 1992 Democratic nominating convention.

In a press release announcing its purpose, the NDJC stated: "Although the Democratic Party continues to embody and promote ideals and policies which represent the values of the great majority of Jewish voters, many Jewish Democrats would like the Party to be more involved with and promote more vigorously certain policies which are important to the American Jewish community. . . . Further, the NJDC will strive to increase Jewish participation in every piece of the machinery of the party including the placement of individuals in various positions of party governance; political campaigns; and the staffs of the operations of Democratic officeholders."

Eizenstat, in a separate statement issued at the Dec. 11 event, was more blunt: "It is our policy goal to strengthen support for causes of particular importance to us, such as Soviet Jewry and the state of Israel, America's most faithful

ally in the Middle East. We viewed with dismay and alarm the passage in 1988 by seven state Democratic Party conventions of resolutions supporting Palestine self-determination—in effect a Palestinian state—and the debate at the 1988 Convention on this same issue, thereby undermining confidence in the state of Israel, which is so important to U.S. national security interests. We do not believe putting the word 'liberation' before a terrorist organization dignifies it. . . . We are united on the conviction that a strong Israel is a critical component of U.S. interest and we will fight with vigor and determination any effort within the party to diminish our nation's ties to Israel and our party's historic championing of Israel's security."

Ten days later, the group issued a press release denouncing the Bush administration for voting in support of a U.N. Security Council resolution condemning Israeli brutality against Palestinians in the occupied territories. Calling the vote "inexcusably unbalanced in failing to recognize the dramatic rise of organized violence against Jews in Israel by Arab terrorists," the release called the Bush move a "slap in the face." "To add to this insult, the action seriously challenges the status of Jerusalem as Israel's capital; endorses an International Conference in a transparent concession to Israel's enemies; and establishes a precedent that could be interpreted as a first step to a trusteeship of the occupied territories by the United Nations."

AIPAC whitewash

The launching of the new Democratic Party group coincided with the FEC's forced acknowledgment that it had rejected a complaint filed over a year ago by several prominent American political figures against AIPAC and 27 pro-Israel political action committees. The complaint, filed by former U.S. Ambassador to Saudi Arabia James Akins, ex-Congressman Paul Findley, and former Undersecretary of State George Ball, charged that the PACs were all run by AIPAC, which is not registered as a political action committee and which is able to maintain secrecy regarding its activities and finances. The FEC ruled that the complaint lacked "sufficient evidence" to warrant action. The announcement of the FEC decision coincided with President Bush's meeting with Israeli Prime Minister Yitzhak Shamir and with the surfacing of Israeli lobby support for Bush administration war aims in the Persian Gulf, fueling speculation that the AIPAC coverup was part of a political deal worked out at the White House.

Call for Palestinian human rights

In response to the ADL move, associates of Lyndon LaRouche, led by Chicago mayoral candidate Sheila Jones, announced an initiative on Dec. 30 to introduce resolutions into the Democratic Party at every level simply declaring, "Palestinian Arabs are human beings with the same human rights as anyone else."

Philly bluebloods push Nazi eugenics

by Patricia Salisbury

A widely publicized Dec. 12 editorial in the *Philadelphia Inquirer* has called for reestablishing the Nazi policy of eugenics in the United States. Entitled "Poverty and Norplant: Can contraception reduce the underclass?" the editorial took the occasion of federal government approval of Norplant, a contraceptive which can be implanted in a woman's arm which can prevent pregnancy for five years, to propose that the new contraceptive could be the perfect way to rid the world of all the unwanted black babies being born. Impoverished black mothers, the editors wrote, could be encouraged to join the program through the incentive of increased welfare benefits.

The editorial sparked a protest rally the next day outside the *Inquirer's* editorial offices, organized by the Schiller Institute, associated with jailed statesman Lyndon LaRouche, in coordination with a number of black community activists and right to life leaders. Over a bullhorn, the rally organizers denounced the editors for turning poor mothers and babies into scapegoats for the stupidity and immorality of government economic policy.

