

EIR

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Does the Non-Aligned Movement have a future?
Mencken and the roots of Bush's American fascism

**Moscow readies a
momentous policy shift**



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EIR

From the Editor

On March 1, a crucial meeting will take place in Berlin, to discuss the only possible way out of the current course of world affairs which are heading straight toward earthly hell. The meeting, convened by the Schiller Institute founded by Helga Zepp-LaRouche, will bring together representatives of Eastern and Western Europe and other parts of the world to discuss steps toward implementing the "Productive Triangle" concept proposed by Lyndon LaRouche, through which the industrial potential of central Europe would be transformed into the locomotive of a worldwide economic recovery.

For reasons that become obvious in the cover-story news report that leads our *Economics* section, the emerging faction of leaders in Moscow ought to be greatly interested in this program, albeit they are quite incapable of initiating it. So, too, will any serious leader of the Non-Aligned Movement still committed to the "just new world economic order" around which that organization was built—but which the NAM, as our firsthand report from Belgrade shows, is doing little to advance today.

In the next issue we will bring you a full report of the Schiller Institute's participation in a two-day congress of the Association of Former Political Prisoners in Budapest, the largest political organization in Hungary. Helga Zepp-LaRouche addressed the 300 delegates at the congress on Feb. 17, and on Feb. 18, the Institute co-sponsored a conference in Budapest on the "Triangle" with the Association, attended by 65 people including several parliamentarians, leading academics, agronomists, and other scientists, as well as businessmen. Mrs. LaRouche was fervently applauded as she spoke of "my husband and political prisoner Lyndon LaRouche," as the author of the triangle concept.

A signal came in February from the prime minister (comparable to a state governor) of the state of Thuringia, one of the former East German states newly incorporated into united Germany (and one particularly rich in history). As our Bonn columnist reports, the Thuringian leader has advanced a proposal for maglev trains to connect Germany's key industrial and commercial cities, which is fully coherent with the high-speed rail transport concept linking Berlin, Paris, and Vienna into an irregular "triangle" linked to the rest of Europe through "spiral arms" of economic development.

Nora Hamerman

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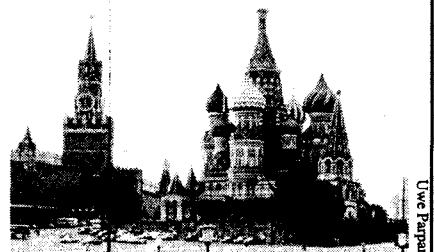
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Moscow readies a big shift in economic policy

by Chris White and Carol White

On Feb. 12, 1991, the Soviet trade union newspaper *Trud* published an interview with the new prime minister of the Soviet Union, Valentin Pavlov. Headlined, "Firsthand information: Let us be realistic," the interview is the first systematic policy statement by the man who has recently succeeded the lame-duck Nikolai Ryzhkov.

We reprint the interview here (see p. 7) because its content represents a certain departure from the ideologized claptrap which has characterized Soviet economic pronouncements under the successive phases of Gorbachov's "perestroika" reforms since 1985.

Principal features addressed in the interview include: 1) the assertion that Western financial interests have been running financial warfare against the Soviet Union with the intent of dismembering it; 2) arguments against both the "free market" shock policies associated with the earlier Shatalin plan, and now the Russian Republic's President Boris Yeltsin, and the sterile orthodoxies of communism, which demonstrate that, in effect, both are the same; 3) expression of a desire for the country to undertake a monetary and credit reform that will facilitate infrastructure and capital goods development.

The substance of the interview has not been referenced in Western coverage, only the charges against Western financial interests. Here the tack taken has been straightforward, yet it is not only intemperate, but actually clinically insane. Pavlov's charges have been dismissed around the world as "wild fantasies," "carnival delusions," "ridiculous." The U.S. State Department has taken the point for Western officialdom, with a drafted statement pried loose from reluctant spokesperson Margaret Tutwiler by this magazine's correspondent. "The charge is ridiculous. The story is a transparent effort by the Soviet authorities to blame foreigners for

economic and financial difficulties that result primarily from the Soviet Union's own domestic policies. These allegations can only further damage prospects for attracting foreign investment into the U.S.S.R. It's counterproductive to stir up fears of foreigners and foreign banks."

Apart from the hysterical extremism of the tone, note that the statement is dismissed as domestic in its target. This same approach was taken by London's *Financial Times* and the *New York Times*, and is being fanned from behind the scenes by the Hudson Institute, the Institute for East Security Studies, and others.

One might well ask where these people have been for the last several months, watching CNN's coverage of the Persian Gulf war? That could explain their ignorance of what is going on elsewhere. Note that Pavlov does also say that the Western financial plot is somehow related to the developments in the Gulf. The policy outlined in the interview, the hysterics can be assured, is not primarily of domestic significance for the Soviet Union, nor is it completely unexpected. Only in the world of George Bush's psychotic minions, where reality is supposed to conform to the public relations department's slogan of the day, do such eruptions come as rude intrusions.

The interview constitutes a virtual declaration of war against the crowd in the West associated with Britain's Margaret Thatcher, Henry Kissinger, and his accomplices inside and outside the U.S. government, along with the Anti-Defamation League's bootlegging heir Edgar Bronfman and Dwayne Andreas of the Archer Daniels Midland soy and grain interests. These represent the core of what is being attacked in what could be the biggest shift in Soviet policy since Stalin's break with Nikolai Bukharin during the 1930s.

On the one hand the Soviets are definitely signaling their rejection of the hypothesis that there is only "one superpower-

er," the Anglo-American, remaining in the world, as wishfully asserted by the Bush crowd. Not only have they placed themselves in the center of negotiations to end the war in the Gulf, but they are indicating that they absolutely reject any idea that they will submit their economy to control by the West.

The Yeltsin facet

The approach outlined has been in the making since at least Oct. 22 of last year, when KGB chief Vladimir Kryuchkov, accompanied by the ministers of justice and internal affairs, gave a press conference to denounce an increase in organized crime which threatened the political stability of the Soviet Union. He spoke of "well-established gangs" taking over important sections of the economy, and maintaining contact with gangs abroad. He took up the same theme in a shocking speech delivered to the Congress of Peoples' Deputies on Dec. 22, when "foreign spies working amongst us" were denounced, along with "attempts from abroad to exert overt and covert pressure on the Soviet Union and to impose doubtful ideas and plans to pull the country out of the difficult situation. All these efforts often screen a desire to strengthen not so much us, but their own position in our country." In this speech, the KGB chief spoke of the leakage of securities and currency abroad. Those who read *EIR* could have kept up with the developments as they occurred, and would not find themselves in the company of the unfortunate incompetents and lunatics over at the disastrous Bush administration.

Kryuchkov's speech was the start of a campaign. It was followed Dec. 26 by the issuance of a statement from the Soviet Union's state bank, Gosbank. "There have been numerous reports recently by various sources about the emergence of payment documents in rubles, issued by Soviet banks and enterprises for tens of billions of rubles. It is claimed that some of these commitments have been guaranteed by the U.S.S.R. State Bank. . . . The State Bank draws the attention of foreign banks, companies, and individuals who buy or accept as collateral such commitments, that due to their unawareness or credulity, they may suffer considerable financial losses. . . . Contracts signed have no legal force."

The next day, Dec. 27, the government newspaper *Izvestia* interviewed the chief of the Gosbank's currency directorate O. Mozhaikov. "How Many Rubles Are Abroad?" was the title. Mozhaikov reported that "payment checks, bills of exchange, and guaranteed letters of credit worth tens and hundreds of billions are circulating abroad, and that the U.S.S.R. Gosbank is not obligated to honor them." *Izvestia* asked: "Does that mean there is a threat that one fine day . . . the West will begin to buy up the country wholesale and retail?"

On Jan. 22, President Gorbachov signed a decree on the confiscation of 50 and 100 ruble notes, to be executed by the Gosbank and the KGB. Gosbank Chairman Viktor Geraschenko said the reform was to smash the black markets, to cut off reserves smuggled abroad, and to seal off channels of illegal

circulation. Then on Jan. 25, P. Pearson of Dove Trading was detained at Moscow's international airport with documentation which tied the Russian Republic's Deputy Prime Minister Filshin into the plot. (Several ministers of Boris Yeltsin's Russian Republic government had been the authors of the Shatalin Plan, the most radical free market plan for the Soviet Union as a whole, which was rejected last fall.)

On Dec. 3, 1990, Yeltsin's Russian government had issued a decree on "Using of Rubles by Foreign Firms on the Territory of the Russian Republic," which provided that imported equipment and goods could be paid for "in rubles, at special exchange rates, which are specifically established." On Dec. 13, Filshin had outlined a plan to create "special incentives for foreign firms." He told TASS: "Western firms will be allowed to sell their products for rubles in Russia, and invest the money in various industries, including key industries. . . . Massive foreign investment is expected in the oil, gas, timber, and metal industries, to say nothing of the consumer sector."

This does indeed seem to be what Pavlov charges it is. Here is Yeltsin's government offering to sell off the resources of the Russian Republic cheap, and empowering itself to do just that.

On Feb. 12, General Grushko, newly appointed second in command of the KGB, warned of "an intensification of Western espionage against the Soviet Union," and about "CIA penetration of technological developments in Soviet military industry." The next day, on Feb. 13, Gennady Filshin announced that he would be resigning as deputy prime minister of the Russian Republic.

The Kissinger Associates facet

Then we get the second line of defense, after the labels "ridiculous," "wild fantasies," and so forth. This has two parts. Both come from the Western crowd, who have promoted the free enterprise, privatization policy which is now being taken apart. Under part one, it is said, "Russians are too stupid to understand banking and finance anyway." Under part two, "and in any case no Western bank would be crazy enough to get involved, there's no money to be made in it, where would they get the rubles from, they couldn't get them out of the Soviet Union."

The policy which Pavlov is attacking was embodied in an act passed through the U.S. Congress in November 1989, entitled the "Support Eastern European Democracy" act. Under the SEED act, "enterprise funds" are to be created to establish Hong Kong-style "free enterprise zones," and to promote "privatization." Former Kissinger Associates officer Lawrence Eagleburger was appointed the administration official responsible under the act. R. Mark Palmer, a scion of the Hooker chemical company and the Rockefellers, left his position as U.S. ambassador to Hungary to set up the Central European Development Corporation in Budapest, Hungary. Palmer was an aide to Kissinger during an earlier

phase of his career. The corporation functioned as an extension of Eagleburger's responsibilities under the SEED act.

The chairman of the corporation is the former U.S. ambassador to Austria, Ronald Lauder, of the Estée Lauder cosmetics fortune. The vice chairman is Andrew Sarlos, a Toronto-based investment manager who fled Hungary in 1956. Big money for the project comes from Melvin Simon of Melvin and Associates, one of the world's largest shopping mall development firms; and, Albert Reichman of the Hungarian family that founded Toronto's \$25 billion Olympia and York Development, Ltd.—allegedly a front for the Bronfman family's old bootlegging and prostitution fortune. The fund overlaps the Jardine Matheson-owned Bear Sterns investment bank, and the World Bank.

"In the 1970s the U.S. dumped money into Eastern Europe. We got very little in return. The President will not let that happen again. Now, our basic philosophic approach is to encourage private investment, but to have the U.S. government concentrate upon teaching Eastern European nations accounting and banking. It's a lot cheaper that way." That was what Eagleburger told the House Budget Committee during hearings on the State Department's budget last year. Palmer's CEDC was the "private investment" favored. Palmer confirmed in an interview in March 1990, that President George Bush and Secretary of State James Baker back the CEDC-type of initiative toward Eastern Europe, since they are on record favoring "privatization of the effort to develop Eastern Europe."

This, it seems, is what the Russians have determined to destroy.

LaRouche scores Bush bungling

The interview by Pavlov is of exceptional significance not only for its political implications, but because Pavlov hints at a program for industrial investment which could rescue the bankrupt Soviet economy. His insistence on basic industry is a criticism not just of the perestroika era, but of the thesis and policy advanced already under the last Brezhnev years, that the time of a preferential growth rate for "Group A," the Soviet term for producer goods, had passed. Pavlov now says this is wrong in theory and practice.

Pavlov's "third way" proposals, for neither a return to communism nor an IMF-supervised bankers dictatorship, would offer a window of opportunity for the kind of economic integration of the Soviet Union with Europe, which was envisaged by Lyndon LaRouche in his proposal for an economic development triangle, which would be centered in Germany and would emphasize massive, high-technology development of infrastructure to connect the U.S.S.R. and the newly liberated nations of Eastern Europe to the rest of continental Europe. This is the kind of thinking Lyndon LaRouche was addressing in his prophetic October 1988 speech at the Berlin Kempinski Bristol Hotel, where he first launched his proposal for "food for peace" toward the Soviets.

The trade deals presently being negotiated by the Germans with Moscow, are a hopeful sign in this direction. On Feb. 14, LaRouche made the following remarks, regarding the reemergence of what is now being dubbed by *New York Times* columnist William Safire as "Cold War II." Attributing the renewed drift toward a U.S.-Soviet military confrontation to bungling by Bush and Thatcher, LaRouche said then:

"The reason this Cold War II has come into place, is because Mr. Bush flubbed it. Mr. Bush and Mrs. Thatcher flubbed it. A golden opportunity erupted at the end of 1989, particularly with the collapse of the Berlin Wall. This gave us the opportunity, to open up new lines of economic cooperation with Eastern Europe and with the Soviet Union itself, which would bring in large-scale investment in basic economic infrastructure, which would be financed by the state credit of the areas in which these improvements were made. This would mean improvements in basic fresh water systems, improvements in transportation, with emphasis on high-speed rail and also magnetic levitation rail. This would mean increases rapidly in the generation and distribution of power. This would mean the rapid development, in addition to infrastructure, of high-technology machine tool and repair shops and construction firms, that sort of thing, which would provide the basis for a rapid growth in high-tech manufacturing and rapid improvements in agriculture.

"We had the opportunity; but instead, Mrs. Thatcher and Mr. Bush decided to go with this IMF conditionalities package, like the Polish model, and to go with what they call free trade—the same kind of free trade policies which are presently driving Britain and the United States into bankruptcy, and dragging most of the world down into a depression as a result.

"When the Bush administration, together with the Thatcherites in Britain, decided to shove IMF conditionalities down upon the Soviets, the Soviets flipped, and went into the same kind of nationalistic reaction—if you can call it nationalism—which they showed when Stalin booted out Bukharin in the 1920s. It could have been avoided, if the British and George Bush had not been such stupid fools.

"The only chance now to get out of the mess we're heading into is to call off this war in the Middle East and the Gulf, move for a cease-fire, and proceed with the negotiations that George refused to consider beforehand, the negotiations, which if they had been held, would have avoided this war in the first place.

"Now, at the same time as stopping the war to introduce stability on that flank, proceed with the kind of proposal and policy on economic expansion and development in Eastern Europe, which I proposed at the end of 1989 and early 1990. If we do that, we can avoid a spreading war which is headed in the direction of, potentially, World War III, and quite seriously, folks, we can create the opportunity to reverse much of the damage which has been done by George Bush's bungling over the past year."

Trud interviews Pavlov: 'Let's be realistic'

Below is the text, in the translation provided by the Foreign Broadcast Information Service, of the Feb. 12 Trud interview with Valentin S. Pavlov. It was entitled, "Firsthand Information: Let Us Be Realistic."

Pavlov: As we know, trade unions take the position of constructive opponent of government. They conduct a demanding dialogue, defend the radical interests of the workers. In this connection it will . . . be of interest to the readers to learn the U.S.S.R. prime minister's position regarding the key issues of economic and social policy. This is especially important today, on the threshold of negotiations between the trade unions and the government and the signing of the contract for 1991, determining the guarantee for the social protection of the workers and the entire population.

Trud: Valentin Sergeevich, the monetary reform you conducted so resolutely and suddenly evoked a turbulent and complex response from society. The population was disturbed. The people are asking if there will not be a second, a third, and fourth wave of reform, if there will not be an exchange of the 25-ruble, R10, or even smaller denomination banknotes. Many specialists think that the effect of the reform is minuscule, that it has essentially produced nothing, and it has only undermined confidence in both the government and the state. Was this move really so necessary? And what does the future hold for us?

Pavlov: I must say that a report on the government program will soon be submitted to the U.S.S.R. Supreme Soviet, incidentally, and the government still has to be formed as well. Therefore let us not get ahead of ourselves. Now I would like to begin answering specific questions and, above all, apologize to all who have spent nights waiting in lines, especially pensioners and handicapped persons. Obviously some things in the organization could have been anticipated and envisioned beforehand while certain other shortcomings were unavoidable. The more so in the present situation because it is not easily controlled. There was a good deal of indifference, laxity and poor planning in these actions. There was also direct resistance and attempts to undermine the exchange. We knew that it would be difficult to avoid a certain amount of harm to people who did not deserve it. But it was the lesser of two evils. Of course, I am painfully sorry for the older generation. But, strange as it may be, these

people were more understanding than others. Our heartfelt gratitude to them for that.

Believe me, it would have been much more pleasant for me to begin my work with something more popular naturally. But we have a duty to the country and to its population. This duty is to prevent a financial catastrophe. And it is on its way, and it is moving fast. I wish to emphasize the main thing—the money exchange we conducted was not a matter of confiscation but a matter of protection. It is now possible and necessary to open the curtain on what is happening.

We know that plans to channel a large influx of money into the country has been in the making for a long time. This is being done through various means, including buying up R100 and R500 denominations. Banking organizations in our country and a number of private banks in Austria, Switzerland, and Canada joined in on this. I will not name the banks but I know specifically which ones are involved.

Trud: But we have issued only R48 billion in large denominations. Where did the Western banks get such immense sums?

Pavlov: I do not yet have the right to talk about this or many other things either since the financial war declared against us is continuing and "war is war." You cannot tell your opponent everything you know about him. I can say, for example, that we know about the attempt to resell billions in Soviet money through the Federal Republic of Germany to Switzerland, through Hungary to Luxembourg, the Netherlands, and so forth. Incidentally, here is the difference between me and certain of my opponents. They can shout and make wrongful accusations, thus engaging in outright misinformation and, to put it mildly, language that is not acceptable in polite society. But I have to remain silent. My position forces me to.

Trud: Where would such an action on the part of the Western banks lead? What would be the point of it? In what way would it be dangerous for the population?

Pavlov: Such an influx of money would be tantamount to a financial catastrophe. If this were to happen pensioners and handicapped people would barely be able to buy a couple of books of matches with their R100. We would all be millionaires, as in 1918 when a million would not even buy you a needle. We are speaking about artificially forced hyperinflation.

Trud: But who would stand to gain from this and how?

Pavlov: There is nothing extraordinarily original here. Actions like this have been conducted in many regions of the world when people have wanted to change the political structure or get rid of uncooperative political figures. It is simply that President Gorbachov has begun to step on someone's toes. Even if it was not all of a sudden.

One can only guess what this is related to and what the relationship is here between for example this influx of money

and the events in Iraq. One can also imagine how much easier this would make it for the ultra-radicals in a number of republics to solve the problem of changing over to their own currencies, leading to yet another obstacle in economic relations. I am merely repeating that all this trouble is continuing. I can assure you that in this matter time is measured not in days but in hours. We had to keep everything a deep secret and operate at the limits of our capabilities. Let history evaluate everything else, let it decide.

I just want to add that in the event of a financial disaster there could be, for example, this course of events. Advocates of rapid privatization could come into power. They would carry it out under conditions of growing inflation in such a way that our country would be sold at a discount on the auction block. We would be threatened by a loss of economic independence and a kind of annexation, “quiet” and bloodless.

Trud: If the financial war continues, where is the guarantee that there will not be more protective measures and another monetary reform?

Pavlov: In these chess games they do not go to the same square twice. I wish to assure society that now we will be speaking about fundamentally different things, above all about stabilizing the ruble in the shortest possible period of time. The government will make the ruble partially convertible (make it possible to exchange it for foreign currency). And there must be no social restrictions, that is, all segments of the population should be supplied with convertible rubles. This is our financial strategy. In part (I emphasize this) we intend to adopt China’s experience. I can say that in this sense the exchange of R50 and R100 denominations is part of a broad complex of measures.

Trud: But when will the ruble become convertible, if only partially? And what does partially actually mean?

Pavlov: Partially means that it will be possible to exchange only a certain quantity of rubles. But when—that is a more complicated question, for the growth of political instability is ready to threaten any stabilizing measures, and not only in the financial sphere.

Having worked with finances all my life, I am quite familiar with Sokolnikov’s reform in the mid-1920s. It gave the country the hard ruble. And I would like very much for a similar reform to take place in our country now. The foundation of the market reform, its cornerstone, is the convertible ruble, a stable all-Union Soviet chervonets (former monetary and gold coin equal to R10). It is the symbol of the power and stability of the state, its reliability for a business partner. We know how to achieve this. But we are being drawn into a political war. I have in mind certain leaders of republics and political organizations.

If we could quell the political confrontation for only a couple of months and provide civil peace and harmony, people would receive rubles, making it possible both to buy

goods and to travel abroad. All, I emphasize, everyone, and not just the select owners of “green”—of dollars.