Community demands retraction

So outrageous was the editorial that the Schiller protest was immediately joined by minority members of the *Inquirer* staff that afternoon. The protest from the black community grew so fast that by Dec. 23 the paper had been forced to issue an apology for its editorial. But the deadly seeds had already been sown: Across the country, the *Inquirer's* apology was treated as a signal by other news media to rush to the defense of its eugenics policy proposal.

The Dec. 13 protest rally forced a meeting with editorial page editor David Boldt and Donald Kimelman, who wrote the editorial. At the meeting, the protesters demanded that the *Inquirer* retract its editorial, and undertake a full investigation of both government-endorsed genocide policies, and of the government persecution of political figures who oppose those policies, such as the jailed former U.S. presidential candidate Lyndon LaRouche.

Donald Kimelman attempted to soften this blatant espousal of genocide with the usual protestations that it was

the good of those condemned to be poor that he really had at heart. However, as a leaflet distributed by the Schiller Institute pointed out, this is hardly a new or convincing excuse. In her 1920 book, *New Woman, New Race*, Margaret Sanger, founder of the Planned Parenthood movement, declared that "The most serious evil of our time is that of encouraging the bringing into the world of large families. The most immoral practice of the day is breeding too many children. . . . *The most merciful thing that a large family does to one of its infant members is to kill it*" (emphasis added).

When Boldt and Kimelman continued to refuse to retract on all counts, an outpouring of rage from minority institutions and leaders was triggered. Local television interview shows, radio talk shows, and local and national newspaper article were devoted to the incident. Well-known members of the Philadelphia black community denounced the editorial in the strongest possible terms. *Philadelphia News* syndicated columnist Chuck Stone wrote, "Hitler could have written the same editorial without pausing to breathe between the sentences."

So strong was this sentiment and support for the Schiller Institute demand (see *Documentation*) that Boldt and Kimelman be fired, that their apology finally appeared on Dec. 23. But even there, the editors recanted not so much the views the editorial had expressed, but only the specific words they had chosen to use.

Pump-priming for a national 'debate'

Some other news media took this as a cue to give their readers a peek at the swastikas on their underclothing. On Dec. 27, the *Richmond Times-Dispatch*, newspaper of record in Virginia's state capital, ran an editorial titled "Journalistic thought police" which argued that the *Inquirer* editorial had "simply noted the obvious fact, that Norplant, considered a safe and highly effective contraceptive, offers society yet another way to curb the expansion of an underclass, most of whose members face futures of disorder and deprivation." The *Times-Dispatch* accused those objecting to this glorification of eugenics, of being bullies.

Virginia has long been a hotbed of "race-purification" efforts: In the 1920s it adopted eugenics legislation which was later followed as a model by the Hitler regime in Germany.

Propaganda in favor of eugenics also went out nationally in the Dec. 31 issue of *Newsweek*, which commented on the furor over the article: "With luck, the debate about the issues of poverty will continue openly and honestly. . . . However offensive the editorial, Kimelman was clearly on to something. His underlying question was whether there might be creative approaches for working on the myriad problems of what has come to be called the underclass. The old answers have mostly failed. After the shouting stops, the problem will remain. It's too important to become taboo."

Contrary to *Newsweek's* hopes, the shouting is unlikely

to stop. Schiller Institute organizers are continuing to expose this revival of eugenics for what it is, and renewed their call for the firing of the *Inquirer* editors and an investigation of genocide policies.

Documentation

Citizens revolt against 'Inquirer' genocide call

The following are excerpts from newspaper articles appearing nationally since the anti-genocide revolt began in the Philadelphia Inquirer news staff, sparked by a Schiller Institute demonstration on Dec. 13.

Philadelphia Inquirer, Dec. 14, "Protesters picket *Inquirer* over editorial on Norplant":

"About a dozen protesters who identified themselves as followers of Lyndon LaRouche set up a picket line shortly before noon yesterday. . . . 'Inquirer, go implant yourself!' read one of the protester's signs. During the demonstration, Philip Valenti of Lansdowne set fire to a copy of the *Inquirer* and posed for a photographer as a breeze fanned the flames. . . .