The government has a clear-cut strategy. We take no step at random and we do not make spontaneous, arbitrary decision but well thought-out measures. We want to conduct a broad economic reform if only it is not impeded by political intrigues which are threatening to grow into civil strife.

Trud: Do you have in mind also the possibility of civil war?

Pavlov: Civil war must be excluded from our options. Certain plans for radical transformations presuppose balancing on the brink of civil war, and, incidentally, the mechanism for starting it has already been put in place. The idea of the admissibility of a “low-intensity” civil war as a means of achieving political aims is developing. Study of the question by experts shows that such ideas are absolutely irresponsible, that we will not be able to “recover from a small civil war” under our real conditions—the whole country will burn.

The creation of alternative armed formations and the idea of creating regular republic armies are, I think, a one-way path to civil war.

Our renewed Union must be retained as an independent and self-governing state. Even from a purely practical viewpoint the weakening of our state structure and the loss of our independence would mean predatory exploitation of our raw-material, human, and ecological resources. With all due respect to Western civilization, we should have no illusions about this. Losing independence means the abandonment of hope for the economic and cultural development of our people.

Trud: I know that two or three years ago, you spoke to the country’s leaders about the danger of a significant reduction of heavy industry and the production sphere not engaged in the output of consumer goods. Has your viewpoint changed?

Pavlov: No, it has not changed. Moreover, life has shown that we have made mistakes here. And they have cost us a lot. The industrialization of the country was paid for with the sweat and blood of our older generations. We have a powerful industry, certain branches of which are quite modern, transportation, and science which could be quickly modernized. This is the base with which we can now maneuver. We must be grateful to our fathers and grandfathers for their holy endeavor.

We must not destroy what they created. We must proceed from reality. And it is such that we cannot do without an economic foundation. It is unthinkable and impossible for us to use the standards of consumption in the West as a model today. The situation in the economy is deteriorating sharply. We do not have to go far for example—our exhausted industry, our semi-destroyed railroads, and our telephone networks are on the verge of complete breakdown, and our water and heating systems are on their last legs. Before orienting ourselves in terms of the consumer standards of the West,

And the shouts, 'Give us privatization!' remind me of the shouts 'Give us communism!' Excuse me, but there is no difference. They are empty phrases in either case. They are ideology and not economics.

we must "tighten our belts," mend, as it were, our irons and teapots, and use our resources to modernize production, which provides the very foundation of life. This is the truth, although it is hard to tell it and unpleasant to hear it. But in the economy we must proceed from realities and not from speculative, illusory ideas.

Judge for yourself. What kind of improvement in public health can there be when we essentially have no modern industry? Narrowing the sphere of Group A products deprives us of any hope of creating one. What kind of social direction of the economy can there be when we are planning a significant reduction in the output of electric energy and heat, when half the country periodically freezes in winter?

I frequently read statements to the effect that it was simply through stupidity that we outstripped the developed countries in the production of materials and equipment. I must note that during the past 50 years the U.S. has produced more steel than we have. Where is this steel? It is in American highways, buildings, and plants. We are just beginning to build these and they tell us: Reduce your steel production; they are "making less" of it in the U.S. Now they are indeed making less. But what about consumption? Including prepared products as well, they are importing twice as much as we are! The per capita quantity of electric power in our country is half what it is in the U.S. The energy-intensiveness of our production is much bigger, and we will not be able to reduce it quickly.

But the main thing is that the figures for the output of products in the U.S. in general tells us nothing since the "club of developed countries" is fed by products from the entire Third World and we do not have this "source." Those who denounce our "production for the sake of production" can just look in the handbook and find out that in 1980 in the U.S. the proportions of imports in the consumption of the most important materials were: manganese—97%, bauxite—94%, cobalt—93%, chromium—91%, and so forth.

Trud: I can certainly not agree with you on everything you say regarding the question of the ratio between products of Group A and Group B. But let us leave our discussion for later. We have now approached economic tactics and strategy in the modern stage. We know of the so-called "Abalkin model" and the "Shatalin-Yavlinsky model" and, finally, the "Basic Directions." Where do we go from here? Or are we going anywhere?

Pavlov: That is a fundamentally important question. I see my task as prime minister as carrying out two programs—let us call them "maximum" and "minimum." And if we shift to the language of the times of the NEP, which people like so much to refer to, sometimes not knowing very well what they are talking about, it is necessary to speak of two plans—strategic and operational.

The first task is of extraordinary importance—not to allow ourselves to fall into a disaster. Extraordinary measures are needed for this. We speak a lot about the market today. We must clarify: This is a means of achieving a goal, not the goal itself.

We are undoubtedly proceeding toward the market and we will take the most resolute steps in this direction, for otherwise we have no future. But I emphasize that in addition to the market the country needs a program of forced modernization of industry. Our strategic goal is a highly effective mixed economy. And here we are unified both with our predecessors and with the most radical market advocates. The differences appear when it comes to the question of what to mix with what and how. This is extremely important because it is possible to mix things in such a way that the economic foundation of our state is shaky. Or it is possible to proceed from what we have, save the best and add to it, and fill in the cracks in production. In this respect the key issue has to do with the relationship between governmental and economic levers.

I see the role of the state as creating strategic target programs and carrying out structural changes and modernization of industry without which our economy will not be able to overcome its inadequacy.

In all countries of the world these tasks are carried out by the state. The state and only the state.

Our radicals are calling us to a market like the one at the end of the 19th century or its beginning. In turn, they want to put society through shocks and traumas. And we are categorically opposed to this. We have had enough traumas. We passed through industrialization with immense losses—are we to do this again? It is fine to talk about "shock therapy" at symposiums. But in reality one would have to be very irresponsible to prescribe something like that for our society.

I will give an example. Even in Hungary, according to their announcement, the introduction of the market model is running up against the fact that their private sector is at the level of the 19th century. That is there! But what about here? Let us answer this question: What do we want? Figuratively

speaking, do we want to increase the production of passenger cars and be left completely without buses or do we want to find rational proportions? Understandably, it is better to be "healthy and rich" than "poor and sick." But we must be realistic. Either we increase the number of passenger cars, but then part of the population would have to go to work on foot, or should we proceed from what is real?

Another example. For five years 60% of the boilers at our heat and electric power plants have been in need of replacement. So should we replace them or should we buy jeans and then go home and freeze because we have no heat?

The highest priority for any economy is provision of the fundamental conditions for survival. If it does not have these it has nothing. Then comes structural rearrangement based on the best part of our industry. And along with this comes privatization.

And the shouts, "Give us privatization!" remind me of the shouts "Give us communism!" Excuse me, but there is no difference. They are empty phrases in either case. They are ideology and not economics. The distraught socialist-capitalist language with which everyone is already bored. We need realistic measures, concrete goals, and correct methods of achieving them. And the main thing is to be realistic, I would say, to be pragmatic. And to put a halt to the politics of populist games.

Trud: But still is privatization necessary?

Pavlov: Undoubtedly. Only a mixed type of economy that combines large and small enterprises is capable of solving our major problem—ensuring the viability of society and the state.

It is another matter, I repeat, when it comes to what to mix, how to privatize, and what to privatize. It is necessary to retain the skeleton of industry and stimulate it to develop. Privatization should proceed around the powerful state "nuclei," filling in the cracks and pores. This is the only effective method under our conditions.

The government is not rejecting the policy of privatization. But there must not be any question of selling out the means of production and fixed capital created by the labor of generations to fat cats and wheeler dealers in shadow businesses. I do not know how Russia, the Ukraine, and the other republics will solve these problems. I think they will be sensible. Incidentally, here it is appropriate to recall once again the beginning of our conversation: Why does a capitalist need rubles if there is nothing he can buy with them and they are not worth anything? . . .

The subject of privatization, in my view, should be the worker for whom all this is being done. And it should be done through people's auctions on the basis of unified state property, part of which is transformed into collective property. It seems to me that this is the only mechanism.

Trud: And what can you say about the land reform?

Pavlov: Precisely how it is carried out is very important. It

can be done in such a way as to provide for a union of the peasant and the worker, the city and the country, and it can be done in such a way that there will be, frankly, extremely unpleasant things. It cannot be ruled out that if the land reform goes according to the plan envisioned in the decisions in the R.S.F.S.R. parliament, the situation could push us into a civil war.

Privatization of the land is a problem in itself. Here let us take the nervous system and look at the social conflicts over many years. The appearance of landowners, rentiers, farm laborers, and seasonal workers changes the social order and the social spectrum of society.

The discussion of privatization of the land has to do with the agrarian policy and not economics. This is primarily a political issue. The right to buy and sell land leads to confiscating it from the peasants and placing it in the hands of the fat cats. When it comes to buying and selling, money talks and it cannot be otherwise. But it will not be today's *kolkhoz* [collective farm] and *sovkhos* [state farm] workers who win in the open and secret auctions. And if we do not envision a system of protective measures, very soon the land will go to our "dirty" millionaires.

Through buying up land they will be able to wash all of their dirty money and it will be good if the owners take the former *kolkhoz* workers on as laborers. It will be worse if they start to use the land, say, for radioactive waste dumps.

The peasants will not be able to compete on the land market. Therefore we suggest not making the land an object of buying and selling but turning it over to people who wish to work it to be used in perpetuity without charge. And if they decide to quit farming they can return the land and either receive compensation for improving it or pay a fine if it has been neglected.

Let us recall post-revolutionary times. The peasants did not privately own the land; they used it. And had it not been for collectivization, I do not think that there would be any mention of privatization now. Therefore, paradoxical as it may seem, Stalinist collectivization and the current privatization in its "Russian" model are, in my view, simply two stages in the denationalization of the land of the Russian peoples. For some of today's "market promoters," Stalin performed the dirty, bloody part of their work—he took away from the peasants the land given to them by the Revolution, as if "preparing" for privatization.

Speaking of the land reform that must be conducted, it is necessary to answer a number of questions. About turning the land over only through popular auctions, about creating a mechanism for preventing it from being bought up and resold, and about a mechanism that ensures that the person who works the land has the right to it. And, of course, about supporting justified forms of collective land use and agricultural production. These farms are feeding us. And we must not destroy them. The government's main idea is to create. This does not pertain to agriculture alone. It is a general direction: We have had enough destruction, it is time to build.

We are in favor of cooperation, but with real people and not with shadow wheeler-dealers from the Western economy for whom the state has no place even in the West itself.

Trud: From your answers it is clear that you, to put it mildly, are not a big advocate of private property and privatization. Does this mean that the course will change with respect to joint ventures as well, the more so, since a little earlier you spoke fairly harshly about the plans for expansion of international economic structures onto our territory?

Pavlov: We certainly do not reject cooperation with healthy forces from both the West and the East. Something else bothers me. The country has been flooded with intermediaries, people who buy things up, and petty speculators who, taking advantage of people's incompetence and frequently their trust, and sometimes using both old and new workers of the industrial and administrative apparatus (in the center and in local areas) cause harm to the state. It is impossible to drop the Iron Curtain again. And this is good. But we need a modern active state policy. Today 90% of the joint enterprises are not carrying out production activity. This is an absolutely anomalous phenomenon. We are in favor of cooperation, but with real people and not with shadow wheeler-dealers from the Western economy for whom the state has no place even in the West itself. Our entrepreneurs must not cooperate with the "rejects" of entrepreneurship who rush here after their own countries have lost confidence in them in order to make a "fortune" in the "New World."

We welcome the influx of foreign capital under the condition that our country stands to gain from it. Today we frequently see sporadic and uncontrolled transactions with outsider firms and sometimes with proxies who are being sought by Interpol.

We are open to respectable partners who have serious goals. We have something to discuss, including the prospects for entering the 20th century.

Trud: The country's population is now bothered more by today and tomorrow than by remote prospects. The continuing collapse of the economy, the instability of the political situation, social vulnerability, the total deficit of food and industrial goods, growing prices, the decline of the standard of living—such are the present realities. Social tension in society is growing. What awaits many of us tomorrow? Unemployment? Vegetating on the brink of poverty?

Pavlov: I will not try to hide the fact that the situation is serious. But a great deal will depend on the path along which events develop in the near future. We have several variants of programs and predictions. And we have also considered predictions that are very disturbing to us. If the war of laws,

the war of taxes, the war of salaries, and other "wars" do not stop, if the actual, real interests of the country are sacrificed for personal political ambitions, if state officials, instead of doing their work, organizing the production and circulation of goods, and protecting the interests of the population, spend their time at rallies, if, as before, incompetence, nonprofessionalism, and frenetic behavior triumph, the economy will not be able to take it.

Take food. We are now short of feed for the animals and in a number of places they are feeding them food grain when there is a shortage of feed. And yet 5 million hectares of corn were not harvested. There is no vegetable oil. And yet 1 million hectares of sunflowers disappeared "under the snow." In January the drop in production amounted to up to 50% as compared to the preceding year. And this means that last month we lost more than 4% of the annual production. We are not narrowing this gap—by March this decline will be so great that society will be on the verge of destruction.

This is not a political move, it is an economic prognosis. But I do not wish to bore you with figures and complicated calculations; I will say only that with such losses in a half-year we will reach the level of destruction reached during the Civil War period. Perhaps this is to someone's advantage. Why? For those activists in certain republics and regions who think they can survive alone are deeply mistaken. It will be bad for everyone.

Trud: And under these conditions, as was reported, it will soon be necessary to carry out a price reform. Is such an action not dangerous?

Pavlov: But prices are going up anyway, only without any compensation to the people. In Moscow almost everything is sold at three times the normal price, even those goods which the state does not allow to be sold at contractual prices. The Moscow Soviet Ispolkom (Executive Committee) is conducting its own price policy which, one must say, is quite inadmissible. Right here in *Trud*, you have published photographs from Delicatessen No. 1 as well as other materials.

The price distortions became outrageous long ago. The price level and the level of wages, pensions, and stipends do not correspond to one another either on the whole or in terms of their structure. This makes it impossible for the economy to develop normally; therefore a price reform is extremely necessary. All the republics and Moscow and Leningrad require this. But we think it should be conducted only along with higher incomes for the population, and all the peculiari-

ties of each republic must be taken into account. General criteria and maximum and minimum amounts of increases of prices and wages should be the same for all. The main thing is the principle—additional expenditures by the population, resulting from actions to raise state retail prices for food and basic industrial goods, should be compensated for. And in advance, before hand.

Trud: What can you say about unemployment which, judging by official statistics, has already reached 2 million?

Pavlov: This is an issue which troubles me a great deal. I am profoundly convinced that our society should avoid snowballing unemployment. Incidentally, ideologists of a “radical” transition to the market economy tolerate and even propagate it. In the course of this, they cite the experience of the West where unemployment has become a customary part of life. However, these are not legitimate comparisons. Russia of the early 20th century did not manage to get used to industrial unemployment, and in the U.S.S.R. generations have grown up in the absence of unemployment, under leveling arrangements. Mass unemployment in our country will be disastrous for the entire society and for its political stability rather than just for the poor.

Nonetheless, I think that temporary joblessness associated with structural transformations and modernization of the economy is inevitable, but this is an entirely different phenomenon. Social-protection measures have already been taken in this sphere. As far as unemployment, which may be caused by the radical privatization of the means of production and the liquidation of unprofitable enterprises, is concerned, we should prevent it also by creating ahead of time a system of small enterprises which would be a social buffer absorbing excess labor in modern economies.

Trud: At present, trade unions act as opponents of the government on many scores by making specific demands regarding the socio-economic protection of the working people. The message of these demands is particularly acute under the current calamitous conditions. What is your attitude toward this?

Pavlov: Normal; such practices exist throughout the world. Recently, I met with V.P. Shcherbakov, chairman of the General Confederation of U.S.S.R. Trade Unions, and discussed many issues. We reviewed a draft contract between the trade unions and the government. I believe that in the immediate future the U.S.S.R. Cabinet of Ministers and trade union representatives will sit down at the negotiating table. I have no doubt that a constructive dialogue will enable us to find mutually acceptable solutions.

Trud: Do you believe that a further decline in the standard of living is unavoidable in the course of overcoming this most difficult crisis?

Pavlov: Not at all. If we finally come to an agreement and begin to work normally it will be possible to avoid a decline

in the standard of living, despite certain obvious difficulties. However, given the current disintegration of our economy and stoppages at plants, the living standard will unavoidably reach a level which is worse than critical. The consequences of this for the people would be catastrophic.

Trud: Could you name at least some forthcoming measures from the government’s economic program?

Pavlov: A number of draft legislative acts have been prepared: on the demonopolization of industry, on supporting healthy entrepreneurship, denationalization arrangements, and others. Their objective is to create all conditions for healthy competition and development of productive forces.

Trud: What do you think about the role of the center? Should it be reinforced?

Pavlov: There should be a clear-cut division of functions between the center and the republics. Apparently, an economic agreement will be signed very soon which will resolve many issues.

Trud: What is the structure of the Cabinet of Ministers going to be? For example, will the Commission for Economic Reform remain?

Pavlov: Development of the structure is now being completed. As far as the above commission is concerned, we want to propose that instead of it an Economic Council for Reform be created whose functions would be conspicuously different.

Trud: Who would head this council?

Pavlov: The prime minister.

Trud: Will you retain the post of the minister of finance as well? At any rate, as of today you are both prime minister and U.S.S.R. minister of finance.

Pavlov: The issue of the structure and composition of the cabinet has not been resolved yet by the U.S.S.R. Supreme Soviet; therefore, it is premature to discuss these topics.

Trud: My final question. What is your relationship with the President of the country? Do you have mutual understanding on all issues?

Pavlov: We have a good, businesslike relationship. There are no differences of opinion on economic strategy. Certainly, different approaches are possible on certain issues; this is natural.

In summation, I would like to say that the country has come to a critical line beyond which lies an abyss. It is necessary to grasp this. The peoples should reject everything petty and transient and pool their efforts for the sake of the main objective—saving the country and beginning to vigorously come out of the crisis, as has happened many times in our Motherland in the most dangerous years. We have an opportunity to do so. All we need is accord and good will.

Peru cholera epidemic threatens continent

by Valerie Rush

Cholera is now infecting Peruvians at the rate of 2,000 per day, double the rate reported by the Health Ministry only five days earlier, and as the epidemic approaches its fourth week, more than 22,500 victims have been treated at hospitals. Tens of thousands more go untreated in the shantytowns that surround Lima and other port cities, and in inhospitable, guerrilla-infested jungle regions of the country. Peru has become the first Western Hemisphere focus of a cholera pandemic which experts say first surfaced in Indonesia in 1936, and has taken 55 years to cross the Atlantic. A continent-wide pandemic is now being forecast.

Peruvians can thank the International Monetary Fund and their own successive governments for the distinction of being the first Western host to the disease in a half-century. According to a spokesman for the Peruvian branch of the Club of Life, an international pro-life group founded by Helga Zepp-LaRouche, the Peruvian government's failure to resist the murderous austerity conditions imposed by the international financial community has created a social and economic holocaust in Peru which "makes cholera the first wave of many epidemics."

In forums, radio programs, and press interviews, the Club of Life has charged, "These epidemics are caused by the hunger brought on by the programs of the International Monetary Fund. The effects of these policies are fully known by those who are implementing them. This is part of the plan being implemented by the malthusian oligarchy to reduce Third World populations. Not to declare a national emergency and to rebuild Peruvians' living conditions is to condemn a penniless population to death."

A cold-blooded President Alberto Fujimori has responded to the situation by announcing plans for a further turn of the austerity screw. In response to pressures from Washington, he has appointed a new cabinet which heralds a worsening of the breakdown crisis which made Peru the choice breeding ground for the cholera bacillus in the first place. In particular, he has imposed a new finance minister even more committed to exterminating state protection for the economy and for the population than his predecessor.

Minister Carlos Boloña was welcomed with open arms

by the U.S. financial community's flagship newspaper the *Wall Street Journal* and by the ultra-monetarist Peruvian daily *Expreso*, which wrote that Boloña was more of a "hard-liner" than his predecessor, and would therefore find "official Washington's doors open to him."

A protégé of George Bush's favorite economist, the pro-drug Hernando de Soto, Boloña is also sponsored by former Peruvian Finance Minister Carlos Rodríguez Pastor, a Wells Fargo banker for whom Boloña served as vice minister in 1980-85. The Peruvian economy is thus placed under the control of a neo-liberal bankers' agent who has suggested basing Peru's credit system on an influx of legalized cocaine dollars. Boloña has already announced that he would stick to the President's austerity program, known as "Fuji-shock," but that he intended to make it "more efficient."

From panic to pandemic

The Fujimori government is trying to control the panic over the cholera contagion by insisting that the pace of infection is slowing thanks to the use of simple, cheap, and effective medical treatment and the deployment of several hundred doctors and nurses into rural Peru with oral rehydration kits. The fact remains, however, that due to the virtual non-existence of potable water sources, sanitation services, and hygienic education in the Peruvian countryside and urban ghettos, the spread of the disease has far outpaced treatment. According to the Feb. 21 *Washington Times*, "In one shantytown outside Lima, reporters watched housewives scoop up drinking water from stagnant ditches along the Rimac River. Health authorities had warned that the river was infected with cholera from sewage. The women said they had no other source of water." Relief workers, meanwhile, are expressing concern about gaining access to jungle areas where the drug-trafficking Shining Path guerrillas maintain a reign of terror. The epidemic is thus not only rapidly spreading across Peru, but, according to cholera expert André Dodin at the Pasteur Institute in France, can be expected to sweep the destitute Ibero-American continent within months.

Peru has already been placed under virtual quarantine by its frightened neighbors, with several countries considering closing their borders altogether. Imports of many Peruvian products have virtually ceased, and the United States and several countries in Europe have begun to cancel vital contracts for fish and related imports. France, which is a major purchaser of Peruvian fish-meal, has suspended those purchases, and Peruvian businessmen are warning that the toll on the economy could prove disastrous. The Peruvian Export Association estimates that the country could lose \$100 million over the next four months.

On Feb. 15, Dodin told the Agence France Presse, "The epidemic is going to affect all of Latin America. The measures adopted by the Latin American governments will limit the consequences of the epidemic, but cannot prevent it."

Move to deregulate California's water

by Pamela Lowry

In what might seem at first to be a strange alliance, California environmentalists and free-market economists have mounted a concerted campaign to sell the state's water and food supply to the highest bidders. Not content with the devastation wrought by deregulating the nation's trucking, airline, and banking industries, these economic sages have seized on California's worsening drought as a rationale to deregulate farming and water distribution. This, at a time when a large proportion of the nation's food supply is jeopardized by state and federal cutoffs of water to California farmers, who this year will probably have to idle over 1 million acres of farmland in the Central Valley alone.

While the California Farm Bureau and a new industry-based group called "Californians for Water" are pressing for the construction of new water projects, the environmentalists and free marketeers are constructing new and deadly definitions of "value." According to Edward Lazear of the Hoover Institution in Stanford, "A resource should go to the individual who values it most."

Is the resource valued because it helps sustain life or expand production? Of course not. Lazear explains that most urban Californians are *willing to pay 5¢* for the five gallons of water it takes to flush a toilet, but no rice grower could ever *afford* to pay 1¢ per gallon. "This means that rice growers in particular, and farmers in general, do not value the water as highly as household users do."

The solution, says Lazear, is to cut agricultural water use to prevent the many millions of dollars of damage each year to landscape and other urban property. "While residential gardens may seem less important than agriculture, money is actually saved by sacrificing some agriculture and maintaining residential gardens." A saner approach is provided by Chris Hurd, a farmer in the fertile Central Valley, who commented, "People in cities have got a tough row to hoe, just like we do. But they have to realize if we're going to produce cheap, safe food for the nation, we need water."

Selling less for more

The targets of these purported economic theories are both California's high agricultural productivity and its farmers' historic legal rights to water. Responding favorably to Lazear's proposals was Gary Galles, a professor of economics

at Pepperdine University, who wrote a letter to the editor of the Feb. 13 *Los Angeles Times*. When there are different prices for water, says Galles, farmers, who are "heavily subsidized," will act as if their water is worth less. Therefore, "this means that there is the basis for mutually beneficial trade (between farmers and cities) that would reflect the true value of water and move it from lower to higher valued uses."

Galles sees an important difference between a drought and a water shortage. "A drought simply means that there is a reduced supply of water available. A water shortage is an artifact of government policies that have long refused to allow water prices to communicate that fact to users, resulting in the fact that we wish to use more than is available." In other words, a scarce commodity which just incidentally happens to be necessary for life should cost as much as the market will bear.

In the same letters to the editor column, R. William Robinson, of the Upper San Gabriel Valley Municipal Water District, proposes that "we need to establish a cooperative multiple-listing service to transfer water leases and water rights among *high bidders*, which apply water to areas of highest economic benefit."

The environmentalists apparently do not mind this version of greed for profit, which they have traditionally assailed as leading to environmental pollution. "A lot of these crops are low value," says John Krautkraemer, a lawyer with the Environmental Defense Fund, which has been arguing for economic incentives to encourage farmers to sell their water rights to urban users. "This would not be taking place if we did not have subsidies or water rights that were decided a long time ago. If alfalfa is really that valuable to farmers, then they should be willing to pay more for water. It makes sense when you have a valuable resource like water not to be giving it away."

Cutting the milk supply

Alfalfa is a special target, because it is the crop requiring the most water input, except for rice. Last year, more than 20% of California farmland was planted with alfalfa, which used 16% of all available water. Yet alfalfa is used for hay, which is essential to the state's \$2 billion dairy industry, which is second only to Wisconsin's. It is not economical to import hay from distant states, because the added cost would have to be passed on to the consumer. Either that, or the farmer would be forced to add it to his already overwhelming indebtedness. But alfalfa is not only crucial for livestock feed; it is a nitrogen-fixing legume which is an important rotational crop that replenishes nourishment in the soil.

Farmer Fred Starrh of the agriculturally productive, but now water-starved Kern County, will plant only one of his usual seven crops of alfalfa this year. "Strangely enough," says Starrh, "cows who eat hay make milk for kids in Los Angeles. I don't think we're growing something the public doesn't want."

ConAgra: free trade swindlers

by Suzanne Rose

The Omaha, Nebraska-based food conglomerate ConAgra typifies the Bush administration's commitment to "free trade." Historically, free trade has been the ability of an oligopoly of banks, cartels, and trading companies to control the institutions of society unfettered by government regulations, resulting in the impoverishment of the general population. ConAgra has grown over the past 15 years to become the nation's second largest food company, enjoying a virtual stranglehold over meat and poultry production. It achieved \$20 billion in sales in 1990, recording a 4,000% increase in profits from the time it was known as a \$3 million Nebraska flour milling company in the early 1970s.

The company was bankrupt in 1974 when Charles "Mike" Harper, a former Pillsbury company executive, was brought in as chief executive officer to turn it around. Harper's company has since become the number-one meat producer, the top flour miller, and one of the top three grain trading companies. It is today an international agri-business with 40 subsidiaries whose trading companies have offices in 25 countries and which trades in 80 different commodities.

'Short-weighting' charges upheld

Investment community sources say that broiler chicken production is ConAgra's most profitable area. According to 260 chicken growers who won a \$13 million lawsuit against ConAgra in December 1989, this profit has been achieved by swindling the growers. In U.S. District Court in Dothan, Alabama, ConAgra was adjudged to have swindled farmers from all over the South by "short-weighting" chickens which farmers fed under contract with ConAgra. When farmers brought their chickens to be weighed, they found that ConAgra was manipulating the scales to short-change them. The farmers are paid according to the weight the chickens gain within a 45-day period.

Spokesmen for the poultry growers have charged that short-weighting is only one of the methods by which ConAgra cheats the farmer. They charge that ConAgra cheats them on the feed they provide, the prices they are paid, and by false promises of profits through which desperate farmers are encouraged to go heavily into debt to finance the buildings for a chicken farm. Because the contracts run from flock to flock—about 45 days—and can be terminated without notice, ConAgra can arbitrarily drop the price paid to the farm-

er, thus driving the heavily indebted farmer into bankruptcy. Generally, a farmer has only one chicken-processing plant to which it can sell because the three big cartels—Tyson's, Cargill, and ConAgra—have divided up the South so that each company's plants dominate in a particular geographic area. A farmer who objects to what have been termed "oppressively feudal" relations with the company, will be cut off and forced out of business.

Chicken growers believe that ConAgra has a fixed amount of money it intends to pay its farmers every week, which is determined in the board room by the profit margin the broiler division is expected to produce. The farmers' weights and production figures are adjusted according to the amount the company wants to pay out that week. Squeezing the farmers, whom the company considers only one of the "inputs" in the vertically organized chicken production industry, is one of the ways ConAgra fulfills its spectacular policy of 20% return on equity. The result of Harper's management philosophy, which is to transform industries from "production-driven" to "profit-driven," is what he proudly proclaims as "low-cost" agriculture.

Vertical industry control

ConAgra corporate strategy is to acquire businesses which stretch across the entire food chain, and to dominate each industry vertically by controlling all inputs at each stage of the production process. Giant food companies have been most successful in the poultry area, where they control the production of fertilizer, feed grain, hatcheries, processing plants, merchandising, distribution, transportation, and most importantly, the farmer, through contract feeding.

The company is now offering its "expertise" to help improve poultry and hog operations in the East bloc. Harper returned from a trip to Poland last summer and claimed in a July interview in *Financier* magazine that the Poles want the free market system. Harper's interpretation of the "free market" system is that ConAgra should have the right to come in and make investments without regard for the infrastructure requirements of the already looted Polish economy, such as transportation and energy. What kind of infrastructure does Harper think Poland needs? "The fundamentals—banking system improvement, legal system improvement, and accounting system improvement—they have to come along to make the free market system work," Harper said.

But ConAgra wiggled out of paying the costs of infrastructure in Nebraska by bullying the state government into giving them a \$50 million tax break.

When it comes to paying U.S. farmers, Harper is all for the "free market" system as well. As a member of the National Commission on Agricultural Trade and Export, Harper was one of the people most responsible for writing the 1985 Farm Bill. The 1985 bill dropped the loan rate, which sets the floor price paid to farmers for major agricultural commodities, by 34%. The same bill gave huge export subsidies to

the grain cartels through the Export Enhancement Program. The subsidies allow the cartels to steal the markets of European Community exporters.

Waging an export war is one of the ways the cartels hope to pressure the European nations to submit to the U.S. demands at the General Agreement on Tariffs and Trade (GATT) negotiations, that every nation reduce the income supports to independent farmers. Bankrupting the independent farmer increases the power of the cartels over agriculture. Not surprisingly, Harper is on the U.S. advisory committee of GATT. Harper's view of the successful completion of the GATT process is expressed in the interview in *Financier*: "We can run the Common Market off the face of the earth if we were to compete on that level playing field."

However, farmers all over the world find themselves competing against each other for the enrichment of the cartels like ConAgra. In Australia, ConAgra is in the process of acquiring the giant meatpacking company Australia Meat Holdings, a division of Elders, which accounts for over 50% of all meat slaughtering capacity in the nation. This megadeal is illegal under the Australian security laws, but it is expected that the government's Foreign Investment Review Board will waive any objections, in deference to the imperial demands of ConAgra. The Australian Cattleman's Union and others are waging last-minute protests.

When the barriers to free trade are eliminated through the GATT negotiations, Australian meat producers controlled by ConAgra will be competing against U.S. meat producers controlled by ConAgra. Clayton Yeutter, a ConAgra board member for five years, was brought into the Bush administration as secretary of agriculture to oversee the U.S. negotiations at GATT.

Picking over the bones

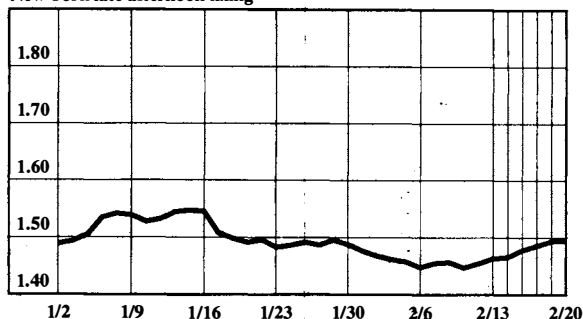
In its drive under Harper's command to become the top food producer in the nation, ConAgra has taken over and restructured scores of food companies. It specializes in buying up companies which have been stripped through previous leveraged buyouts, at bargain-basement prices, which include generous stock swaps. Investors are enticed because ConAgra offers 30-35% of its earnings in dividends. Then, the labor force, whether it be the farmer, the packing house employee, or the food-processing worker, is quickly put through the ringer. After its takeover of Armour foods in 1983, which had been the victim of a previous takeover by the Greyhound Corp., ConAgra reduced the salaries paid to workers by half.

As the proponents of free trade have discovered, you don't need the government when you control the government. Harper's friends in the U.S. Department of Justice Anti-Trust Division have refused to act against the food cartel, despite numerous complaints that three companies—ConAgra, Excel (Cargill), and Iowa Beef Processors—now dominate 70% of U.S. meat production.

Currency Rates

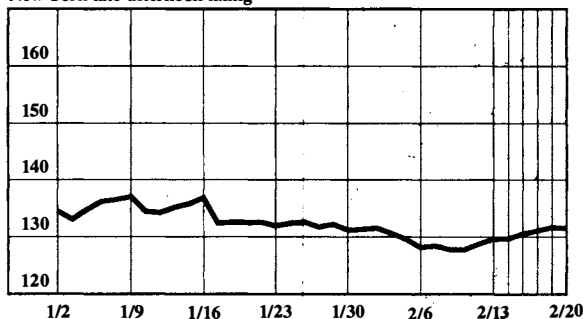
The dollar in deutschemarks

New York late afternoon fixing



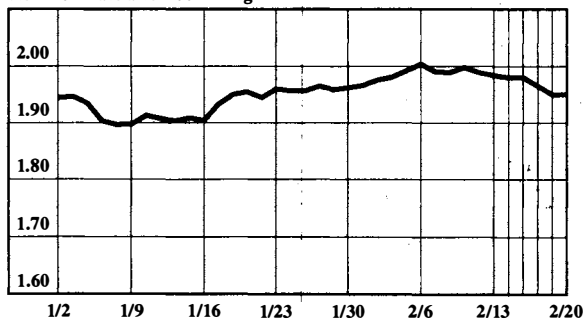
The dollar in yen

New York late afternoon fixing



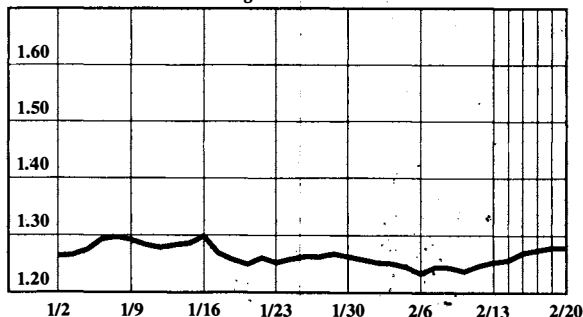
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



Free trade pact faces farm opposition

The new U.S. Congress has begun hearings on agriculture and trade policy as farms face catastrophe.

The new 102nd Congress has begun a raft of hearings, and the testimony on agriculture and farm trade shows that the situation warrants emergency measures. But so far Congress is conducting business as usual, while the facts before them show catastrophe in the making.

The Conservation, Credit, and Rural Development Subcommittee of the House Agriculture Committee held hearings Feb. 21 on "Credit Needs of Borrowers and Outlook for the Next Few Years." The outlook is grim. Since January, reports have been flooding out on the plunge of agricultural land values in Texas and other farm states showing that the value of loan collateral is plunging. Farm prices for wheat, corn, and dairy products are low. But no relief measures are under way.

Just the opposite. For example, the Farmers Home Administration (FmHA), the lender of last resort run by the USDA, is conducting a "go slow" policy in processing operating loans, even for farmer borrowers current on their debt payments.

Fred Huenefeld, a farm activist in Louisiana who serves as a trustee-in-bankruptcy, told the committee: "Today, in rural America, I am handling a 20% increase in bankruptcies in the last three months, which include doctors, lawyers, bankers, farmers, drug stores, restaurants, auto supply stores, and every sector of the economic system. I have had over an 1,800% increase in bankruptcies since I started handling cases in the 1960s."

He asked the members, "Why am I handling so many bankruptcy cases?

Why are my friends being pressured into despondent situations and conditions where they are losing their homes, their farms, their wives, their children, and ending up sick with shingles and in the hospital? Why am I talking people out of committing suicide?"

This description applies to other farm states. The grain belt is hit by record low prices for wheat. Farm counties in California are facing devastation by the curtailment or cutoff of irrigation water announced by state and federal water authorities in recent weeks. State Water Project officials recommended to farmers that they idle all their alfalfa, rice, and cotton land.

Against this backdrop, the prospect of even lower farm prices to come from "free trade" practices under a General Agreement on Tariffs and Trade (GATT) treaty, or a hemispheric free trade pact, has lost the appeal that the food cartel interests have worked hard to create. One target of farmers is the proposed U.S.-Mexico free trade pact. The line-up against such a treaty includes Florida citrus growers, and many other specialty crop producers.

Hearings on U.S.-Mexican trade relations the week of Feb. 18, became the forum for descriptions of the general decline of the U.S. agricultural sector. Again, Huenefeld reported to this House subcommittee on the conditions in his state, which were in large part created by free trade measures already in effect.

"We just had a catfish operation go broke about 20 miles from my hometown in Winnsboro, Louisiana.

And why did they go broke? Really simple: I went down to the local Super Saver, one multinational grocery store, and bought catfish from *Brazil* for \$1.29 a pound, and in the same ice in the same counter, were catfish from Winnsboro, Louisiana for \$1.99 a pound. Which catfish are the poor folks going to buy?"

Similar examples abound in the Washington, D.C. area, where congressmen live and work. Melons are shipped in from Brazil for retail sale at 69¢ a pound—lower than the price of some homegrown apples.

Data were presented to the congressional committees from a forthcoming *EIR* economics survey of the current need to increase U.S. agricultural output by at least 4%, in order to accomplish two goals of sound national farm and food policy: 1) fill currently unmet per capita needs in various food groups; and 2) domestically produce food now imported at sharecropper's prices which are impoverishing the exporting nations.

These objectives require agriculture credit policies of the type used during World War II by the War Mobilization Board, to set prices for farm output at parity levels (meeting costs of production plus a return to guarantee continued production for food security); and to provide low-cost credit, at 2-4% interest rates, to expand output. Today, emergency measures are required to stay foreclosures, and to freeze and reschedule debt.

There is an outcry in farm states to reopen and rewrite the just-enacted five-year farm law, the "Food, Agriculture, Conservation, and Trade Act of 1991." Despite all the hearings, the Senate, as of mid-February, had not yet set a date for hearings to confirm Rep. Edward Madigan (R-Ill.) as the new secretary of agriculture. They don't want to take the flak from farmers demanding a new farm bill.

New push for infrastructure projects

The requirements of eastern German economic reconstruction generate demand for policy and funding shifts.

Soviet Prime Minister Valentin Pavlov asked the key question of German Economics Minister Jürgen Moellemann in Moscow Feb. 13: "How is it possible that the German government spends DM 10 billion for bombs, but claims not to have money for new credits?"

Pavlov asked this with an eye toward new credits for German exports to the Soviets, naturally; but the question is also relevant for the domestic situation in Germany.

The drastic condition of the former East German economy, and the need to prevent unemployment in the range of 25-40% in the industrial centers, has refocused public debate on domestic economic strategy in the newly united Germany. The need for developing transport infrastructure as the key to rapid economic recovery, which had been pushed aside during the past six months of the Persian Gulf crisis, is again high on the political agenda. An increasing number of people are convinced that "Germany's Gulf lies right here," that the fight Germany has to launch is an economic one.

Four important developments can be reported in this context. In mid-February, new German Transportation Minister Günter Krause presented a blueprint for crash development of the transport infrastructure in the five eastern states of Germany. Krause proposed that DM 54 billion be spent on the restoration and modernization of the key routes connecting East and West. DM 8 billion should be invested in the eastern rail grid this fiscal year, Krause said.

This includes the construction of a high-speed route from Hanover to Berlin, the restoration of the traditional (not high-speed) route for freight from the industries in the west (Rhine/Ruhr) and those in the east (Saxony), and the modernization of the links from Berlin to the northern ports (Hamburg, Kiel, Rostock) and to southern Germany (Stuttgart, Munich).

Highway projects in eastern Germany, Krause said, should be funded to the tune of DM 20 billion, and the waterways (emphasis on Elbe River and Mittelland Canal modernization) with another DM 3-4 billion.

This proposal still must be approved by the cabinet and the parliament, but Krause has a growing lobby behind him.

In a Feb. 20 report, the BDI, Germany's national industry association, outlined perspectives for rapid development of the German economy. "It will take a gigantic financial effort," the report said, "because for rail and road alone, financial requirements of more than DM 200 billion are projected, to restore the infrastructure in the new states of Germany substantially. In addition to qualitative improvements, the linking of all transport systems in east and west is on the agenda. This is also a chance for new transport technologies like the Transrapid maglev train."

A strong endorsement of railroad development, especially freight transport, was also given in the weekly *Der Spiegel* on Feb. 18. A ten-page feature portrayed the new railway era that will begin in June when the German ICE high-speed train begins operation.

Another initiative was launched by the prime minister of the state of Thuringia, Josef Duchac, in late February. He proposed the construction of a new rail connection between Berlin and Frankfurt passing through Leipzig and Erfurt. This, he said, should be based on the technology of the next century, the magnetically levitated train, which is currently being developed in Germany along with the Transrapid project.

The advantage of the maglev system—less noise, less energy use, and a much higher speed of up to 500 kilometers per hour—would be ideal for rapid passenger travel on the longer, almost 600-kilometer route between Frankfurt and Berlin, Duchac said. Faced with a need to replace domestic airline routes, the Transrapid, with its speed, would provide a "flying on the ground" connection between the airports of Frankfurt and Berlin.

International air traffic would be connected by the Transrapid, through the big airports like Berlin or Frankfurt, to the huge industrial trade fair of Leipzig. A stopover of the maglev train in Erfurt, the state capital of Thuringia, for some of the tours, would connect this central pivot of intra-German rail routes which run east and west, with routes which run from north to south.