"Members of the group met later yesterday afternoon with *Inquirer* editorial page editor David Boldt. 'They made it clear that the specter of eugenics should never be raised, and they have a point,' Boldt said afterward."

Philadelphia Tribune, Dec. 14, "Black *Inquirer* workers walk out over editorial":

"An editorial in Wednesday's *Philadelphia Inquirer* reasoned that the combining of topics could be considered 'deplorably insensitive.' Many black employees thought that was an understatement and walked off their jobs Thursday afternoon in protest."

Philadelphia Daily News, Dec. 18, column by Chuck Stone, "Black women, Norplant and sterilization":

"Hitler could have written the same editorial without pausing to breathe between sentences. . . . Were Don Kimelman, deputy editor of the *Inquirer*'s editorial page, less blinded by his Nordic arrogance, he might have recognized how much President Bush's veto of the Civil Rights Extension Act and his administration's sorry-assed racist efforts to cut off all scholarship aid for minority students were just as

significant in perpetuating the structural poverty of African-American children."

Washington Post, Dec. 18, "*Inquirer*'s birth control bomb—staff uproar over Philadelphia editorial":

"An uproar about an editorial that advocated birth control for poor black women and that has bitterly divided the staff of the *Philadelphia Inquirer* burst into public view over the weekend as the paper's top local columnist likened the editorial page editor to former Ku Klux Klansman David Duke."

Philadelphia Inquirer, Dec. 19, letter to the editor, "Norplant editorial exhibited 'classic racism'":

"The message behind your Dec. 12 editorial 'Poverty and Norplant' was crystal clear—poor women shouldn't have babies, African-Americans shouldn't have babies but, most of all, poor African-Americans shouldn't have babies. . . . That suggestion treads dangerously close to state-sponsored genocide." Signed by Vanessa Williams, Philadelphia Association of Black Journalists.

Philadelphia Inquirer, Dec. 21, "LaRouche followers protest an editorial in the *Inquirer*":

"About 20 protesters who identified themselves as followers of Lyndon LaRouche demonstrated for two hours outside the *Inquirer*'s offices at 400 N. Broad yesterday, demanding the dismissal of an *Inquirer* editorial writer and the paper's editorial page editor. . . .

"The demonstrators, who called the editorial racist and said that it supported 'Nazi eugenics,' called for the dismissal of David D. Boldt, editor of the editorial page, and Donald Kimelman, who wrote the editorial. 'We need more children; we need more black children, not fewer,' said Philip Valenti, leader of the demonstration and a member of the Schiller Institute, a LaRouche support group."

Philadelphia Daily News, Dec. 31, opinion column by syndicated columnist Cal Thomas:

"But then, given the general moral decline of the country, perhaps the *Inquirer*'s idea was just slightly ahead of its time. After all, our nation already allows abortion on demand, pulls feeding tubes from 'hopeless cases' like Nancy Cruzan . . . promotes 'living wills,' . . . whatever color. . . .

"If this sounds disturbingly similar to the thinking of those who created the Third Reich, it should. It was this attitude that led to the destruction not only of the German handicapped, but ultimately the unwanted unborn of Eastern Europe, and the Jews.

"When an individual's value is determined by his or her income, we have departed from the Jeffersonian ideal of 'endowed' rights to a form of eugenics that Planned Parenthood founder Margaret Sanger dreamed would come to pass."

Defense rests in Roanoke trial of three LaRouche associates

by Warren Hamerman

The defense rested its case in the Roanoke, Virginia trial of Paul Gallagher, Anita Gallagher, and Laurence Hecht on Jan. 2. One of the final defense witnesses was David Kuney a well-respected bankruptcy attorney who testified about how the government illegally bankrupted three companies associated with the political movement of Lyndon LaRouche. The jury also heard testimony from Amelia Boynton Robinson, a civil rights activist who had been a collaborator of the late Dr. Martin Luther King, and several other defense witnesses.

The three defendants are being tried on concocted "securities" violations, charged as a result of a nationwide "Get LaRouche" task force effort encompassing federal, state, and local government entities acting in collaboration with private entities such as the Anti-Defamation League (ADL). The judge in the case, Clifford R. Weckstein, has already presided over the railroading of several LaRouche associates, and has imposed outrageous sentences as high as 77 years.