The costs of constructing such a maglev route, a project of an estimated DM 8 billion, could be funded by the increase of passenger traffic between Berlin and Frankfurt, which have populations of 5 million each, Duchac suggested.

In any case, Germany would need a show-case route to promote the export of the Transrapid system abroad—a multibillion market, experts say. The decision to build such a track is long overdue after 22 years of experimentation with the maglev technology in Germany.

Soviets, Germans sign new trade accord

The hasty trip by the German economics minister to Moscow resulted in a slap in the face to the IMF.

On Feb. 13, German Economics Minister Jürgen Moellemann went to Moscow for urgent discussions with Soviet Prime Minister and Finance Minister Valentin Pavlov. The results of that consultation may mark a turning point in economic reconstruction of Eastern Europe. At the very least, it marked the first break by a major Western industrial nation with the insane International Monetary Fund (IMF) prescription for Soviet economic reforms agreed upon by the economic summit of major industrial nations meeting in Houston last December.

Moellemann and Pavlov worked out a large, earmarked trade agreement in which Bonn will guarantee German private trade credits for select exports to the U.S.S.R. from industrial companies in the five states which were the former East Germany. These Hermes guarantees will allow nervous German banks and companies to resume exports to the U.S.S.R.

The issue is urgent. Before unification, some 40% of all East German foreign trade went to the U.S.S.R. in exchange for imports of Soviet oil and gas. The accounts were settled in so-called "transfer rubles" between members of the Soviet-dominated but now defunct Comecon (CMEA) trade bloc of states tied to the U.S.S.R.

Since January 1991, the CMEA members halted the settlement of their trade accounts in transfer rubles. The shift had been approved by CMEA members last June as part of what was to be a gradual 3-5 year transition to a new trade system.

But the economic chaos in nations such as Poland and Czechoslovakia,

where Harvard Prof. Jeffrey Sachs's "shock therapy" has taken hold, has created such general chaos that Soviet and CMEA trade has collapsed in the past several months.

The Geneva-based U.N. Economic Commission for Europe, in a just-published study of the problem, correctly notes, "It was clear from January that 1990 would be the last year of the traditional system, and that the CMEA members would move toward market-based relations and settlement in convertible currencies. However, it was left unclear as to how the future system of intra-East European trade would work." Since last summer, East European regional trade has been a "chaotic mixture of barter deals" and other ad hoc arrangements between governments undergoing the most far-ranging upheavals since the Second World War.

As the CMEA members left unspecified how the 3-5 year transition would be managed and how any remaining claims denominated in rubles would be settled—at what parity, in effect—as the Jan. 1, 1991 deadline neared, no country wanted to hold CMEA ruble trade balances.

"In order to restrict the accumulation of ruble balances," the report adds, "the individual eastern countries resorted to a variety of direct controls on their exports and imports to and from one another, a process which led to mutual recrimination and retaliation. Against this background of a virtual trade war, there was a downward spiral in the value and volume of intra-CMEA trade." Soviet exports to former CMEA countries of Eastern Europe dropped 15% in volume in 1990

and, so far as is known, have plunged precipitously since January as all trade became payable in hard currency and at world market prices.

The necessary speed with which East Germany sought full monetary and political union with West Germany, created conditions which were unfortunate for the orderly reconstruction of the East German economy into a modern Western-oriented economy. "With introduction of the deutsche-mark [into East Germany on July 1, 1990] and the sudden availability of Western goods, East German consumers and many enterprises turned away from CMEA imports and many contracts made before were canceled," the study notes. In short, unemployment in East German export industry firms of between 500,000 and 1,500,000 was threatened by the end of February 1991 if something were not done.

Bonn decided to break with the IMF line on Soviet economic reform and resume state export credit guarantees to the U.S.S.R. Moellemann has likely bought a few months' time. Now, however, a breakdown of infrastructure, notably rail links among Germany, Western Europe, Poland, Czechoslovakia, and the U.S.S.R., must be solved. If the Paris-Berlin-Vienna "Productive Triangle" of Lyndon LaRouche is not put on the table soon by Bonn, with France and Austria, the present chaos will seem mild in the near future.

But, as experience shows, it is wrong to view infrastructure investment as a "funding problem." When properly built, it generates huge investments by private enterprise, and with that, the tax revenues to pay off the bond issues. Germany was built on such a state commitment to the most advanced integrated rail grid more than 100 years ago, on a design first outlined by Friedrich List in the 1830s.

Business Briefs

Demography

Chinese to repopulate Africa?

The leaders of the Communist People's Republic of China are eagerly eyeing the prospects for sending Chinese to a sub-Saharan African continent depopulated by famine and disease. According to Chinese press reports, the governor of the province of Sichuan, which has a population of 100 million, is looking to China's joint projects in Africa as an outlet for the province's "surplus labor."

The Sichuan Corporation for International Techno-Economic Cooperation, which coordinates Sichuan's joint projects both in China and abroad, is responding to the Gulf war by looking south of the Gulf to Kenya, Uganda, Somalia, and Egypt (as well as Nepal on the Indian subcontinent) to establish light industry and construction projects. Said the governor in late December, "We pin great hopes on the corporation, since we need to export surplus laborers to other provinces and other countries."

AIDS

Transmission by aerosols under study

"After denying for years that HIV, the AIDS virus, can be spread through the air, the [U.S.] federal Centers for Disease Control (CDC) is funding a study" to find out, the *Washington Times* reported Feb. 15.

The Atlanta-based CDC was forced to act after Dr. Donald Jewett, professor of orthopedic surgery at the University of California at San Francisco, conducted a study showing "that aerosols containing HIV-infected blood were produced during orthopedic surgery when bone-cutting tools were used.

"He found that these particles were small enough to penetrate a surgical mask."

The finding would also implicate high-

speed dental drills, apparently.

Meanwhile, Gregory Johnson and William Robinson at Stanford University in California have done a study upsetting the long-standing myth that HIV loses most of its potency on contact with air. They have shown that it can survive and remain infective in an aerosol for at least several minutes.

Meanwhile, Peter Duesberg, a University of California virologist, has drawn attention to the fact that "viruses such as HIV infect few cells and do not kill them," according to the *Montreal Gazette* on Feb. 7. "This has AIDS researchers scrambling to explain how HIV can indirectly kill key immune system cells," the *Montreal Gazette* continues. "Even Luc Montagnier, the discoverer of HIV, says it is not known how the virus damages the body."

Duesberg is notorious in medical circles for his insistence that HIV is not the cause of AIDS. The Proceedings of the National Academy of Sciences is planning to publish an article by him propounding this thesis in February.

Banking

HongShang moves to London

The British taipans of the Hongkong and Shanghai Bank, who arranged the deal to turn the Crown Colony of Hong Kong over to Beijing, have covered their own tails by shifting the bank's "legal domicile" to London, by creating a holding company for this purpose. Beijing made certain official indications of displeasure, but People's Republic of China Premier Li Peng, in a meeting with HongShang chairman William Purves, said the move was "expected" and that Beijing understands it was a commercial decision.

The HongShang intends to keep its role as the unofficial central bank of Hong Kong, including its role as central clearinghouse bank-note issuer, and its membership on the Exchange Reserve Advisory Committee.

One issue to be determined is how the HongShang will deal with the "secret reserve"

rights that it enjoyed as a Hong Kong-based bank, which facilitated Hong Kong's notorious role in the Golden Triangle drug trade and dirty-money exchange.

Secretary for Monetary Affairs David Nendick has confirmed that local banks would retain the right to secret reserves under Beijing's rule. But some Hong Kong interests are trying to strip the HongShang of its special rights and have Beijing's Bank of China take over its official duties. One spokesman for this pressure group called the HongShang a "monster created by the colonial government. After years of gains, they now want to do away with the political risks."

The Depression

Barclays chairman warns of repeat of the 1930s

Sir John Quinton, chairman of Barclays, Britain's largest clearing bank, told a London banking conference Feb. 12, "There is a real threat that the recession in the United States, the United Kingdom, and elsewhere will deepen and awaken comparisons with the Great Depression of the 1930s."

Quinton added that while a complete credit collapse is unlikely in the United Kingdom, in the United States, "it is a very real possibility," adding that present pressures facing international banks, especially in the United States and United Kingdom, will cause a "shakeout in the industry on an unprecedented scale" over the next five years.

In another statement, Peter Brighton, director general of the Engineering Employers' Federation, said that Britain is heading "hell-bent towards a peasant economy." His federation represents 5,000 manufacturing firms in the United Kingdom, including giants like Rolls-Royce and British Aerospace.

The lead article in the Feb. 13 London *Guardian* reports Brighton warning, "There had better be an improvement before long, or this country will crash into the buffers." He said that output in the U.K. would go down

by 7% this year, and that there would be zero growth in 1992.

Brighton charged that successive British governments refused to realize the importance of industry to the economy, but instead relied on a "short-term fix" through oil revenues and financial sector manipulations.

The *Guardian* notes that in the House of Commons a day earlier, the issue of the economic crisis dominated, and no questions were raised about the war in the Persian Gulf, the first time this has happened since the war began. Labour Party spokesmen pointed to the sharp rise in unemployment, bankruptcies, and mortgage deficits.

Asia

Adam Smith at the helm in Hainan

The "invisible hand" is ruling the Chinese island-province of Hainan in the South China Sea, according to a report from the official People's Republic of China news agency Xinhua. The island has been given virtual autonomy on foreign investment projects, and "an invisible hand is regulating social and economic life."

Over the last two years, 932 foreign-financed enterprises and over 30,000 local enterprises have been established. The foreign enterprises "enjoy complete freedom over employment and personal affairs," according to new rules issued Dec. 20. The rules guarantee the "freedom to hire, fire, and reward."

International Credit

World Bank denies loans to Ibero-America

World Bank vice president for Latin America Shahid Hussain has said that the World Bank is planning to drastically reduce the funds used to finance credits, a Reuters wire published in the Feb. 13 edition of the Colombian daily *La República* reports. Latin America and Third

World countries would be the most affected, Hussain said, adding that the U.S. financial crisis and the war in the Persian Gulf have aggravated the lack of financial resources.

Hussain reported that the worst-off country is Peru, because it has "an almost destroyed economy" and is facing an "especially difficult situation due to the conjuncture of internal violence, the lack of infrastructure, and the difficulty of convincing the population of the seriousness" of its financial situation.

He did not mention the cholera epidemic that is devastating Peru right now. At last count, 26,000 cases had been reported.

Infrastructure

Support grows for plan to rebuild Cambodia

Support is growing for Thai Prime Minister Chatchai Choonhavan's plan to start rebuilding infrastructure in Cambodia to facilitate the U.N. peace plan for that country. Resistance leader Prince Norodom Ranariddh has given his full support to the plan, according to the Bangkok daily *The Nation*. Ranariddh met with the Thai prime minister on Feb. 14.

The premier's proposal calls for airfields, highways, and railroads in both government- and resistance-controlled areas to be renovated without waiting for a peace settlement. According to a spokesman for Chatchai, the plan is that Thailand would serve the "working group" set up by the newly formed Cambodian Supreme National Council, to function as a "coordinator" with the United Nations and with donor countries, particularly Japan.

Japan has offered to finance the rehabilitation scheme, and a Japanese diplomat arrived in Phnom Penh Feb. 13 to assess reconstruction needs and discuss peace moves with Cambodian leaders.

But the strongest of the Cambodia resistance factions, the Khmer Rouge, have given a cool reception to the reconstruction plan. Khieu Samphan, nominal leader of Pol Pot's group, met with Prime Minister Chatchai earlier this week and emerged saying little of the plan.

● **ASEAN** nations have unanimously given their support to Malaysian Prime Minister Mahathir Mohamed's initiative for a new Asian trade bloc, although the Bush administration has vehemently opposed the plan. It will now be evaluated by the other nations which Dr. Mahathir proposes join the group—Japan, China, Taiwan, Hong Kong, and South Korea.

● **THE WORLD** Health Organization has recommended that the Peruvian government not vaccinate people to control its cholera epidemic, the daily *La República* reported Feb. 15. The WHO said that vaccinating could introduce greater health risks, such as serum hepatitis and AIDS—presupposing vaccinations would be given without using disposable needles.

● **PUBLIC LIBRARIES** in the United States, caught between rising costs for books, computers, and periodicals, and cuts in local budgets, are barely able to keep their doors open. The New York City system has cut its hours by 10%; the Los Angeles system remains understaffed by about 10%. Some libraries are canceling new book orders and delaying capital improvements; others simply close down.

● **THE FARMERS'** Home Administration is reportedly delaying credit to farmers for spring planting. Louisiana farmers report delays in processing their loan requests, while North Dakota farmer borrowers are facing delays so bad that they do not expect credit to come until June or July. Their planting season ends in April.

● **RAIL TRAFFIC** in all categories declined during the week ending Feb. 9 from the corresponding week in 1990, the Association of American Railroads has reported. Carloadings were down 6%, grain loadings decreased by 16.9%, coal by 1.8% motor vehicles and equipment by 22.3%, and metal ores by 8.9%.

France's nuclear industry still world's best, safest

Although it has been under attack, both by green terrorists and in the mainstream and ecologist press, two official reports prove its solidity. Emmanuel Grenier reports from Paris.

On Dec. 22, 1989 at 9:30 p.m., the transmission tower that connects the Golfech nuclear plant in southwestern France to the nearest transformer center exploded. Broken into three pieces, 50 tons of steel collapsed, bringing down with it power lines that were carrying a 400-kilovolt current.

The power plant immediately went into emergency procedures, quickly bringing down the power from 1,300 megawatts to 50, a very delicate procedure (like suddenly bringing a horse at full gallop to a walk). If this operation had not been successful, two separate backup diesel generators would have kicked in to supply the necessary electricity to feed the coolant cycle pumps. In such a situation the point is to keep the temperature of the nuclear fuel from rising extremely quickly in a shutdown. Although this shutdown process succeeds only two out of three times, at Golfech, everything went well.

But the saboteurs knew what they were doing. As with previous attacks of the same type in Italy, claimed by the ecologist organization Figli della Terra (Sons of the Earth), the *modus operandi* was one of professionals who had expertise in blowing up metallic structures. The bolts at the base of the tower at Golfech had been removed, for example, which made it easy to topple, given the force of the charge.

"If Chernobyl made you laugh, don't miss Golfech," proclaimed anonymous leaflets on the scene that advertised the availability of "alternative" groups ready to talk terror to express their opposition to "nuclear fascism." Then, on Dec. 25, three days after the Golfech attack, there was a new bomb threat by telephone, but this turned out to be a fake.

The Golfech nuclear site, with four units of 1,300 megawatts each, is still under construction and has experienced more controversy than any other of France's 55 plants. In June 1989, the cooling cycle for the power plant was attacked with explosives. Fortunately, there was minor material damage, but the threat was a serious one. The attack was claimed

by a group called the "Joyful Rod of Espalais," whose representative proclaimed uncouthly over the phone, "A fart in the water is better than cesium in the prunes." (Golfech is near France's famous prune-producing region, Agan.) The attack followed a ferocious anti-Golfech campaign led by the magazine *Les Réalités de l'Ecologie (Ecology Facts)*.

In its February issue, *Les Réalités de l'Ecologie* wrote, "When respect for democracy is violated by the state and the nuclear lobby, it is understandable that individuals are considering sabotage as the only way available of expressing their resistance."

Propaganda as weapon of terror

The anti-nuclear crowd has brandished its terrorist attacks as proof that the French nuclear program is not safe. With great self-satisfaction, the Greens have bragged that it takes only "a snap of the fingers to bring down a whole installation." For example, Guy Benhamou, an anti-nuclear journalist for the national newspaper *Libération*, headlined a recent article on the terrorism, "The Achilles heel of the nuclear power plants."

The environmentalists have thus created an atmosphere of fear around the power plants, not because of intrinsic safety problems, but because of the technology's terrorist enemies. The latest Golfech incident, and an earlier strike at a transmission tower linked to the Superphénix breeder reactor, mark the reemergence in France of hard-core ecoterrorism, which is prepared to cause a serious accident to prove that nuclear plants are unsafe.

The anti-nuclear groups have made their goals very clear. Activist William Soubiran gloated in an article in *Les Réalités de l'Ecologie* back in March 1990 about the Anti-Golfech Carnival: "This day represents a real success for us and constitutes a first for France. Three thousand people [demonstrat-

ed] outside an already-built power plant are indicative of the growing hostility in the population the utilization of nuclear energy. . . . The potential for mobilization exists; the anti-nuclear opinion is in the majority; the different reports, such as the Rouvillois report and the Tanguy report, have simply bolstered our arguments. The anti-nuclear movement is in the streets: That is the road to take, victory is not far."

Positive reports kept under wraps

The two official reports mentioned, that of the Rouvillois Commission on the nuclear program overall, and that of Pierre Tanguy, the inspector general for safety at the state-run utility Electricité de France (EDF), both exemplify the problem of the way in which the nuclear establishment is dealing with the anti-nuclear groups. The reports were kept secret, although they were largely positive. Therefore, the anti-nuclear crowd and the press were able to "leak" news of the contents as though the government had wanted to hide the results.

Of course, the press reported only the few criticisms of the nuclear program. What was most regrettable was to see the public authorities sitting there inert, tongue-tied, hoping for the best.

In addition, for the first time, there is the whiff, coming from the corridors of power, of a plan to appease the environmentalists. That was, of course, what cut short the life of the U.S. nuclear industry. The U.S. utilities were "nice" and conciliatory to their attackers, listening to their "criticisms" and trying to build a "consensus," instead of aggressively sticking to the truth of the matter—that nuclear plants are the safest, cleanest source of energy. Rather than base decision on scientific fact, "public opinion" and "public perception" became predominant.

And so, in France, given the anti-nuclear press campaign, Prime Minister Michel Rocard postponed for a year making any decision on the storage of long-lived nuclear waste. Similarly, the president of the Atomic Energy Commission (CEA), Philippe Rouvillois, included in the recent report that bears his name support for the environmentalist demand to generate energy from windmills.

Overall, the Rouvillois report is positive and reasonable. A number of its criticisms were justifiable and the remedies proposed were positive: once more to give a clear mission to CEA and an internal dynamic; to make COGEMA, the reprocessing agency, an autonomous industrial enterprise; to assure the survival of Framatome, the nuclear reactor producer; and to take the time to explain France's nuclear policy, without waiting for crisis.

What the report lacks is audacity—the audacity of those who, quite rightly, bore the French nuclear program to the baptismal font many years ago. To carry this program forward, the population must be told the truth. In particular, the nuclear industry must compare the risk of nuclear energy—extremely minimal—with the risk of *not going nuclear*.

French nuclear power plants are among the most secure

in the world, and the series of incidents in 1989 will not change this fact. Pierre Tanguy, inspector general for EDF, in his report quite rightly denounced the suggested plans to restructure the nuclear safety apparatus on the American model, as the environmentalists have demanded. "The sole real preoccupation put forward," he said, "bears on the perceptions of these questions by public opinion."

The French safety system is now entirely under the control of the CEA. The Institute for Nuclear Protection and Safety is charged with overseeing the security of personnel and installations. The Central Security Office for Nuclear Installations, attached to the Industry Ministry, oversees the proper functioning of procedures and issues operating licenses. For example, this office recently ordered a freeze on operations at the Superphénix when engineers at the Phénix breeder, its little brother, were unable to explain how argon bubbles could have escaped on four separate occasions. The Central Security Office, however, relies on the expertise of the Institute for Nuclear Protection and Safety.

It is this "closed loop" in the French safety system, whose origins go back to the beginnings of nuclear power in France, that the anti-nuclear groups are attacking. But it is just this kind of centralized system that has allowed France to attain its status of excellence and world nuclear leadership.

Luxembourg's ecologists attack

Accusations made against French safety standards have also come from the ecologists in neighboring Luxembourg. A report by 55 municipalities representing 80% of the population of the Grand Duchy was released in Luxembourg on March 30, 1989. It accused France of having standards for radioactive effluents that are 17 times higher than those in Luxembourg or Germany (0.3 millisievert—a measure of radiation). However, France's standards are well within those set by the European nuclear agency Euratom and the international nuclear community.

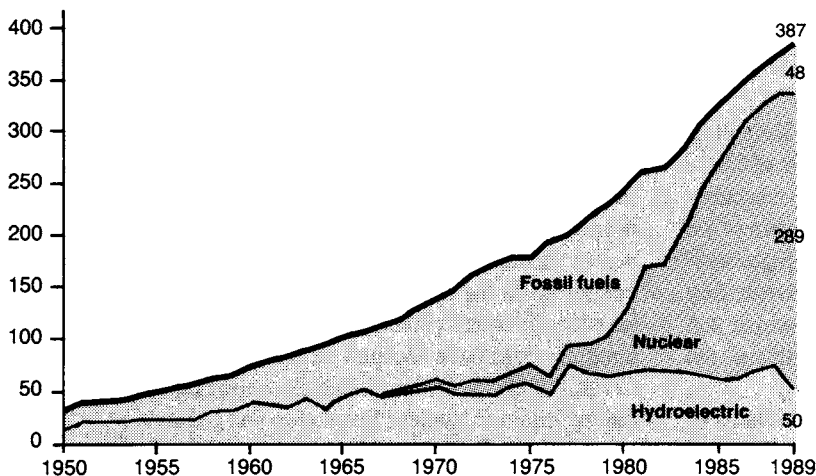
The Luxembourgish are trying to drag France before the administrative court in Strasbourg to make it adopt more stringent standards. Similar court cases by anti-nuclear activists went as far as the European Court of Justice, which rendered an unfavorable ruling against France in 1987. Has the nuclear industry asked what the Luxembourgish would do without the nuclear-generated electricity that they import from France? Or have they publicized the fact that less than 0.1% of the average amount of radiation to which the public is exposed yearly comes from nuclear plants? The rest is "natural" or from consumer products like smoke detectors.

Perhaps the French nuclear industry should aggressively publicize what Italian Prime Minister Giulio Andreotti said after Italy's anti-nuclear environmentalists killed off Italy's nuclear power plants in a 1989 referendum. Speaking to the industrialists' association, Andreotti expressed regret that Italy had chosen this dead-end street for its energy policy. "I am ashamed to see anti-nuclear demonstrations in my coun-

FIGURE 1

French electricity generation by source

Terawatt-hours



Source: Electricité de France.

France is second only to the United States in total nuclear-generated electricity, producing 289 terawatt-hours for its consumption. However, as a percentage of electricity produced, the United States generates only 19.1% of its electricity from nuclear, while 75% of France's electricity is nuclear generated. France exports another 42 terawatt-hours, above what it consumes. The rapid nuclear growth in the 1980s followed France's 1973 decision to "go nuclear" and gain energy independence and an inexpensive source of power for future growth.

try, while we are importing our kilowatt-hours from France for several hundreds of billions of liras," he said.

Cowardice in parliament

The French National Assembly seems to be taking lessons from the greenest of the American congressmen. One might legitimately ask, after the Oct. 9, 1990 Assembly debate, if France's elected representatives have retained any semblance of independent thinking, or if they just echo the scare stories in the English-language press.

That Deputies Michel Barnier (from the Gaullist RPR party) and Marie-Noëlle Lieneman (from the Socialist Party) demanded—with applause from all party benches—a parliamentary commission of inquiry into the safety of the French nuclear industry is nothing less than treason. Nor can they even plead ignorance, since numerous parliamentary reports demonstrate that the French safety system is the best in the world, far ahead of the Americans and British.

And as good as it is, the industry is not complacent about safety; it is constantly seeking to improve the system (for example, the problem with faulty filters on the 1,300-megawatt plants). Recently, French teams from Framatome, CEA, and EDF, who were in the process of replacing a steam generator, broke the world record for speed and limited exposure of personnel, previously held by Germany.

In particular, the demand to copy the American safety system, where regulatory bodies include the opinions of people who are opponents of nuclear energy but who are absolutely incompetent scientifically, would be a death sentence to nuclear power in France. The Swedes, who similarly limited their nuclear program in a referendum 10 years ago, have

had to suffer the supreme humiliation of having to import electricity. In fact, Sweden recently decided, based on the need for electricity, to postpone the referendum's mandated 1995 phaseout of nuclear plants.

In the wake of the safety debate, the nuclear agencies did not counterattack, nor state the truth: namely, that if French parliamentarians are honest and truly concerned with preserving nature, they must fight tooth and nail to save clean, non-polluting nuclear technology!

Unfortunately, the critics of environmentalism on the benches of the Gaullist UDF and RPR parties ignore both this positive line of argument, and any effective exposure of the aims of the radical environmentalists. Instead they attack the nuclear program's "centralization" and administrative bureaucracy.

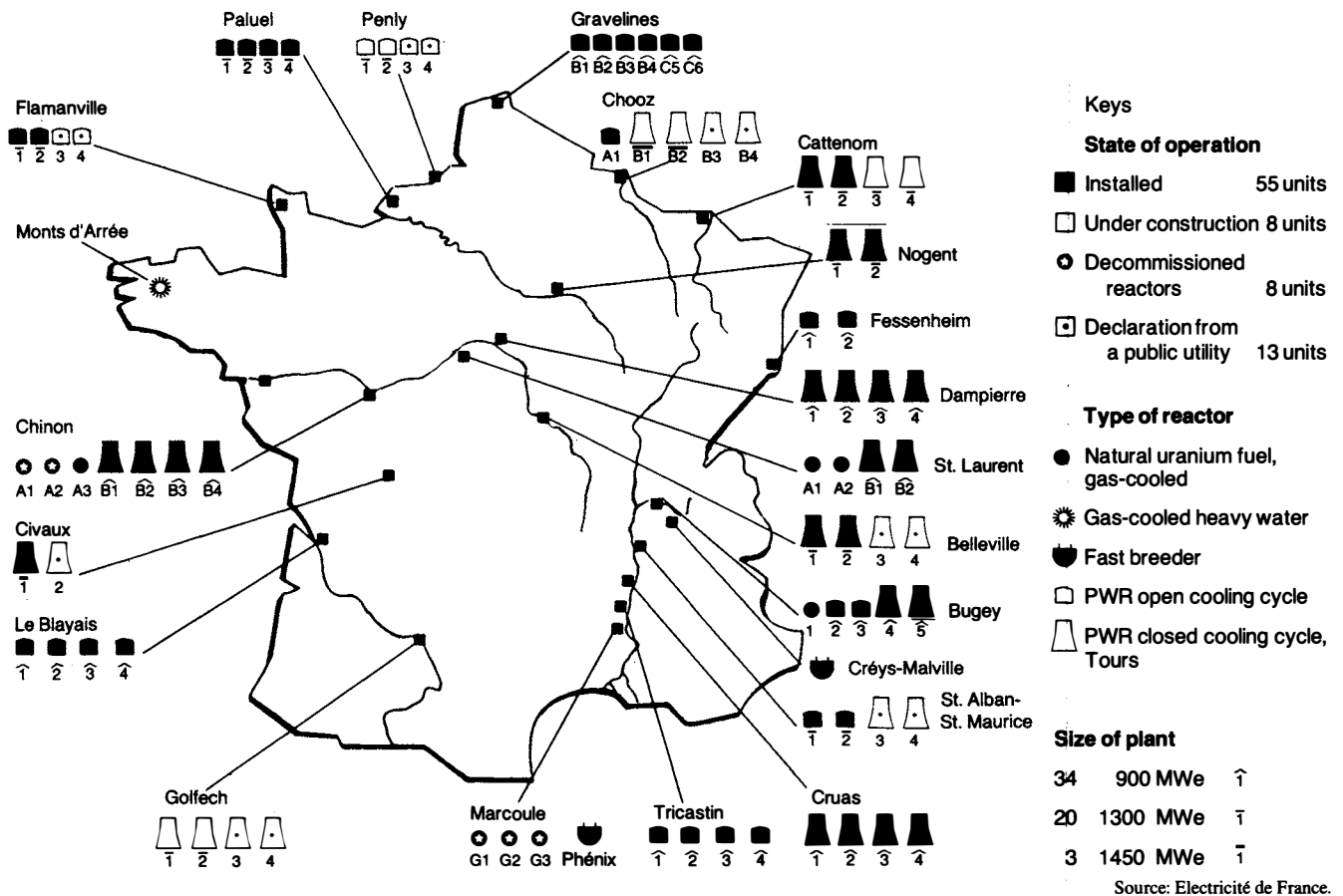
The only voice of sanity in this debate was that of Jean-Pierre Sueur, a Socialist deputy allied with Prime Minister Michel Rocard. He raised the debate to a higher level, reminding the Assembly that ecology must, above all, be preoccupied with the well-being of humanity.

The National Assembly debate on nuclear safety produced silence from the nuclear authorities, but plenty of scare stories from the national press. The irreverent weekly *Canard Enchaîné* told us about the "little blisters that threaten to explode the Superphénix." The national dailies *Libération* and *La Croix* reported on an incident in which radioactivity escaped into the Loire River. The *Parisien*, *Libération*, and *France-Soir* ran headlines on another discharge at Saint-Auban where radioactive waste had been discovered. And so on.

After this spurt of nuclear scare stories, Jean-Luc Mélançon, the Socialist senator from l'Essonne, demanded the

FIGURE 2

Where France's nuclear electric generating plants are located



In total, at least 64 reactors are now operating, under construction, or on order. They use three different technologies:

Natural uranium/graphite-gas cooled reactors (MAGNOX). This was the original French technology. Six reactors have been built and two were shut down in 1973 and 1985.

Fast breeder reactors. Two such reactors have been completed, Phénix and Superphénix. One is a prototype and one is a predemonstration unit. They have made it possible to collect significant data which, in the long run, have helped to prepare for a new generation of breeder reactors within what has now become the European framework.

Pressurized water reactors (PWR). Besides the Chooz-A1 plant, 48 PWRs are now operating. By 1996 nine other units will be connected to the network to complete the program.

dissolution of the Central Office for Protection against Ionizing Radiation (SCPRI). According to him, this office proved "either its incompetence, or its willingness to protect those responsible for the eventual failures linked to the operation of nuclear energy, rather than the people who would end up its victims."

At the head of the SCPRI is Prof. Raymond Pellerin, a favorite scapegoat of the environmentalists. He is the one who tried to put the 1986 "Chernobyl cloud" into proper perspective, at a time when hysteria reigned in Europe. The effect of the passage of the cloud over France in terms of extra radiation received, he said, was the equivalent of a

week's vacation in Brittany. Was it necessary to mobilize the whole country for this? he asked.

The anti-nuclear groups attacked the professor outrageously, equating him with a mad Nazi doctor wanting to perform experiments on the population. The statement by Mélanchon is of the same caliber and shows to how great an extent the survival of nuclear energy in France is at stake in the present assault.

Poverty is the real ecological disaster

Both the environmentalists and the nuclear industry should take note of energy expert Edouard Parker, who inter-

vened late last year in France's Estates General (Senate). "The real ecological problem," he said, "is that there are more people living in extreme poverty in the world today (2.5 billion), than there were people in 1930 (2 billion). . . . To distract the attention of the public from this real problem, in excessively focusing their capacities for examination on hypothetical dangers . . . is a sure-fire deadly path. You are trading off hypothetical inconveniences for certain death. That is an aristocratic choice."

Parker also pointed out that there never could have been a crisis like the one in the Persian Gulf today, if the U.S. nuclear program had continued at the pace at which it began in the 1960s. European environmentalists who sincerely want a peaceful, protected planet should be out demonstrating with signs reading "Make Nuclear Energy, Not War."

Emmanuel Grenier is the editor-in-chief of the Paris-based magazine Fusion and the newsletter Industrie & Environnement. His article was translated from the French by Katherine Notley and adapted from the Spring 1991 issue of 21st Century Science & Technology by its editor, Marjorie Mazel Hecht.

France is number one in nuclear

by Marjorie Mazel Hecht

Nuclear energy now provides France with 75% of its electricity, making the country number one among the world's nuclear nations. It is also number one in terms of its nuclear growth rate. During 1981, 1982, and early 1983, an average of six nuclear units were connected to the power grid per year—one every other month.

Although France is only about the size of Texas, its 55 nuclear plants, with a capacity of 53 gigawatts-electric, produced 306 terawatt-hours in 1989, second only to the United States (529 TWh) in terms of total nuclear terawatt-hours. (1 TWh equals 1 billion kilowatt-hours.)

As the world's leading nuclear nation, France is a special target of the anti-nuclear environmentalists, who over the last decade have crippled the West German nuclear program and shut down the Italian nuclear program. Their aim is to use terrorist attacks on nuclear plants to frighten the French population into believing that nuclear plants are not safe—and to frighten the nuclear industry into retreat at home and in the export market.

For the Greens, creating an anti-nuclear success in France is like capturing the crown jewel of the nuclear nations. Such

a campaign, including terrorism, has taken on even more importance for the anti-nuclear groups since the Green Party in neighboring Germany suffered heavy electoral defeats, both East and West, Dec. 2.

How France took the lead

With no oil or gas resources, France embarked in 1973 on a crash program to go nuclear and gain energy independence. The success of this program means that France has the advantage of low-cost electricity generation and now exports 10% of its electricity to neighboring countries. France also exports nuclear technology. There are nine French-built nuclear plants abroad, and France has joined with the German firm Siemens/KWU to market nuclear technology internationally.

A high level of standardization is the key to the French success. The 18 plants that came on line in the early 1980s, for example, were identical and their major components were produced in assembly-line fashion by two companies: Framatome constructed the nuclear reactors and steam generators, while Alsthom-Atlantique built the conventional equipment. The regulatory process is also streamlined, so that once a particular standardized design is approved, subsequent reactors of the same design do not have to repeat the approval process.

The result is that France can construct a nuclear plant in just six years (and in some cases as little as 55 months), far less than half the time it takes the United States to put a nuclear plant on line.

France's Atomic Energy Commission (CEA), created by Charles de Gaulle in 1945, sought from the beginning to complete the nuclear fuel cycle, developing the nation's capability for isotope separation and uranium enrichment, fuel reprocessing, waste disposal, and of course breeding nuclear fuel in the fast breeder.

The French commercial-size Superphénix breeder highlights the difference between de Gaulle's program and that of the United States. The 1,200 megawatt Superphénix came on line in the mid-1980s and cost just over \$1 billion. The United States pioneered in breeder reactor development, putting an experimental breeder on line in 1951. Lacking the sense of national purpose that President de Gaulle instilled in the French program in 1945, the United States spent four decades and more than \$4 billion, but allowed the breeder program to be killed politically.

Because de Gaulle organized the French program from the top down to support the nuclear program as a national mission and the key to energy independence and fiscal soundness, the anti-nuclear movement was never able to gain a firm foothold in France. Even today, much of the movement is orchestrated from outside the country by anti-science, zero-growth groups familiar to Americans—the Natural Resources Defense Council, Friends of the Earth, Greenpeace, and the German Green Party.

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Bush's genocide will hand Mideast to Moscow

by Joseph Brewda

The refusal of George Bush on Feb. 19 to even consider a Soviet proposal for settling the U.S.-Iraq war, has implications for U.S. interests far beyond the Middle East. Bush has now exposed the fact that his so-called "new world order" is nothing but a plan to destroy Iraq, or any Third World country opposed to U.S. imperial dictates. His earlier rejection of a Feb. 15 offer by Iraq to withdraw from Kuwait, had the same effect.

This arrogant refusal to accept a peaceful solution will make it more likely that the so-called "coalition" will split apart over the coming period, with defections from among not only the Arab states, but even from among European states.

Moscow, on the other hand, will be able to successfully depict itself as the only superpower a Third World nation can hope to deal with.

The Iraqi proposal to withdraw from Kuwait [see p. 30] was promptly rejected by Bush on Feb. 15 as a "hoax," on the grounds that Iraq refused to withdraw "unconditionally" from Kuwait. Speaking to a meeting of the American Academy for the Advancement of Science that day, Bush said that "not only was the Iraq statement full of unacceptable old conditions," but, he complained, it included "new conditions." He concluded, "Let me state once again: They must withdraw without condition. There must be full implementation of all the Security Council resolutions. And there must be no linkage to other problems in the area."

The meaning of 'unconditional withdrawal'

Later that day, a Pentagon spokesman stated that "unconditional withdrawal" meant that Iraqi soldiers in Kuwait must lay down their arms, abandon their tanks, and walk back to Iraq—all without even a preexisting formal cease-fire or any

guarantee that these disarmed soldiers would not be slaughtered, or their disarmed nation invaded.

As if this were not provocative enough, Bush, in a purposely demeaning tone typical of his handling of the war, added a new condition in his remarks that day. The "Iraqi people," Bush demanded, must "take matters into their own hands, to force Saddam Hussein, the dictator, to step aside."

Responding to these statements, the Iraqi Ambassador to the United Nations, Abdul Amir al-Anbari, said that what had been raised by Iraq in its statement were not "conditions" but "issues to be discussed," while the Iraqi Ambassador to France, Abdul Razaq al-Hashimi, asserted that "Iraq has every right to ensure its security, to ensure its life and to ensure its future through reasonable, civilized negotiations and dialogue in order to reach a solution."

Unlike the United States, such diverse states as Iran, Morocco, the Vatican, and initially even Kuwaiti spokesmen, supported the new Iraqi initiative. Iran described the communiqué as a "positive step," while a Vatican spokesman said that "Certainly, this new act should, I underline *should*, open the door to a solution of this crisis, a reasonable solution worthy of human values."

Reactions throughout the entire Arab and Muslim world, and through the entire former colonial world generally, were strongly supportive.

Moscow sets the trap

Sensing a chance to displace the U.S. from the Mideast, Moscow began making a turn in its public posture toward the conflict on Feb. 15. In an article in *Izvestia*, the official paper of the Soviet government, commentator Stanislav Kondrashev denounced the Soviet government for being "on the side of murderers" by collaborating with the U.S. policy toward

Iraq. Kondrashov stated that "Desert Storm is now desert slaughter," and the real aim of the U.S. is to "smash" Iraq "into pieces."

Moscow could have blocked the planned U.S. war against Iraq at any point over the last six months, through a variety of diplomatic measures, such as using its veto at the U.N. Security Council. But the Soviet leadership was not adverse to watching as the U.S. bogged down its army in a Vietnam-style quagmire of its own making. Yet, at the same time, having one-half of the U.S. military so close to its southern borders has alarmed Soviet leaders, who see this as threatening their national interests—a point repeatedly stressed by the Soviet military which is increasingly dominating policy in Moscow.

Having decided upon a "Third World turn," Moscow surprised Washington by suddenly inviting Iraqi Foreign Minister Tariq Aziz to Moscow for talks following the Feb. 15 offer. In a desperate effort to block the talks, U.S. Army spokesmen in Riyadh, Saudi Arabia threatened that the safety of Tariq Aziz's plane could not be guaranteed, forcing Aziz to travel by land to Iran, and then fly to Moscow on Aeroflot for the Feb. 18 meeting.

The three-and-a-half hours of talks between Aziz and Iraqi Deputy Foreign Minister Sa'adoun Hammadi with Soviet President Mikhail Gorbachov, Foreign Minister Aleksandr Bessmertnykh, and Soviet Mideast envoy Yevgeny Primakov were termed "very constructive" by the Soviet government upon their conclusion. Soviet spokesmen revealed that Gorbachov had presented a "specific plan for action . . . to solve the Gulf crisis by political means and to avoid further bloodshed."

Before the Soviet proposal was released on Feb. 22 to the public, Gorbachov's spokesman Vitaly Ignatenko indicated that the key points included: immediate and unconditional Iraqi withdrawal from Kuwait; guarantees that Saddam Hussein and the Iraqi government, as well as the Iraqi nation, would survive the war; assurances that no reparations would be demanded of Iraq; and, unstated, but understood, agreement that the related issues of the Middle East, including the Arab-Israeli conflict, will be addressed eventually.

The foreign ministers of Germany and Iran, and the prime minister of Italy, immediately commented favorably on the Soviet plan, as did leaders of several other states. But not George Bush.

Speaking at a photo session on Feb. 19, Bush stated that the Soviet proposal "falls well short of what would be required. . . . As far as I am concerned, there are no negotiations. The goal has been set out. There will be no concessions." Meanwhile, U.S. Defense Secretary Richard Cheney stated that a "cease-fire, a pause of some kind, would in fact be very dangerous from the standpoint of U.S. and allied forces."

Similarly, British Prime Minister John Major told reporters in London one day earlier that "In our view, the proposals do not meet the full requirements of the U.N. Security Council

resolutions." Major also told the Parliament that "Nothing has happened which would incline us toward a cease-fire or a pause in the conflict. If Saddam Hussein wants to avoid a land battle, he knows what he has to do. He has to withdraw unconditionally and immediately from Kuwait and implement the U.N. Security Council resolutions in full."

French Foreign Minister Roland Dumas dismissed the Gorbachov initiative as "a little late and therefore insufficient."

Moscow will pick up the pieces

This summary rejection of the peace plan by France, Britain, and the U.S., only serves to expose the three states as imperialistic. This self-exposure is of immense usefulness to Moscow.

"The slaughter must be stopped," Soviet Mideast expert Yevgeny Primakov stated on Soviet television on Feb. 19, shortly after Bush's remarks. "I am not saying that the war was justified before, but its continuation cannot now be justified from any point of view. A people is perishing.

"Some believe," he added, that "it is necessary to break the backbone, not only of the regime but also of Iraq, its military and economic potential. But if the destruction of a people solves such problems, I don't want to have anything to do with it." In previous months, Primakov had correctly identified then-British Prime Minister Margaret Thatcher as advocating such a policy.

Primakov had been in Baghdad just a few days earlier making the arrangements for the Aziz trip to Moscow. What is particularly important about Primakov's unusually harsh remarks, is his close association with the military "hardliners."

Similarly, Soviet Foreign Minister Bessmertnykh had harsh words against Bush. When asked about Bush's statement that day, the minister said the proposal was hardly for Bush to accept or reject. "That plan was addressed to the Iraqi leadership, so he rejected the plan which did not belong to him," he snapped.

Then, Soviet Marshal Viktor Kulikov, the former commander-in-chief of the Warsaw Pact, denounced the U.S.-led military forces for carrying out a "massacre" and "blood-bath" in the Gulf, in comments to the journal *Rabochaya Tribuna*. The United States, he charged, was committed to a "new order based on the ideas of the old system." Kulikov is one of the key figures in the group increasingly dominating Soviet foreign policy.