The defense was not allowed to call all the witnesses it had wanted. Weckstein quashed 12 defense subpoenas for key members of the "Get LaRouche" task force including top officials of the ADL, and participants in the Iran-Contra scandal such as Oliver North and Richard Secord. Defense attorneys wanted to compel the testimony of these witnesses to show the outrageous government actions taken to stop the LaRouche movement, including the ADL's apparently successful efforts to bias Weckstein himself.

Jury told of illegal bankruptcy

One area of illegal government activity which Weckstein was not able to keep from the jury was the story of the government involuntary bankruptcy action against the Fusion Energy Foundation, Caucus Distributors, Inc., and Campaigner Publications, which was outlined for the jury by the attorney for the three companies, David Kuney.

Kuney told the jury that on April 21, 1987, the U.S. government initiated the unprecedented involuntary bankruptcy proceeding against the three companies affiliated with the philosophical outlook of LaRouche. He explained that in most bankruptcy proceedings, the company enters bankruptcy in order to reorganize and get back on its feet. In this case, the government's only purpose was to liquidate the companies.

Kuney said the government claimed the purpose of the bankruptcy was to collect contempt-of-court fines, but, by

initiating the bankruptcy, the government ensured those would never be paid.

Kuney related how the government initiated the bankruptcy in secret and withheld information from federal bankruptcy Judge Martin Van Buren Bostetter. Once the order was entered, the companies were put in the hands of trustees who considered LaRouche a political extremist. The LaRouche associates who had previously been running the companies were shut out of their offices, prevented from contacting their lenders, prevented from publishing, and denied access to their records, all of which were seized.

He testified that, after a lengthy trial, Bostetter ruled that the government had brought the bankruptcy in bad faith and that Henry Hudson, U.S. Attorney in Alexandria, Virginia (who was simultaneously conducting a criminal prosecution of LaRouche), had perpetrated a "constructive fraud" upon the court.

Bostetter overturned the bankruptcy decision and ruled that any reasonable person would not have done what the U.S. government did; that the government filed knowing it had violated the law; it filed knowing it was violating procedures; it filed in bad faith; and it was provided evidence for its illegal bankruptcy action by the Commonwealth of Virginia.

Kuney also testified that Judge Bostetter made the determination that the Fusion Energy Foundation and Caucus Distributors were not business entities, but rather not-for-profit organizations.

Bostetter's decision was appealed by the U.S. government in U.S. District Court. Federal Judge Claude Hilton endorsed Bostetter's decision and affirmed it. The U.S. government later decided not to appeal further, and there the matter stands, testified Kuney.

Defendants were political

An important part of the prosecution's case is its contention that loans taken by the defendants were securities, not political loans. On the final day of testimony, the defense called Amelia Boynton Robinson and Lewis du Pont Smith as witnesses to demonstrate that everything they did lived and breathed politics, and that the LaRouche movement was under intense, illegal attack by the government-led task force.

Mrs. Robinson testified about her early life, how she was born in Savannah, Georgia to a political family. One of her

relatives, Robert Smalls, was one of the first black congressmen. In 1921, when her mother went house to house to register voters, Amelia traveled with her in a horse and buggy. She later graduated from Tuskegee Institute in Alabama. She described her 30-year career as a home demonstration agent, along with her husband, teaching scientific farming, registering blacks to vote in the South, and fighting for human dignity to get people out of their plantation existence.

Mrs. Robinson said that this activity to foster the better qualities of man were viewed as a menace by the white power structure and the system turned against her. In 1962, Amelia invited Dr. Martin Luther King to come to Selma, Alabama, and he came in 1965.

In dramatic fashion, Mrs. Robinson described the day on Jan. 2, 1965, when Dr. King came to Selma. The Afro-American citizens were afraid. It was known that Dr. King's house had been bombed. Nobody would open their doors for Dr. King, so she opened her home and gave half of her husband's office for Dr. King and his staff to work out of, and this became the headquarters of the Southern Christian Leadership Conference in Selma.