Kulikov added that "the war should not have started in the first place," and that "peaceful methods" should have been used to resolve the Iraq-Kuwait crisis. Instead, what has been used is "the language of gunboats and death-dealing B-52 bombers . . . something we have been familiar with for a long time. It has nothing in common with the 'new thinking' which the Americans applauded warmly but did little in a concrete way to support."

Any Third World leader, anti-communist or not, will be hard-pressed not to agree.

Iraq seeks 'honorable and acceptable political solution' to Mideast war

The following is a partial transcript of the Iraqi Revolutionary Command Council statement of Feb. 16 on Iraq's readiness to deal with the U.N. call for a pullout from Kuwait, and arrangements for a cease-fire. George Bush immediately rejected the call.

Ever since the United States, Zionism and the United States imperialist Western allies came to realize that an Arab Muslim country, Iraq, was developing a force of its own, capable of being a counterweight to the imperialist-backed Zionism—a free, honorable force, resolved selflessly to tackle Zionist aggression and greed and to reject imperialist hegemony over the region—the United States, Zionism, and all colonial powers who entertained hatred against the Arabs and Muslims set about taking measures, making decisions, and waging campaigns of falsehoods and incitements against Iraq, with the object of thwarting the creation and development of this force and isolating and punishing Iraq, because it has faithfully, determinedly, and efficiently gone beyond the limits set by the United States, imperialism, and imperialist forces, for the states of the region.

The years 1988 and 1990 saw sustained campaigns in the press and other media and by officials in the United States and other imperialist nations to pave the way for the fulfillment of these vicious aims.

The year 1990 saw these campaigns escalate feverishly and mount day by day. The aim was clear to us and to all conscious Arabs and true Muslims, as well as to all the free people who believe in freedom and justice in the world. The aim was to pave the way for destroying this nascent force, and to tip the regional balance back in favor of the United States, Zionism and the imperialists. . . .

In the early months of 1990, these campaigns intensified, expanded, and assumed a hysterical dimension, with daily incitements to hit Iraq, liquidate its leadership, and deprive it of the means to achieve a revival and progress. Along with other imperialist actions, the U.S. took a series of measures, and made unfair decisions banning the export of whatever might contribute to Iraq's development and its scientific and

industrial revival.

These decisions called for an effective economic blockade, including the cancelation of food contracts in March 1990. It was clear that, in concert with the Zionist entity, the United States was preparing to hit Iraq's scientific and industrial facilities, and liquidate its patriotic, believing leadership. . . .

In the meantime, the United States set about tightening up the network of the imperialist alliance in the interest of forging a political and military U.S.-Atlantic alliance with the aim of dealing a blow to Iraq and controlling the region, when the opportunity presented itself with the lopsided balance represented in the Soviet Union become preoccupied with internal developments.

. . . The events of Aug. 2, 1990, in substance and goals, were not as portrayed by the U.S. and colonialist propaganda, or as were described by the traitorous rulers, followers of America. These events were a nationalist, pan-Arab, and Islamic uprising against the conspiracy and conspirators—an uprising against injustice, immorality, corruption, and imperialist-Zionist-colonialist hegemony of the region. . . .

Thus the imperialist-Zionist-Atlantic alliance revealed its true goals and intentions from the very first hours of these events. The alliance massed armies and forces, and organized the biggest and most malicious campaigns of misinformation, lies, and deception witnessed by the world in the modern age.

This reckless and sly alliance of imperialists, Zionists and NATO recruited the United Nations in order to issue against Iraq, with unprecedented speed, a series of unjust and unprecedented resolutions, whereas this organization had failed over the decades to respond to the simplest of demands by the Arab countries and to safeguard the simplest rights of the Palestinian Arabs. . . .

Human history in its entirety contains no such alliance in which the United States, two other big powers and a host of other countries, whose number is 30, joined forces against Iraq, the struggling, the brave, the forbearing, whose population does not exceed 18 million.

Over the past month, the United States and its allies, along with the Zionist entity, which has taken part in the aggression from the beginning, launched savage and destructive raids on the Iraqi people, on their economic, scientific, cultural, and service property, and also on their religious centers and the sites of ancient civilization in Iraq.

These raids are unprecedented in history in terms of the enormous firepower used and in terms of the means of killing and destruction used in a manner that contravenes the United Nations Charter, the false international legitimacy, and the new world order, which they wanted to use as an order for U.S.-Atlantic hegemony over the world.

The United States and members of the unholy alliance sent their planes, which fire rockets from far away, and their long-range missiles to drop enormous amounts of bombs and explosives on women, children and old people in all Iraqi cities and villages, even the nomadic Bedouin in the desert. . . .

Their latest crime was the ugly and dirty crime of intentionally bombing a civilian shelter that killed and burned hundreds of women, children and old people.

The United States and its allies launched a dirty and cowardly war against a proud and brave people. . . .

How many strong and rich empires throughout history have fallen because they pursued the road of evil, cowardice, injustice, and decadence. This is the fate of the tyrannical America and its decayed system. It is the fate of Zionism and all the imperialist forces by the will of God. . . .

O dear Iraqis, O honest Arabs, O Muslims who truly believe in Islam, O honest and free men of the world. Proceeding from this firm and right feeling and this assessment of the nature of the showdown, and in order to rob the evil U.S.-Zionist-Atlantic alliance of the opportunity to achieve their premeditated goals, and in appreciation of the Soviet initiative conveyed by an envoy of the Soviet leadership and in compliance with the principles outlined in leader President Saddam Hussein's initiative on Aug. 12, 1990, the Revolutionary Command Council has decided to declare the following:

First, Iraq's readiness to deal with U.N. Resolution 660 for 1990, with the aim of reaching an honorable and acceptable political solution, including withdrawal. The first step that is required to be implemented as a pledge by Iraq regarding withdrawal will be linked to the following conditions:

a) A total and comprehensive cease-fire on air, land, and sea.

b) For the U.N. to decide to abolish from the outset Resolutions 661, 662, 664, 665, 666, 667, 669, 679, 674, 678, and all the effects resulting from them, and to abolish all resolutions and measures of boycott and embargo, as well as the other negative resolutions and measures that were adopted unilaterally or collectively before Aug. 2, 1990, which were the real reasons for the Gulf crisis, so that things may return to normal as though nothing had happened. Iraq should not receive any negative effects for any reasons.

c) For the United States and the other countries participating in the aggression, and all the countries that sent their forces from the region to withdraw all the forces, weapons, and equipment which they have brought to the Middle East region before and after Aug. 2, 1990, whether in land, seas, oceans, or the Gulf, including the weapons and equipment that certain countries provided to Israel under the pretext of the crisis in the Gulf, providing that the equipment is withdrawn during a period not exceeding one month from the date of cease-fire.

d) Israel must withdraw from Palestine and the Arab territories it is occupying in the Golan and southern Lebanon in implementation of the U.N. Security Council and the U.N. General Assembly resolution. In case Israel fails to do this, the U.N. Security Council should then enforce against Israel the same resolutions it passed against Iraq.

e) Iraq's historical rights on land and at sea should be guaranteed in full in any peaceful solution.

f) The political arrangement to be agreed upon should proceed from the people's will and in accordance with a genuine democratic practice and not on the basis of the rights acquired by the Sabah family. Accordingly, the nationalist and Islamic forces should primarily participate in the political arrangement to be agreed upon.

Second, the countries that have participated in the aggression and in financing the aggression undertake to reconstruct what the aggression has destroyed in Iraq in accordance with the best specifications regarding all the enterprises and installations that were targeted by the aggression and at their expense. Iraq should not incur any financial expenses in this regard.

Third, all the debts of Iraq and countries of the region—which were harmed by the aggression and which did not take part in the aggression, either directly or indirectly—to the Gulf countries and to the foreign countries that took part in the aggression, should be written off.

Besides, relations between rich nations and poor nations in the region and the world should be based on justice and fairness in such a way that does not put the rich nations before clear commitments regarding the realization of development in poor nations, and thus removes their economic suffering.

This should be based on the saying that the poor have a share to claim in the wealth of the rich. Moreover the duplicitous approach pursued in handling the issues of peoples and nations should be halted, whether this approach is pursued by the United Nations Security Council or by this or that country.

Fourth, the Gulf states, including Iran, should be given the task of freely drawing up security arrangements in the region and of organizing relations among them without any foreign interference.

Fifth, to declare the Arabian Gulf region a zone free of foreign military bases and from any form of foreign military presence. . . .

Time not on the side of waffling by the Non-Aligned Movement

by Hartmut Cramer and Mary Burdman

The meeting of the foreign ministers of 15 countries of the Non-Aligned Movement (NAM), held Feb. 12-13 in Belgrade, Yugoslavia, was convened on short notice in the midst of the escalating Persian Gulf war. At issue was not merely where NAM stands vis-à-vis a war allegedly being fought between two of its member countries—Iraq and Kuwait—but also, the future prospects of NAM as a political movement for development.

NAM was founded in 1955 by Indian Prime Minister Jawaharlal Nehru and other Third World leaders, as a new institution committed to ending the evil of colonialism and establishing what later on became known as a just new world economic order.

Based on the official declarations and the concrete steps which were announced, the results of the Belgrade meeting would seem scanty, if not meaningless. Both the opening and closing statements of the chairman, Yugoslavia's Foreign Minister Loncar, ignored the real issue—the desperate drive of the bankrupt Anglo-American establishment to use this war in order to control the developing sector (and other parts of the world as well) through a "new world order"—and instead focused on the narrow issue of "Iraq's aggression against Kuwait." Loncar even didn't mention the fact that the conduct of the war so far demonstrates that the mandate given by the U.N. Security Council "to free Kuwait by other means" has already been exceeded, as some Arab delegations stressed.

Loncar's view undoubtedly was shared by the Egyptian delegation, and had the sympathy of the representatives of Venezuela and Argentina, but it was by no means the only one expressed. Rather, it reflected the inevitable results of a wishy-washy policy of "consensus," as opposed to a clear one of "truth-seeking." There is also the question of the sheer bullying tactics applied by the Bush administration, above all the threat to withhold credit, exerted through the International Monetary Fund. An IMF delegation had left Yugoslavia just one day before the NAM conference, after a week of the economic protection racket which the IMF calls "negotiations."

Some members resisted those political and economic pressures, as the interviews below indicate. In addition, the delegations of Iran, Algeria, and Palestine (present as an observer) appealed for NAM not only to push for an immediate cease-fire in the Gulf and to prevent the complete destruction of Iraq, but to more vigorously seek a political solution of all the problems in the region, including the "Palestinian

question," which is surely the key to a durable peace in the entire "Middle East" region—which NAM correctly calls West Asia.

What happened in Belgrade?

What happened behind the closed doors of the Federal Palace in Yugoslavia's capital, the site of this NAM ministerial meeting, can only be guessed at by extrapolating from public and private statements, since the press was denied access, and official information was close to nil. "We will try to formulate a resolution which is also acceptable to the Iraqi side," said one Asian diplomat the night before the discussions of the senior officials started on Monday, Feb. 11. "Apart from the unspeakable damage done to the people and civilian population in Iraq so far, the consequences of this war for our economies are so bad, that we have to do everything to stop it as quickly as possible," he added. He went on to admit that it is quite well understood in the developing sector, that this war is ultimately directed against the entire Third World.

A proposal for an "acceptable" NAM resolution, which apparently had been drafted by the Indian delegation, was discussed among the senior officials on Feb. 11, who reportedly also agreed on a resolution to be finalized and decided upon by their ministers the next day. But at this meeting, no final text could be agreed upon. According to diplomatic sources participating in the conference, after the chairman's opening statement, which, as mentioned above, clearly reflected pressures from outside NAM, "all participants agreed, that it is impossible for NAM to present a peace plan," but that "the dialogue to reach a peaceful solution has to be kept alive." There was also, a diplomat said, "strong emphasis of the fear of the escalation of this war," and the "fear that chemical and nuclear weapons might be used." The high toll of civilian casualties was stressed, as well as the fear, that "this war will negatively affect the long-term interests of the entire Third World, and not just this region."

What this means was made explicit "by some ministers," as a source put it: that the Gulf war is getting out of control, that its strategic dimensions have to be taken into consideration, that the "other issues of the region, especially the Palestinian question, have to be solved," and, last, but not least, that "the U.N. doesn't do much about it."

The Algerian delegation was among the most outspoken on

the U.N.'s failure. This Arab country already publicly had criticized the fact, that "the Gulf war is already exceeding the U.N. mandate," a criticism also raised by Indian Foreign Minister Vidyacharan Shukla, who told *EIR* in Belgrade, that the phrase "other means" in the last U.N. resolution, "could not mean the destruction of civilian property or huge amounts of civilians: women, children, old people, and helpless people."

During the morning session of the ministerial meeting on Feb. 13, Iranian Foreign Minister Ali Akbar Velayati gave a briefing on the perspectives of his country's peace plan, which, according to him, had been answered constructively by Baghdad. "The thought of peace is still alive," concluded Velayati, who now represents the key country in the Gulf region, and who reportedly played a pivotal role in Belgrade. Although Iran is "neutral" in this war; the Iranian foreign minister made it nevertheless clear that his government will not tolerate the destruction of Iraq as a nation. Unfortunately, Velayati canceled a press conference that evening, where a first-hand report might have been given, in order to leave for further peace talks in Geneva.

One week later, Iran invited the governments of "certain non-aligned countries" (India and Yugoslavia) to discussions in Teheran.

Most probably the following was what happened in Belgrade: Given the fact that NAM abides by the policy of "consensus," and since the Anglo-Americans were blackmailing more than one participant, the choice was either a watered-down, worse than useless "official resolution," or no final declaration at all, with more "informal" and "concrete" actions to come, coordinated by its Bureau. NAM opted for the latter. The official outcome, announced by Yugoslavia's Foreign Minister Loncar to the press late in the evening, was that "delegations of some non-aligned countries will go to the respective capitals" in order to try to stop the war. Loncar had to be asked more than once, that this would "also include Washington."

Peace through development

But if the governments in Washington and London conclude from the outcome of this meeting that they have sewn up the non-aligned, as U.S. President Bush implies with his frequent assertion that "the rest of the world" is behind him, they are mistaken. The developing countries' much publicized insistence, that "no country has the right to aggression against another," is not only meant in respect to Iraq and Kuwait's dispute, but above all reflects their fear that they could be the next to be militarily destroyed by the Anglo-Americans if they don't obey now.

As each day passes, the pressure of reality threatens to exceed the pressures to which certain non-aligned governments are being subjected by the Anglo-Americans.

Only a few of the Third World leaders have any illusions about the consequences of this war; and almost nobody is fooled by Bush's "new world order." The instruments being used to bring this order into being—NATO, IMF, and the

General Agreement on Tariffs and Trade (GATT)—are thoroughly discredited in the underdeveloped "South," no matter what is being stated officially. The genocidal carpet bombings carried out in the first weeks of this war have brought home what certain elites in the industrialized "North" really mean when they talk about "curbing overpopulation."

Given these realities, NAM is at a crossroads. If it wants to further represent and fight for the noble aims it was founded to realize more than 35 years ago, the Non-Aligned Movement must publicly denounce the Gulf war as the opening shot of another global colonial (and racial) war, which, if not stopped, will lead to the destruction of the entire developing sector, and might even trigger World War III. And NAM must do so soon. The countries of the Non-Aligned Movement, if they want to survive, will have to remove all legitimacy from the fraud known as George Bush's new world order, and relaunch the fight for "peace through development." If the NAM does not choose to carry the banner of that historic struggle, of life-and-death importance to all of mankind, it will have written its own obituary as an institution.

Documentation

The Gulf war is going beyond the U.N. mandate

Directly after the ministerial meeting of 15 nations of the Non-Aligned Movement held on Feb. 12 in Belgrade, Yugoslavia, Indian Foreign Minister Vidyacharan Shukla released a statement to the press. Excerpts follow:

... Conditions that prevail today in West Asia are such, that the Non-Aligned Movement, which has traditionally taken a very crucial role to promote peace, when war had actually broken out, had to meet urgently and therefore this meeting in Belgrade took place.

One of the things that we are very concerned about is the loss of civilian lives and destruction of infrastructure of a non-military nature, and we know that a certain mandate has been given by the Security Council to use all means to achieve a certain object, that is, the vacation of aggression of Iraq on Kuwait. But a good many of us have doubts whether the means that have been used, whether they are excessive or not, and the scale of operations which have been undertaken, go beyond the mandate that was given by the Security Council. This point was also discussed, and I am sure that the Security Council, when it meets, will evaluate this situation and come to a conclusion.

We are very keen that the mandate given to the coalition forces should not be exceeded during these operations and there should be no violation of the mandate given. The prohibition on the use of chemical weaponry was emphasized, and we also found absolute unanimity on the question of nuclear weapons, which we all said was a crime against humanity, and a warning should be sounded that nobody should ever think in terms of using these weapons of mass destruction.

The question of various consequences of war, and the extent of bad effects on the countries who have gathered here was also discussed, and it was evident that the main thrust of the discussion was how to ensure the vacation of aggression and cessation of hostilities which should be a simultaneous process, it cannot be otherwise, this is what emerged from the deliberations.

Apart from this immediate need for vacation of aggression and cessation of hostilities, there is also a need to immediately start a process of durable peace in West Asia, and also to see that the peace that is established is not disturbed in the future, and that a peace conference under U.N. auspices takes place which should discuss particularly the question of Palestine and the difficulties that Palestinian people have been facing for long, long years. This also was an unanimous point, that was taken up. . . .

The doubt that had been expressed by several quarters, that in a unipolar world, the Non-Aligned Movement would lose its relevance—the meeting today proved that not only has the Movement not lost its relevance, but its effectiveness and need has been more effectively felt, and it is certainly going to play a very decisive role in bringing peace to West Asia.

Interview: Vidyacharan Shukla

North-South wars a matter of grave concern

During a meeting with several journalists in Belgrade, among them Hartmut Cramer and Mary Burdman from EIR, Indian Foreign Minister Vidyacharan Shukla answered the following questions on Feb. 13.

EIR: Was there any discussion of the much talked-about but so far undefined “new world order”? What is your personal opinion of the new world order stipulated by President Bush?

Shukla: I do not think that there was any particular mention of the new world order as such, but the post-crisis scenario was mentioned by some of us. I, for instance, said that we must pay attention, after the war is over, to what kind of situation is going to be created and how to deal with it.

On behalf of India, I emphasized two points: First, a

reasonable security setup, and then a peace conference on West Asian questions, including the Palestinian question. We did not go into economic reconstruction. I also mentioned various points on the huge destruction that has taken place in Iraq and Kuwait, who are both important members of the Non-Aligned Movement, and that destruction dictates for them to rebuild and bring them back to their former shape. This was what was discussed on the future of the area, but the new world order was not mentioned by anybody.

UPI: Was there a disagreement among participants in the meeting regarding the roots of the crisis itself, and on the question of whether a peace formula should be preceded by an Iraqi agreement to withdraw, or should be begun by an immediate cease-fire?

Shukla: Actually, most of the debate took place yesterday on these two points. Today, there was total unanimity on these points. The root cause of the crisis was identified as Iraqi aggression on Kuwait, and there was also total unanimity that there should be simultaneous declaration of intent to withdraw, and a cease-fire and cessation of hostilities.

EIR: Was there any proposal that the Non-Aligned Movement as a whole or the individual members should try to convoke a General Assembly meeting of the U.N., which would push for an immediate cease-fire?

Shukla: That was not discussed. What was discussed was, how should we proceed after this meeting, and the idea was, informally. There should be a Bureau meeting at the Ministers' level as soon as possible.

BBC: What will be the next steps?

Shukla: We hope that peace will be established in West Asia; the main and immediate task is to establish peace in West Asia. Then there will be an effort to set up a peacekeeping force under the auspices of the U.N. and the peace conference under U.N. auspices. These are the next steps to be taken.

EIR: Former U.S. Attorney General Ramsey Clark was just in Baghdad, and he said that the carpet bombing is causing a tragedy. King Hussein of Jordan gave a speech Feb. 6 saying that what is happening in Iraq could spill over not only to the whole region, but to the entire Third World. More and more it is being argued that this war could be the prelude to a North-South war, directed against the entire South. Do you see that this could happen?

Shukla: During such tragedies, all kinds of fears are expressed and various apprehensions come out. There is no doubt that damage to civilian life and property has been caused by this war, and it is a matter of very, very great regret to all people of the world. We are hoping that this will be stopped as quickly as possible.

This particular matter has to be looked into further. When

the mandate was given to the coalition forces to go and get the aggression vacated from Kuwait, it was specifically for that purpose only. If you say, "all other means," or "other means," that couldn't mean the destruction of civilian property or huge amounts of civilians: women, children, old people, helpless people who are trapped there, including a large number of Palestinians and Egyptians and others who are working in Iraq and Kuwait in addition to the local people. It is a matter of grave concern that it shouldn't take the shape that you are mentioning.

Interview: Ali Alatas

Non-Aligned new order different from Bush's

Hartmut Cramer and Mary Burdman of EIR interviewed Indonesian Foreign Minister Ali Alatas on Feb. 13 in Belgrade, after the ministerial meeting of 15 countries of the Non-Aligned Movement.

EIR: Mr. Alatas, are you satisfied with the outcome of this meeting?

Alatas: Yes, I am satisfied with the outcome. As you know, it was an informal meeting, an action oriented meeting. And therefore I am satisfied with the results.

EIR: Did your country have its own proposal?

Alatas: Yes, we had our own proposal, as other countries had their proposals; and these have been discussed of course.

EIR: How do you explain the fact that there was no formal statement made at the end?

Alatas: As I said, this was an informal meeting, and there was no necessity for it. But the results will be acted upon.

EIR: The chairman of this meeting, Yugoslavian Foreign Minister Loncar, said yesterday that the new world order, as stipulated by U.S. President George Bush, was not discussed at this meeting. Now, because it seems obvious that Mr. Bush's new world order is totally different from the concept of a just new world economic order for which the Non-Aligned Movement has fought for so long. . . .

Alatas: Yes, oh yes, we are talking about two different things. . . .

EIR: Wouldn't it therefore be appropriate for the Non-Aligned Movement to say clearly what it thinks about the

new world order of Mr. Bush?

Alatas: We have already spoken out, especially since the Belgrade conference [of the Non-Aligned Movement in 1989], for a new world order in which each country could make its contributions. But I think this war, which is a tragic war, has changed all that.

Interview: James Herat

Gulf war an economic disaster for Non-Aligned

Mary Burdman and Hartmut Cramer interviewed Sri Lankan Foreign Minister James Herat in Belgrade on Feb. 13.

EIR: How do you view the way U.S. President George Bush is conducting this war?

Herat: The issue is not what the United States does, it is what the United Nations can do about the crisis.

EIR: Can you tell us what has been the economic effects of this war on the Non-Aligned nations?

Herat: Disastrous! Disastrous! Specifically, for Sri Lanka; it has affected us immensely, in the sense that all our nationals have to get back. We had 100,000 nationals there, who were sending back a great deal of foreign exchange, and the sanctions have stopped all our trade with Iraq.

EIR: Was the economic issue discussed by the Non-Aligned at this meeting?

Herat: No, the economic crisis never came up as such, as an issue. The only thing is that we want to bring peace to the region.

EIR: Do you think that the Non-Aligned will be taking the issue up?

Herat: Yes.

EIR: For there to be peace in the Middle East, there must be an economic solution—

Herat: Political, political solution.

EIR: What is your view of George Bush's new world order? Is this completely different from what the Non-Aligned Movement has been fighting for the just new economic order?

Herat: It has to be a *just* economic order.

EIR: What about Bush's new world order?

Herat: Well, let us see if that will come.

Massacre in Somalia: behind tribal conflicts, British geopolitical policy

by Marco Fanini

Had there been no Gulf war, the crisis in Somalia would have been, in all its horror, on the front pages of the world's newspapers. But in fact, the crisis in Somalia is an *extension* of the war in the Gulf, with Somalian civil war being manipulated and exacerbated to serve longstanding British and Israeli interests. And the unfolding tragedy has all but passed unnoticed, even in Italy, which until very recently had a considerable voice in its ex-colony's affairs. This fact has added yet another painful dimension to the massacre of the Somali intelligentsia, which has been exiled to the four corners of the globe since dictator Siad Barre came to power in 1969.

But who cares what happens in Somalia, one of the poorest countries of the world? Its main export and source of wealth is the sale of livestock; it lacks—or so it is said—Kuwait's oil; it does not put streams of petrodollars into circulation, and it is not part of a strategic area like the Middle East.

In general, the civil war in Somalia is being dismissed as an inter-tribal feud, an internal issue in which it is difficult to intervene. Yet, analysis of the situation makes it clear that, behind the tribal struggle, British geopolitical aims are benefiting, particularly in the exploitation of localist divisions.

General Aydid, the leader of the so-called militarist faction in the "Congress of Somali Unity," has been massacring thousands of helpless civilians in his advance through the south of Somalia. It is believed that at least 700,000 inhabitants of the capital, Mogadishu, have fled the south since the battle began in the city in December. In Bravá alone, hundreds of intellectuals, doctors, professionals, and people who formed the administrative fabric of the country have been slaughtered.

That Aydid is not targeting Siad Barre, as is commonly believed in the West, is suggested by the fact that Barre is holed up in the Gedo region, far from Aydid's path. (Gedo is inhabited by members of Barre's own group, the Marehan—whom he armed some time ago.) Instead, the issue is, apparently, a settling of accounts by Aydid's tribe, the Habar Gidir, with the Darod tribe. Actually, in Somali politics, it

is incorrect to speak of tribes; the relevant social unit is the territorial clan. Such clans, widespread among Muslim peoples, are not differentiated on an ethnic basis but by their ancient residence on, and possession of, a territory. Broadly speaking, there are three major Somali clans: the Hawiye, the Darod, and the Isaak.

The Hawiye, who unleashed the final offensive against Siad Barre and drove him out of Mogadishu, inhabit the center of the country. The Darod live mainly along the coast to the north and south of Mogadishu. The Isaak occupy the north, especially the region around the port of Berbera. These three clans are split into various sub-clans which are often caught up in intense rivalry.

For example, the Marehan are a small group belonging to the Darod, to which Siad Barre belongs. Until recently, they held all political power in Somalia. In 1978, the Marehan massacred the Mijurtini, who live along the coast to the north of Mogadishu, and razed their cities to the ground, because the Mijurtini had risen up against Barre. (The Mijurtini are the oldest opposition to Siad Barre, and perhaps the most rational and political.) Yet, General Aydid, a Hawiye from the Habar Gidir sub-clan, in his own propaganda promotes the massacre of the Mijurtini, emotionally exploiting the fact that they belong to the Darod, just like the hated Marehan of Siad Barre. Aydid is using tribal rivalries for his political ends: the physical elimination of the Darod.

Geopolitical players

This policy is being pursued by General Aydid in the interest of his protectors—Ethiopia, Israel, and Great Britain. Ethiopia favors elimination of the Darod, the clan which has always claimed as part of Somalia the Ogaden territory, which Ethiopia currently controls. If the Darod were out of the way, neither the Hawiye nor the Isaak would raise the issue of Ogaden. As a matter of fact, the Hawiye and Isaak are both armed and controlled by Ethiopia.

Israel, which has consistently befriended Ethiopia because of that country's strong Jewish minority, the Falasha, also has every interest in undermining Somalia, a Muslim country affiliated with the Arab League. Thus, in December

1990, a formal deal was arranged whereby Ethiopia would permit the airlift of 1,500 Falasha Jews to Israel, and, in exchange, according to the Cairo *Mena*, Israel would give “backing to confront military escalation against the government by Eritrean forces.” That same month, the Ethiopian government began a counteroffensive against the Eritrean front, using arms supplied by Israel. (Eritrea has been fighting a secessionist war against Ethiopia since 1952, the year the Eritreans found themselves annexed to Ethiopia by a United Nations decision.) At almost the same time that Ethiopia began the assault on the Eritreans, in December, General Aydid’s forces stormed Mogadishu—not surprising, since Somali rebel forces have run military operations from Ethiopia.

As for Britain’s involvement, she seems to be aiming at secession, or at least autonomy, for northern Somalia—the former British colony Somaliland, which is now controlled by the Isaak. This would make possible reintroduction of British influence in the port of Berbera, and its return to its historic splendor as a competitor of the nearby French port of Djibouti.

Given the increasing coincidence of British and American interests, it seems fair to speak of an Anglo-American strategy for the Horn of Africa, especially since, with the Gulf war, the effort to decouple Ethiopia’s Mengistu regime from Moscow and bring it closer to the West has borne fruit. In September, Secretary of State James Baker made with his Ethiopian counterpart Tesfaye Dinka a deal which swept aside the Eritreans.

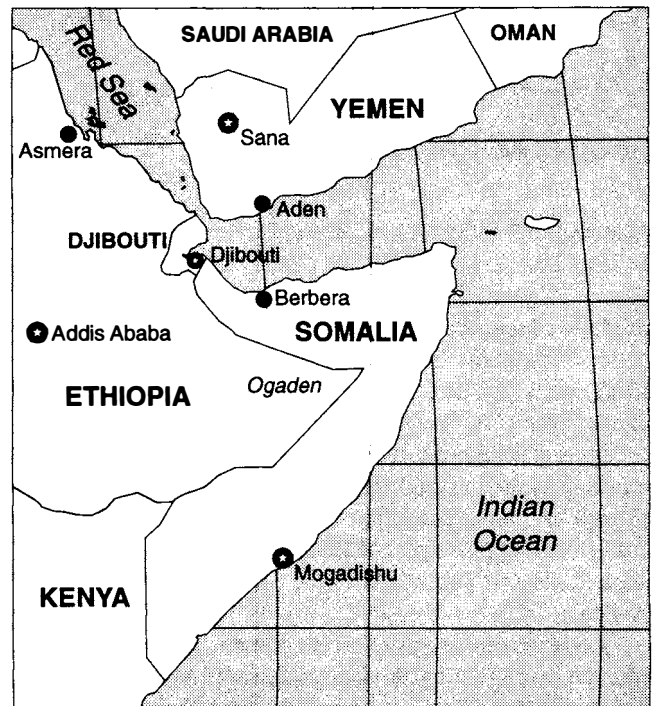
Who is General Aydid?

General Mohamed Farah Assan (Aydid) of the Habar Gidir sub-clan of the Hawiye, is considered a war criminal by his opponents. It was he who led Siad Barre’s bloody repression of the Mijurtini back in 1978. Although today he demands to be President and styles himself the liberator, he was one of Siad Barre’s closest cohorts, “Military and Security Adviser to the President” from 1978 to 1984, a post which made him chief of the notorious Red Berets. Aydid, for power motives, had opposed Siad Barre at the time of the latter’s 1969 coup and had remained in jail until 1975. Then the two men made a deal, and Aydid went from being security adviser, to commander of “military affairs in the central and eastern regions,” and finally became ambassador to India in 1989.

Officially, Aydid got his military training in Italy at the Cesana Military Academy in Rome, and in the Soviet Union’s Frunze Military Academy. His rivals suspect that he and his officers also got special training from the Israelis. Some time ago, Ethiopia granted Israel the use of two small islands in the Red Sea, across from the town of Aseb, which may have been used for guerrilla training.

As to Aydid’s current tactics, undoubtedly the military actions against Mogadishu led by his Hawiye clan have

The Horn of Africa



Major clans of Somalia and their subclans

Hawiye	Darod	Isaak
Abgal Habar Gidir Hawadle	Mijurtini Ogaden Marehan Dubahante	Habar Awal Habar Yonis Habar Jeelo

blown to bits the protocol of understanding signed last October between the Congress of Somali Unity (Hawiye), the Somali National Movement (Isaak), and the Somali Patriotic Movement (Ogaden). As a result, the Isaak in the north have stepped up their secessionist policy, by refusing to recognize the new President Mahdi and proclaiming their administrative autonomy, separate from Mogadishu. And the Ogaden, led by General Jess, are now under fire from Aydid, who wants to exterminate them as being part of the Darod clan.

It seems unlikely that Aydid will succeed, ultimately, in his criminal enterprise, which means there will probably be another stalemate among the three big clans. The basis for an eventual positive diplomatic action, in which Italy especially could be interested, might be President Mahdi, a Mogadishu hotel-owner. Although he is a Hawiye and therefore disliked by the other clans, he might represent a counterweight to Aydid’s militarism.

China shifts against Anglo-Americans

by Mary McCourt Burdman

Although officially neutral in the Persian Gulf war, China is beginning to shift its stance against the Anglo-American empire in parallel with similar shifts in the U.S.S.R. It has used the classic device of leaking its more controversial strategic assessments to its controlled media assets in Hong Kong, such as *Wen Wei Pao* and *Ta Kung Pao*, where it has attacked the U.S. "new world order."

In its official press, Beijing has taken up the fundamental issues of economic and military policy in the Soviet Union as well as China. It is clear that December 1990 marked a crucial turning point after Mikhail Gorbachov, in November, aligned himself publicly with the Soviet military-industrial complex.

Amid the diplomacy of recent months, an important item was the revelation by Soviet Ambassador to China Nikolai Solovyov, that China had invited Soviet Defense Minister Dmitri Yazov and Chief of Staff Gen. Mikhail Moiseyev to visit China. Solovyov, who made the statement in an interview with Japan's Kyodo news service Jan. 25, had been Soviet ambassador to Japan until last September. He also said that China wants to buy a small number of SU-27 fighter planes, to gain the high technology rather than to use the planes for combat, Solovyov said. On the negotiations on determining the common border between China and the U.S.S.R., Solovyov said that more than 80% of the 7,000-kilometer border has been fixed, and only three localities have yet to be demarcated.

Solovyov also revealed that Gorbachov and Premier Li Peng have been working together to solve the Gulf crisis. He told Kyodo Jan. 25 that Gorbachov had sent messages to Li on Jan. 17 and 19, calling on him "to keep close contact and join hands to settle the Gulf crisis peacefully." Li "agreed with Gorbachov's request" in a reply Jan. 19, Soloyev said.

Cold War didn't end

Beijing had an astute assessment of the Soviet turn in the *International Problems Studies Magazine* in the last quarter of 1990. In an article on the "Emergence of a New World Order," the magazine wrote that Europe is still the focus of contention between East and West. The U.S. is attempting to "infiltrate" Eastern Europe, while the Soviets' goal is to remove U.S. military strength from Europe. The Eastern European nations have shifted orientation to the West, the article states. But, "even though the Soviet Union has recently been forced to back off because of the domestic diffi-

culties, it will not tolerate Eastern Europe's becoming the front line for anti-Soviet attacks from the West. . . . Nor will the Soviet Union tolerate changes in postwar borders or American interference in internal problems involving nationalities or labor strikes. Thus the current stage of contradiction between East and West is still quite pronounced."

The article then focuses on the emergence of Japan and Germany—Eurasia's economic powers—stating, "In a manner of speaking, it seems that the 1930s have returned with Germany and Japan presenting themselves as the world's two outstanding focuses of concern."

Up until this period, there were many reports of harsh Chinese criticisms of Moscow, including outright attacks by Deng Xiaoping on Mikhail Gorbachov. But in the wake of Soviet Foreign Minister Eduard Shevardnadze's resignation Dec. 19, *Wen Wei Pao* attacked him as a "radical," hindering Gorbachov's efforts to "increase presidential powers," using the "military and the KGB networks in order to reinforce law enforcement," and slowing the rush to free market policies. Shevardnadze, *Wen Wei Pao* noted, had asked for \$11 billion in his last trip to Washington, but received only \$1 billion, "much to the disappointment of the Soviet Union."

Industry, backbone of military

Chinese leaders have given many warnings to Moscow and Eastern Europe on the dangers inherent in crash "market reform." On Dec. 16, Bo Yibo, one of the three ancient leaders of the Central Advisory Commission of the Communist Party, published an article in the *People's Daily* on the two great plagues of the Chinese economy, inefficiency and shoddy products. "In the course of overcoming the tendency of highly centralized planning, we should prevent another extreme, blind faith in spontaneous market forces," he said. China must maintain its big industries, he concluded. "Large and medium-sized enterprises . . . are the backbone of the national economy. In food, construction, running schools and maintaining the Armed Forces, we rely mainly on the wealth they create. The relations between these enterprises and small and township enterprises can be vividly described as the relations between stars and moon, the former surrounding the latter but both adding radiance and beauty to each other."

Party head Jiang Zemin and President Yang Shangkun met with the heads of China's defense science and industry sectors Dec. 19, to "enhance their sense of responsibility as being the masters of the country" and to urge their leadership in "restructuring the national economy."

Obviously, the September 1990 World Bank report, "China Between Plan and Market," is not favored among those who have consolidated power in Beijing since June 1989. The report asserts: "Heavy industry absorbs far too much capital, provides below-average returns, and its appetite for energy is one of the root causes of chronic shortages. By targeting machinery and metal industries for promotion, China will starve more deserving sectors of capital, perpetu-

ate an artificial shortage of investment funds in a situation of resource availability few countries can rival, and limit its growth potential." China is faced with "the dilemma that the Soviet Union and Eastern Europe will have to resolve: too much antiquated capacity in the wrong places."

The World Bank's solution? The "strongest economies . . . [have] certain structural similarities": the leading sectors are the transport industries (automobiles and aircraft) and consumer electronics—i.e., exactly what have brought the U.S. to ruin.

Focus on Japan and Germany

Beijing has used the Hong Kong press to attack the Anglo-Americans. On Feb. 4, a *Ta Kung Pao* correspondent attacked the U.S. for being "anxious to show its 'leading' position in the 'new world order.'" Through this war, it will rather comprehensively display its weapons and show its 'leading' ability. This is a key factor that determined the inevitability of the war in the Middle East." A good footnote, *Ta Kung Pao* wrote, is George Bush's assertion that the U.S.—which has sent its troops to Grenada, Panama, and the Middle East—is the "only nation which can gather the forces for peace in the world." Other "coalition" leaders also come in for attack. The Arabs have "suffered aggression and plunder by the British and French colonialists. . . . They have always played dirty games to try to pull the strings

behind the scenes and to preserve their own interest. There is no lack of such cases in the Middle East and Asia."

More important is the "letter from a reader" to *Wen Wei Pao* Feb. 10, which outlined the U.S. economic warfare on Japan and Germany, both crucial to pulling the Chinese and Soviets out of their economic morass. "U.S. Gulf strategy . . . [aims] to defeat Japan and Germany to eliminate the strong competitive threats of their ever-increasing economic growth," as well as to defeat Iraq, the letter states. "The U.S. economy is in a phase of rapid recession. Japan and Germany, the two rising powers, have posed great threats to the U.S. political and economic place in the world. To save its ever-declining economy, the U.S. must seek a huge sum of capital without compensation and monopolize the world consumer market. . . .

"In this unique war, the U.S.A. has found not only the magic wand to overcome Iraq but also a marvelous recipe to cure the U.S. economic recession." A prolonged war will drive oil prices up and cause a "drastic fall in the stock market. Because Japan and Germany depend more on oil than the U.S.A., the impact on the Japanese and German stock markets will be much stronger. Even the appreciation of the mark and yen will be effectively halted. Pressed by crisis-ridden economic problems, Japan and Germany will have to make greater donations so the U.S. may end the Gulf war early."

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EIR311

India tries to recoup Gulf policy

by Ramtanu Maitra and Susan B. Maitra

Under growing domestic pressure to reestablish India's non-aligned credentials, the Chandra Shekhar government has begun to make noises that may signal a shift in the country's stated pro-Anglo-American stance on the Gulf war. On Feb. 16, at a closed-door session of the 15-member U.N. Security Council, Indian Ambassador to the United Nations C.R. Gharekhan called for an immediate cessation of hostilities in the Gulf. India is the first country to call formally for an end to the Gulf war.

In stating the new Indian position, Gharekhan, in effect, endorsed the Iraqi conditional peace proposal rejected by Washington. Referring to the Iraqi proposal, he asked his fellow members not to "close what appears to be a window of opportunity." Said Gharekhan: "Too much is at stake, in terms of human lives, the safeguard of international law, the foundation of peaceful ties among sovereign states, and the promotion of tranquil and mutually beneficial relations amongst the countries of the Gulf, to let slip from our grasp any opportunity for peace no matter how small."

The same day, Indian Prime Minister Chandra Shekhar was served notice by the single-largest parliamentary party, the Congress (I), that its continued support for the minority government was conditional on a change in Gulf policy. "If the government fails to take any concrete measures, meaning stoppage of refueling [of U.S. Air Force planes], it might be difficult for our party to support this government," the Congress spokesman stated. Served up as an ultimatum, although the Congress (I) took pains to deny it, the notice worked. Shekhar, aware that his 60-odd man party needs the support of the 215 Congress (I) and allied parliamentarians to stay in power, announced the next day that the refueling facilities provided to USAF non-military planes have been discontinued.

The Congress (I)'s notice was the outcome of a growing political row over the refueling of USAF planes at civilian airports at Bombay, Madras, and Agra that are shuttling between the Gulf and the Philippines. Opposition groups targeted the Shekhar government for allowing the United States to continue to enjoy the facilities when it is waging war against another Non-Aligned member-nation and a trusted friend of India.

The strongest criticism came from Congress (I) president

and former Prime Minister Rajiv Gandhi. Addressing a rally in Delhi recently, Gandhi alleged that the U.S. was making a show of refueling its planes in India to demonstrate to the world that India supported the Anglo-American alliance in the Gulf war. "The U.S. made the request to tell the world that India supported that country in the Gulf war," said Gandhi. But, he said, "India should tell the world that it is a Non-Aligned nation and that it will remain Non-Aligned in the future."

Despite such criticism, the Indian stance on the Gulf issue remains cautiously pro-U.S. Rajiv Gandhi's allegations that the liberation of Kuwait is not the only objective of the U.S., have so far not been echoed officially. India's support to U.N. Security Council Resolution 678, and subsequent plea to the Security Council members not to "let slip from our grasp any opportunity for peace," do not reflect the concern expressed by Gandhi, among others.