Mrs. Robinson testified that she felt she had a mission to do this. The last words which her husband had spoken to her before he passed away, were to see that everyone becomes a registered voter. Amelia said she continued this mission, and was jailed because she vouched for other people who wanted to register to vote.

Mrs. Robinson then described the events of Bloody Sunday March 7, 1965, where she and others were marching to the governor's mansion in Montgomery, Alabama, from Selma, to protest the fact that black voters were required to fill out a 10-12 page questionnaire before being allowed to register to vote.

After they crossed the Edmund Pettus Bridge, she testified that they were met by sheriffs, deputies, and the police department, who had billy clubs, nightsticks, cattle prods, tear gas, guns, and horses. Mrs. Robinson was hit several times, and she fell. She later saw photographs taken by the Justice Department while she was lying on the ground, and one of the officers was over her with a nightstick. Others pumped gas all over her. The whole street was bloody. People from the other side of the bridge pointed to her, and said, "There's a dead woman there, send an ambulance." The sheriff refused to send an ambulance at first; but he finally did, out of fear that the situation was getting out of control. She was picked up and taken to a church, but they were not able to revive her. She was then taken to a hospital, where 11 hours later she regained consciousness.

After this incident, Dr. King organized mass protest marches. Mrs. Robinson told the jury she wanted them to know about her background, because she has been in political struggle all her life.

Mrs. Robinson said that after Dr. King was killed, she and others in the SCLC were concerned about what would

happen to the leadership of the movement which they knew had to go on. She told the jury she later found an organization that picked up the broken pieces of Dr. King's movement, and that was the LaRouche movement.

Mrs. Robinson testified about her initial involvement with the LaRouche movement at a Club of Life discussion about the drug problem held at Tuskegee Institute.

Mrs. Robinson testified how she participated in building the 10,000-person march to Washington, D.C. in January 1985, when 5-8 buses were sent from Tuskegee to join the first march celebrating Dr. King's birthday. She addressed the crowd that day and told them that the United States had to turn back to its standards of world leadership.

Over the last few years, Mrs. Robinson said she has traveled around the U.S. and the world, including to Eastern Europe, to speak and give lectures under the banner of the Schiller Institute, founded in 1984.

Du Pont heir testifies

The defense then called Lewis du Pont Smith, who told the jury how the ADL, Mira Lansky Boland, William Weld, and Henry Kissinger, together with his family, worked to deprive him of his constitutional and human rights.

Smith, an heir to the du Pont family fortune, testified that he had first come in contact with the LaRouche movement at an airport in 1985. At the time he was teaching history at a school in Pennsylvania and he was particularly interested in the book *Treason in America*. He realized that LaRouche was controversial when he tried to introduce some of LaRouche's ideas to his students at which point he was asked not to return to school.

Smith testified that in March-April 1985 he contributed, through a series of loans, some \$212,000. These funds were in part meant to finance re-publication of the book *Dope, Inc.*, as well as to generally help the war on drugs effort. He testified that he made the contributions in the form of a loan only because it was easier to explain it that way to his father, although he himself always intended these as political contributions.

He testified that when he attempted to give an additional \$75,000, he was stopped, because his family took him to court and got a temporary restraining order preventing him from giving any money to any organization associated with LaRouche. Later his family went into court to have him declared mentally incompetent and his right to vote, marry, and control his financial affairs were all taken away from him. He was given an allowance to spend any way he wished, as long as none of the money went to any organization affiliated with LaRouche.

Smith testified that his father contacted William Weld (then former U.S. Attorney in Boston, and now governor of Massachusetts, who at the time was conducting a criminal witchhunt against LaRouche), Kissinger, the ADL, and drug lobby scribbler, Dennis King, to attack LaRouche.

National News

Rural electric power under attack

The Bush administration is trying to "pull the plug" on federal support for the programs of the Rural Electrification Administration (REA), which have enabled 25 million Americans to obtain electric power through rural cooperatives, the Dec. 25 *Washington Post* reported.

The REA was set up in 1935, when less than 10% of the farms in America had electricity, because private utilities refused to build power lines in sparsely populated areas. The Office of Management and Budget is arguing that since farms now have electric power, the REA has "outlived its usefulness."

The administration is also arguing that a handful of cooperatives are in default of REA-guaranteed low-interest loans, and if they go under, the public will have to bail them out, just like the S&Ls. These are co-ops that own electric generating and distribution capacity. All electric utilities have been under financial attack as regulatory agencies have made it impossible for them to recoup investments in new capacity.

Rep. Glenn English (D-Okla.) has pointed out that this is an ideological issue. The Eisenhower, Nixon, and Reagan administrations all also tried to "pull the plug" on rural power.

FBI runs 'thought police' apparatus

The U.S. Department of Justice has begun "phase 2" of its destruction of the International Brotherhood of Teamsters (IBT) union, with a witchhunt directed at the man appointed to fill the position of former IBT head Roy Williams. Fredrick B. Lacey, the federal judge selected to function as "commissar" of the union, has determined that Jack B. Yager, a long-time Williams associate, is not a politically correct union leader.

Yager's problem, according to Lacey, is his "silence and incomprehensible passivity" toward corruption during Williams's

reign. "Instead of forthrightly denouncing Mr. Williams when faced with the knowledge that Mr. Williams had 'sold out' to organized crime, Mr. Yager simply chose to put blinders on and ignored the allegations." But Lacey admits that he has no evidence that Yager was controlled by organized crime or knew of the "corruption" Williams was involved in prior to the indictments and conviction of the Teamster leader.

Lacey is administering the second stage of an "Enterprise Investigation" in which the DoJ uses the authority of previous Racketeering Influenced and Corrupt Organizations (RICO) convictions to brand any member of the targeted association as criminal accomplices of the indicted leaders.

Teamster lawyers point out that Lacey's veto of Yager's appointment is an indictment of any non-FBI-owned Teamster, who belonged to the union during the time of the alleged RICO conspiracy.

FBI officials interviewed by *EIR* have pointed out that the most powerful feature of RICO and Enterprise Investigations, is that they allow the government to "punish" the membership of an organization for such thought-crimes once the leaders have been convicted.

Calif. Supreme Court backs 'rocket docket'

The California Supreme Court voted in December to uphold parts of a voter "anti-crime, speedy trial" referendum passed in June, which contains startling provisions to abrogate defendants' rights. The measures are a further step toward administrative fascism.

Ostensibly aimed at shortening trial and pre-trial proceedings, the measures include: Requiring that judges rather than lawyers question prospective jurors; requiring that defense lawyers be prepared for trial in 60 days; reducing the length of preliminary hearings; eliminating preliminary hearings after a grand jury indictment; expanding the death penalty; and allowing 16-year-olds convicted of murder to be sentenced to life without parole.

The court rejected parts of the initiative that would have stripped California defen-

dants of any rights not provided in the U.S. Constitution, but specified in the state constitution, on the basis that this provision amounted to a "revision" of the state constitution, which cannot be done by initiative.

Hospitals forced to push living wills

All hospitals in the United States are now required to inform patients of their right to make "living wills."

The requirement is the result of a little-noticed provision stipulated in the federal budget compromise bill last fall. This grew out of the case of Nancy Cruzan, a disabled woman who was murdered when her feeding tube was removed.

Ironically, under this new law, Cruzan was not, and could not have been, informed of her right to die, since she had been unconscious from the beginning of her hospital stay.

Du Pont panics at CFC shareholder proposal

In a Dec. 20 letter to the Securities and Exchange Commission, the E.I. du Pont de Nemours and Co. requested permission from the SEC to omit Lewis du Pont Smith's stockholder proposal of Nov. 16, 1990, from its 1991 proxy statement.

Smith, a du Pont heir and supporter of policies advocated by Lyndon LaRouche, demanded that the company establish a blue ribbon scientific commission, which would include leading critics of the current policy on chlorofluorocarbons (CFCs), to conduct an emergency six-month factual study into the CFC ban, and that the company conduct a thorough reevaluation of its 1986 decision to abandon CFCs, "whose use Du Pont scientists had vigorously and cogently defended until that very moment."

The company argues that it does not have to include the proposal because it "relates to ordinary business operations." Smith rejected this contention, saying, "if the 'ordinary business operations' of E.I. du

Pont de Nemours and Co. is genocide, then, perhaps, they have a point. But otherwise, assuredly not! Tens of millions of lives are at stake" in the CFCs ban.

The company also hides behind the recently adopted Clean Air Act of 1990, which now mandates the cessation of CFCs production in the United States by 2000. "As a result, there is no longer any leeway for the company to reevaluate its business decision to phase out production of CFCs without violating the Clean Air Act," the company claims.

The hysteria which pervades the legal opinion, is evident in the two-page history entitled "A brief background with regard to chlorofluorocarbons," which attempts to convince the SEC that company policy in support of the CFCs ban constitutes scientific fact, in opposition to the scientific data presented in the Smith shareholder proposal.

DoJ fears backlash on environmentalism

Assistant Attorney General Richard Stewart, the architect of recent environmental enforcement policies, is seeking to change the way the criminal prosecutions against companies are carried out. With hundreds of corporate executives going to jail because of alleged "environmental crimes," the eco-fascists now fear a backlash.

One major issue under review is the use by prosecutors of in-house environmental reviews by companies. Under current procedures, if a company does an environmental audit and discovers it is in violation of some obscure environmental law, then, at that moment, prosecutors can charge company executives with criminal, instead of civil, violations, because they are then "knowing" of the violation.

The president of MacDonald and Watson Waste Oil Co. in Johnston, Rhode Island was sentenced to over two years in prison for environmental crimes based largely on evidence from internal audit documents. The company took steps to stop and clean up those violations based on those internal audits, but the president still landed in jail.

The result, according to John Quarles,

a former Environmental Protection Agency official, has been that companies are opting to do no internal environmental auditing, to prevent its possible use in criminal prosecutions against them.

Neil Bush cited for conflicts of interest

Administrative law Judge Daniel J. Davidson ruled Dec. 18 that Neil Bush had engaged in "significant" conflict of interest while a director of the Silverado savings and loan, putting the thrift at "abnormal risk."

The judge recommended that federal regulators issue a "cease and desist" order against the President's son, requiring him to avoid any conflict of interest were he to ever again become the director of a bank or thrift. Davidson's recommendation goes to Timothy Ryan, the director of the Office of Thrift Supervision (OTS), the agency which brought the charges. Ryan has four months to decide the matter, the Dec. 19 *Washington Post* reported.

James E. Nesland, Neil Bush's attorney, called the ruling "ridiculous." "The judge is wrong and so is the OTS. I'm confident that real judges in a real court will decide it on the merits," he said.

Cavazos quits as Bush pushes 'new paradigm'

Secretary of Education Lauro Cavazos, an Hispanic-American, tendered his resignation from the Bush administration following a meeting with White House Chief of Staff John Sununu on Dec. 11.

Cavazos issued a terse resignation letter, in which he did not express the usual platitudes about how nice it had been to serve the President.

Cavazos had not been a booster of the tuition-voucher system, one of the hallmarks of Bush's "New Paradigm," and was reportedly upset about administration policy, also announced on Dec. 11, to cut off federal aid to colleges that offer scholarships designated for minorities.

Briefly

● **WILLIAM BENNETT**, the former so-called drug czar, unexpectedly announced that he decided he will not become the national chairman of the Republican Party, replacing the ailing Lee Atwater. The position had already been publicly promised to him.

● **DEMOCRATS** for the '90s, the political action committee set up Pamela Harriman, announced in December that it is going out of existence. The Committee for the Free World, a propaganda arm of the "neo-conservatives," will also close. According to director Midge Decter, the Soviet threat has ceased to exist.

● **THE HOUSE** Intelligence Committee has decided not to investigate ties between CIA operatives and failed S&Ls despite its finding that at least five former CIA operatives were involved with failed S&Ls and at least four S&Ls were used by the CIA.

● **THE AMERICAN** Civil Liberties Union (ACLU) has won a suit against the state of Connecticut charging the state failed to protect abused and neglected children. An outside panel will now direct the child welfare system. "We've got the agreement for a model system and a blank check to operate it," said Marcia Robinson Lowry, director of the ACLU's Children's Rights Projects.

● **NANCY CRUZAN** died Dec. 26, killed by lack of water and food. "Most have failed to observe an unpleasant truth: Miss Cruzan's feeding tube was removed not because she was dying, but because she wasn't dying," the Dec. 26 *Washington Times* reported.

● **PRESIDENT BUSH** is schizophrenic, *Time* magazine hinted, in making Bush its "Men [sic] Of The Year." The magazine cover depicts two superimposed portraits of Bush, and praises Bush for his "firm grasp of foreign policy" and criticizes his "weak and vacillating domestic policy."

Editorial

1991: Dark Age or Renaissance?

Make no mistake, we are presently living in a Dark Age. This is an age when human life is coming to be valued less and less; it is a pagan age, in which sheer exercise of power is replacing natural law. We have an awesome task before us: to effect a Renaissance before it is too late.

The age in which we are living is not that much different from the periods during which Dante or Leibniz struggled to reassert the hegemony of God's law on Earth, to reawaken in men and women the assumption of that responsibility laid upon their shoulders, because each was created in the image of God.

When, in 1945, the United States dropped two atomic bombs on defeated Japan, the world drew back in horror, and most Americans have now come to view that decision by President Truman as a terrible wrong. Yet today, there are reportedly one thousand nuclear devices ready on hand for U.S. use in the Persian Gulf, and President Bush is threatening to use nuclear weapons against Iraq, or to launch an annihilating strike upon Iraqi population centers. Without overlooking the developing anti-war movement, the outcry, at a time when such an atrocity is still preventable, is nowhere near commensurate with the enormity of the impending catastrophe. There is no justification for any U.S. military attack against Iraq—certainly none for an attack on millions of innocent civilians.

That the people of the West are relatively quiescent, speaks of the blunting of regard for human life—for the lives of millions of individuals. No longer does this culture, particularly in the United States, view human life as sacred. The murder of Nancy Cruzan is the crucial verification of this awful truth.

It may sound egregious to compare the life of one disabled young woman to the tens of millions of innocent civilians now threatened by George Bush, yet there is a perfectly lawful relationship between the macrocosm and the microcosm in this instance—even down to the role of the media, which retail the lie that Miss Cruzan was "comatose" and "vegetative," when in fact

neither was true.

What can we say of the brutality of a culture which allowed a young woman to be starved to death, virtually on camera, over a two-week period?

After her automobile accident, Miss Cruzan was able to eat normal meals, while sitting up in the hospital cafeteria, although she could not feed herself. (Subsequently the hospital decided to feed her intravenously, to minimize the time spent caring for her. Her family removed her from all rehabilitation three years ago.) Miss Cruzan was responsive to visitors, and would acknowledge social interaction by squeezing a friend's hand or crying on his or her departure. She suffered from monthly menstrual cramps, yet the media told us that starvation was not a cruel way to end her life.

The United States has reintroduced capital punishment, even for the mentally incapacitated and for minors. Now, we have killed a woman merely because she was disabled. The excuse given was that she would not have wished to live in such a severely disabled condition; yet at the time of her murder, she gave every indication that she wished to live.

Again, when we look from the small to the large, we see genocide operating against whole populations. The most notable case is in Africa, where whole peoples are threatened with famine; but even in the cities of the United States, homeless people are dying every day of malnutrition and cold.

It is not that we lack the means to provide for all of the world's hungry, any more than we lacked the means to care for Nancy Cruzan. Farmers have been forced to stop producing food, so that food can be made into a weapon of social control, to be given or withheld as the oligarchy decides.

A people who forgets the purpose of their Creator, a people which is willing to tolerate such evil, has lost the moral fitness to survive. Yet because each and every one of us has been created in the image of the Creator, the power lies within us to act together as a force for the good.

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