India pressured on finances

It is widely acknowledged that India's lack of foreign exchange reserves, chronic trade imbalances, and mounting foreign debts have made it a pawn of the International Monetary Fund (IMF) and crippled its freedom in foreign policy matters. In January, the government was notified that the IMF would provide a loan of \$1.8 billion to help India overcome present difficulties exacerbated by the Gulf crisis. The IMF has withheld approval of a second, larger loan pending government action to curb the burgeoning budget deficit by cuts in farm and other subsidies, reduction of government expenditures, and increases in revenue.

Despite the stranglehold in which India finds itself, the recent visit by Soviet Deputy Foreign Minister Igor Rogachev may be an indication that India is reluctant to jump onto the new world order bandwagon *in toto* and is still trying to preserve some options. According to one report, India has asked the Soviet Union to extend the Indo-Soviet Friendship Treaty, which expires in August, for another 20 years. Soviet President Mikhail Gorbachov is expected to visit India later this year when the extension of the treaty will be formally announced. Before that, Soviet Foreign Minister Alexander Bessmertnykh will pay a visit to Delhi.

If Rogachev's recent visit was indeed related to extension of the Indo-Soviet treaty, it is a fair indication that India's expectations as a result of supporting the Western powers in the Gulf crisis are not very high. There are some in India who realize that President Bush's new world order may not be healthy for India. In a recent commentary in the Delhi-based *Economic Times* daily, analyst M.K. Kothari quoted an unnamed senior Indian official who said that the current mood in the West suggests that the existing controls on technologies are likely to be tightened further. Voices are calling for harsh and even punitive regimes, he said, demanding that the only technologies that ought to be exported to the Third World are in the area of agriculture and health.

French debate on war heats up with Debray letter to the Socialists

Until the actual outbreak of war in the Gulf, opposition to the Anglo-American war policy was quite open and militant in France, especially within the ruling Socialist Party. Since Jan. 15, however, opponents have been effectively muzzled, with the notable exception of Jean-Pierre Chevènement, who resigned as defense minister. Now Régis Debray, an "intellectual" who used to be a personal adviser of President François Mitterrand, has taken up arms against the appeasement policy of Mitterrand's government, and what he calls the logic of submission (to Washington). A Pax Americana, says Debray, will lead to 30 years of guerrilla warfare. From their first meeting, in support of President Salvador Allende of Chile, Debray says he worked with Mitterrand in the hopes that the Socialist leader would help bring about justice and economic progress in the Third World. By the mid-1980s, he nurtured no more illusions on that account. This latest indictment issued by Debray, published in the Feb. 14 issue of Le Nouvel Observateur, is conclusive. We publish extensive excerpts.

Choices made by the President of the Republic commit our policy and our behavior. They cannot commit our consciences, nor prevent us from thinking for ourselves. It would be a tragedy for this country if it were to be said tomorrow that all left-wing men and women walked into this political, diplomatic, and strategic catastrophe, as hostages to the inevitable, and to the hopeless majority. . . . The fact that a majority of our citizens approve the decisions taken does not add or subtract anything from those decisions' legitimacy. . . . Three out of four Frenchmen are for this war. Three out of four were for Suez—and also for Daladier on his return from Munich. Four out of four were for the Algerian War in the beginning, and three and a half [out of four] for Pétain in 1940 and 1941. . . . A statesman is a man who is willing to precede public opinion and wait for it to catch up one year later.

[In France,] we do not defend the Republic, yet we launch a crusade overseas. . . . Everything can be explained by the logic of subservience, renamed logic of war for the occasion. . . . You want the law to triumph? You are going to bury it under the ruins of resentment. You are going to discredit

international law by giving the appearance of international legality to the umpteenth cynical imperialistic deal, just as in 1918. Be a bit more imaginative. What war has not been waged in the name of law? . . . It is only in France where the nice-sounding fiction of a "United Nations war" is still upheld, a stupidity which even Pérez de Cuellar has denied. This is a war decided upon last August by Washington, then legalized by the Security Council in an ambiguous resolution, with the participation of clients and satellites, not to mention buying off those who were hesitant. It sounds good to talk about the Allies—it gives the whole thing an air of D-Day and Normandy beaches, which is not unuseful for the masses. But in London, the media speak only of the "Anglo-American war" and in Washington, officialdom speaks of a "90% American war in the image of the international order which is to follow" (Brzezinski). When the Americans propose an unconditional cease-fire to Saddam, they do so with the Soviets and in their own right, without mentioning or consulting the U.N. They are the sovereigns of the war, not only because nine out of ten soldiers are theirs, but because the decision to stop it, like the one to start it, is in their hands alone.

. . . The carrot of a new world order is something the industrialized West didn't want to hear about when the Third World was proposing it. That new world order did not interest them, because it was economic. Now they bring it up again in a *juridical* form because it is safe and economical. Why should the U.N. resolutions on Palestine, those constant tripwires which have been rejected for more than 23 years by the isolated Israelis and the balanced Americans, be accepted tomorrow by those same powers, made still more intransigent, variously, through their "restraint" or through the blood they have shed? How can we prevent the American expeditionary force from being transformed into an occupation army with an Iraqi proconsul that would be a kind of Palestine raised to the tenth power. A Pax Americana—whatever its pseudonyms may be—means, with pauses and rebounds, 30 years of regional guerrilla warfare. With one complicating factor: disqualification of the U.N. as international arbiter of peace. . . . Countries of the South, where U.N. intervention would be the most important, may very well refuse in the future the mediation of a Security Council so obviously

aligned on a unilateral conception of law and on a single superpower, where the temporary members' votes are auctioned off, and the right to veto—except for China, which is diplomatically out of the picture for the moment—is monopolized by the white powers of the North. . . . And what if India, Nigeria, Japan, Germany, Brazil, are fed up tomorrow with the monopoly on the right to veto by the victorious powers? . . .

To cherish Westminster and *habeas corpus*, must we also forget that the English were the first to use gas in Iraq against

Official America has no historical vision of human history. That results in a dramatically incompetent way of dealing with Third World crises. It would be awful if we Europeans were to become hostages to such proven incompetence. Islam can not be treated as one treats a "target," and we cannot solve a problem of civilization in technical terms.

insurgent Kurdish civilians in 1920 with "an excellent moral effect"? . . . You do not serve the cause of freedom and modernism in the Arab world by pretending it is embodied in a regressive religious dictatorship, where women are slaves, Jews are forbidden, and Christians are mortified (Saudi Arabia); or in an opportunistic, cynical minority dictatorship which is disowned by nine out of ten Syrians (the Syria of Hafez el Assad); or in a satellite, slightly democratic country where imprisonment is frequent and the Parliament is reduced to rubberstamping executive decisions (Egypt). Strange showcase for democracy. It is precisely those Arab countries that are opening up to a multi-party system and freedom of press—Tunisia, Algeria, Jordan, Yemen, etc.—that are rising up against your operation. . . . You are moving toward a North-South war. . . .

I don't think you can understand why the President, the only decision-maker in this matter, made such decisions without remembering François Mitterrand as minister in the 1950s, his apology for Suez before the Senate. Mitterrand, a center-rightist under the Fourth Republic, was never a colonialist in the traditional right-wing sense. But never an anti-colonialist, either. During the Algerian insurrection in 1954, he stated the law: "Algeria is France" . . . Then as interior minister, he adds, "The only negotiation is war," which was neither absurd nor reactionary. He calculated that reform of unjust colonial society was needed, but that first, "order had

to be reestablished."

. . . Don't you smell the odor of the Fourth Republic? The return of the lawyers, of niceties and circumlocutions? Of minds devoid of character, of tacticians with no strategy? The SFIO [the original name of the Socialist Party] is ready to go and beat up the Arabs for the third time. They are used to it: Ben Bella, Nasser, Saddam. I am not comparing them, I am just listing various "Hitlers" presented successively to us. . . . Mitterrand, as justice minister, compared Nasser's takeover of the [Suez] canal to the German Nazi takeover of Czechoslovakia. . . . The West picks and chooses its Hitlers as it pleases, according to prevailing interests. . . .

Let's be precise. You have brought back the foreign policy of the Fourth Republic and put it into the domestic setting of the Fifth Republic. . . . We were bored to tears under de Gaulle, but at least France existed, and our journalists were not forced to read the Pentagon's communiqués under a palm tree in order to inform us about our own operations. Alienation. . . . Humiliation. We find ourselves reintegrated into NATO, at the same rank as Italy, without her Mediterranean policy, but with B-52s to boot.

Where does this demotion come from? This falling obediently into rank, albeit with an occasional leap to save our honor, or an occasional separate tune to be heard? Because we have adopted the Athenian posture, the posture of the Fourth Republic and the SFIO toward Washington: We have to stick close to Rome in order to be able to influence her from within. . . . The refrain of this tune: If we are not present in the Imperial Councils such as NATO, we will be marginalized, because the Emperor will not take into account our enlightened advice. . . .

Remember—I had forgotten it for a long time—that François Mitterrand was against leaving NATO in 1965, just like the Lecanuets and the Deniaus of that time, and the UDF of today. Had those people been in power in 1966, they would have sent a French regiment to fight in Vietnam, together with Johnson and Westmoreland. They hated and insulted de Gaulle for his speech on Phnom Penh. . . . Under the Fourth Republic [Socialists], there was a French regiment in Korea. . . .

I am told that to oppose the slide into submission and the abdication of our world role is to be nationalistic and isolationist. . . . I simply refuse to subordinate the world policy of Europe, which is a culture of time, to that of North America, which is a culture of space. Official America has no historical vision of human history. It is painful for them to admit that other memories, other histories outside of their own, exist. That results in a dramatically incompetent way of dealing with Third World crises. The nature of things escapes this kind of decision-maker. Their only obsession is "how." It would be awful if we Europeans were to become hostages to such proven incompetence. To defend oneself against a sword with an aircraft carrier is inefficient, in all cases. Islam can not be treated as one treats a "target," and we cannot solve a problem of civilization in technical terms.

Venezuelans oppose plan to bust OPEC

by Carlos Méndez

Opposition is growing in Venezuela to President Carlos Andrés Pérez's (CAP) oil policy, and his support of the United States in its war against Iraq. Both points are in fact part of the same policy. Pérez is planning a break with the Organization of Petroleum Exporting Countries (OPEC), of which Venezuela is a founding member, and is simultaneously denationalizing Venezuela's oil industry, preparing to hand it over to foreign creditors and to the U.S. strategic reserve.

Former President Rafael Caldera, a leader of the Social Christian COPEI party who maintains close ties to the Vatican, has spoken out against CAP's policies. In an interview in the Caracas daily *El Universal* on Feb. 10, Caldera remarked that "I think that the [U.N.] Security Council, decisively influenced by the United States, has gone beyond where it should have. . . . The authorization for the use of force, without first exhausting all other options, was undoubtedly a decision which did not sufficiently consider the interests of humanity. . . . I think that we in Venezuela should have shown some differences, doubts, or reservations" about the decision.

Caldera added that "there are aspects of President Pérez's foreign policy about which many Venezuelans have legitimate concerns." Specifically, he said, it is over Venezuela's "position vis-à-vis the United States and the spokesmen of international capitalism." Caldera explained that "I am not anti-U.S., but the decisive influence of international financial agencies, backed by those sectors whose political power is predominant, is sweeping us toward situations which are truly alarming. . . . In this sense, I don't feel fully represented by the current government's foreign policy."

On Feb. 15, *El Universal* published an open letter to Pérez from the National Academy of Economic Sciences which suggests that Venezuela "make a proposal to the General Assembly of the United Nations Organization aimed at achieving a cease-fire and a diplomatic solution to the current conflict in the Persian Gulf, which [carries] the imminent danger of generalizing and leading to a Third World War," including the use of nuclear weapons.

A day earlier, *El Nacional* published a paid ad by the Venezuelan Federation of Arab Associations and Entities, which explained that prior to the Mideast war, "Zionist tentacles in Venezuela, and in other countries, had attempted to

launch a campaign to pit security agencies against Arabs and Venezuelans of Arab descent, as well as against anyone more or less sympathetic to the Arab cause." Under the headline "The Phariseism of Zionism," the ad asked the Venezuelan Zionist Federation, which had taken out an earlier ad signed by a group of unknown "intellectuals," "are not the Jew, the Christian, and the Muslim of the same flesh and blood? Why, if you are intellectuals, do you lend yourselves to Zionist manipulation to divide men by their religion?"

Kissinger, the violent adversary of OPEC

There is also growing opposition to CAP's oil policies, particularly since Henry Kissinger's Jan. 23 meeting with CAP in Caracas. Immediately following that meeting, Kissinger stated that "the [Western] hemisphere could be self-sufficient in energy if all of its nations were to agree on a common policy" regarding oil.

On Jan. 26, *Diario de Caracas* reported in its editorial that "Richard Nixon's secretary of state is now an adviser to the Venezuelan government, despite his having been the most violent adversary of OPEC, and therefore, of Venezuela, during the 1973 oil embargo." Recalling that Kissinger created the International Energy Agency to counteract OPEC, the editorial quoted former President Caldera who said that Kissinger's visit to Caracas "is worrisome, because throughout OPEC's existence, he has been its most powerful adversary." OPEC, Caldera said, "must continue to exist and cannot follow the advice of people like Kissinger."

In remarks in the Feb. 1 *El Nacional*, COPEI leader Pedro Pablo Aguilar warned that "if at the end of the war . . . the United States ends up dominating the Persian Gulf nations, then OPEC is finished." He added that "this is a government full of contradictions. Carlos Andrés Pérez has decided to hire Henry Kissinger as his oil adviser, the same [person] who designed and conceived of the anti-OPEC. . . . We don't understand how it is possible for Kissinger, a person so intimately linked to the strategic interests of the great powers, primarily of the United States, to be an adviser to our country, not only in the area of oil, but also in economic matters."

But CAP continues to follow Kissinger's advice. In early February, the newly nominated Venezuelan ambassador to the U.N., Diego Arria, affirmed that "Venezuela cannot assume as a dogma of faith its participation in agencies such as OPEC. The only dogma of faith which Venezuela can adhere to is the quality and improvement of its interests and, to the degree that these change, the organizations to which we belong must also change."

According to Arria, who has been one of CAP's protégés since his first administration in the mid-1970s, "we can't assume that the OPEC that will emerge from this [Persian Gulf] conflict will be the one of [Venezuelan OPEC founders] Pérez Alfonso and Tariqui." OPEC, Arria said, "will undergo a total reorganization, if it exists at all, because it is evident that it is not currently fulfilling its role."

Can Carlos Menem last much longer?

by Cynthia R. Rush

Argentine President Carlos Menem has spent virtually his entire term in office slavishly implementing the dictates of the Bush administration and bragging of his close personal friendship with George Bush. He has imposed brutal free market austerity on the population, and even sent two Navy ships to the Persian Gulf, despite his countrymen's stated opposition.

Where did all this get him? According to all reports, it has him close to walking out the door, resigning the presidency after having failed to keep the country sufficiently under control to please his foreign backers—especially those in the banking community. Even while Foreign Minister Guido Di Tella was still in Washington on Feb. 11-12 meeting with Bush, Secretary of State James Baker, and Treasury Secretary Nicholas Brady, and gushing over the U.S. "affection" for Menem, the International Monetary Fund (IMF) signaled the Bush administration's thinking when it announced on Feb. 13 that it will not be granting a \$240 million loan installment because of the government's failure to meet agreed-upon economic, fiscal, and monetary goals.

The announcement was a severe blow to Menem, and to Finance Minister Domingo Cavallo who had promised foreign creditors when he took office on Jan. 28 that he would quickly "balance the books" and stabilize the economy.

But Argentina is anything but stable, which is why Menem is now such a liability for Washington, as it seeks to bludgeon developing sector nations into submission to its new world order. It must be able to count on an Argentine government which can more effectively implement its dictates. From Washington's standpoint, Menem has bungled the job; he is now too discredited and unpopular to continue running the country. It's not just his flashy lifestyle and ostentatious wealth which have gotten him into trouble.

Menem's government is a cesspool of corruption which extends into his inner circle of advisers, including Legal and Technical Secretary Raúl Granillo Ocampo, who is implicated in several scandals. On Feb. 18, the agency charged with investigating corruption announced it was bringing criminal charges against Granillo Ocampo and former cabinet minister Roberto Dromi for "abuse of authority" in granting advantages to a U.S.-Argentine consortium involved in an energy project in the province of Neuquén.

Perceiving that such rampant corruption hampered his effectiveness, the Bush administration got Menem to twice reorganize his cabinet and vow to clean up the mess. To do so, however, Menem would have to attack political favorites and machinery he would rather not touch—such as the notoriously corrupt governor of Catamarca, Ramón Saadi.

Economic chaos

The economy is reeling. Domingo Cavallo vowed he could be more effective than his predecessor, Antonio Erman González, in getting the situation under control so that the IMF and World Bank would start granting loans again. While the Central Bank continues to print money at an unprecedented rate, however, there is a general perception that Cavallo's plan has failed even before it has begun. He says he will raise an additional \$200 million in tax revenues monthly, but the expectation is that he'll be lucky if he can come close to \$150 million. What the government actually needs is a \$300 million monthly budget surplus to service its foreign debt. Agricultural producers, industrialists, and labor leaders all agree that Cavallo's program can only lead to deeper and more prolonged recession; no one can afford to pay higher taxes when the productive apparatus is shutting down and workers are being laid off.

The Feb. 15 *El Informador Público* reported that a 65% decline in retail sales over the past month will mean that at least 20,000 workers will be fired in the private sector. Even though inflation is exploding, Cavallo has prohibited wage increases for the state sector, aside from the paltry 250,000 austral (\$25) increase to be granted this month. Although the government states that the official unemployment rate is 8.6%, Labor Ministry officials admitted to the paper that real unemployment, plus underemployment, is 28%, and close to 35% in some provinces. The railroad workers strike which began during the second week of February continues, and has shut down train transportation nationwide.

Sources in Buenos Aires are predicting that Menem can't last in office more than a few months, if that. Said to be in a state of deep psychological depression, he made his first public appearance in weeks on Feb. 16 and told reporters he had been away on a "spiritual retreat" in a monastery, meditating and talking to monks. Delicate political negotiations, carried out by Menem's brother Eduardo, center around the creation of a coalition government, an option reportedly backed by the U.S. embassy in Buenos Aires. This would include the opposition Radical Civic Union (UCR), led by former President Raúl Alfonsín, as well as some opposition figures within Peronism. Washington's hope is that a government of this type might have more credibility to impose its policies and keep the country from exploding. But given the ferment sweeping Ibero-America, and popular rejection of George Bush's genocidal war against Iraq in almost every country, that is almost certainly wishful thinking.

Special forces or engineering corps: which role for military in drug war?

by Gretchen Small

The government of Peruvian President Alberto Fujimori has proposed that anti-narcotics and anti-narco-terrorist operations be turned over to a specialized police/military force, which will be U.S. trained, paid, and led. Make no mistake: This sweeping plan will do nothing to end the flood of mind-destroying drugs targeting the youth of the world, including the United States. But, it really is not intended to.

The Fujimori plan dramatizes the ongoing policy debate over the direction the military should take in Ibero-American nations, in response to the cancerous growth of the drug economies and their armies. This article will look at the approach behind the Fujimori plan and two contrary approaches, recently put forward in Peru.

National gendarmerie

The Fujimori plan conforms to U.S.-designed blueprints for how to eliminate the military as an institution, and replace it with U.S.-directed paramilitary police forces, as argued in the 1990 book, *The Military and Democracy; The Future of Civil-Military Relations in Latin America*. The book, whose broad anti-military and pro-liberal tenets were reviewed in *EIR*'s Jan. 11 issue, summarizes the work of a U.S. government-sponsored multi-year project on Ibero-American military strategy and structure. The U.S. Agency for International Development provided funding for the project; State Department officials advised it; the U.S. Army Southern Command based in Panama participated in it.

On narcotics, the project participants' only interest is that military participation in anti-drug operations be limited to what can be carried out by "specially trained national gendarmerie," which operate "within a context of international cooperation."

The arguments for the "national gendarmerie" approach are straightforward: Their purpose is not to crush the narcotics empire which threatens all civilized life in the Americas, but rather, to ensure that the drug crisis not serve to catalyze political support for strong national militaries as a crucial part of securing peace in the region. The anxiety over the potential for renewed military prestige and strength extends even to the title of the chapter on narcotics, "The Threat of New Missions: Latin American Militaries and the Drug

War." The authors, American University professors Louis Goodman and Johanna Mendelson, state from the outset that their concern is limited to the question: "Should the military, both in the U.S. and in Latin American nations, be used to interdict and control illegal narcotics?"

Eradicating the narcotics trade from the Americas is thus discarded as an option; only the limited objective of interdiction and *control* of drugs is assumed as the goal. The authors also appear willing to simply write off part of the region, criticizing such U.S. operations as Blast Furnace and Snow Cap, for example, not for failing, but for "encouraging unchecked military action in *basically uncontrollable territory*" (emphasis added).

Countering Brazilian military doctrine

In fact, the drug crisis is hardly addressed. Instead, most of the chapter attacks the national security and development doctrine associated with the Brazilian military—because it legitimizes military involvement in nation-building. The influence of Brazilian doctrine since 1964 exemplifies the "danger" involved in activating the military against the drug trade, they argue. "The proposal to militarize the war on drugs is the latest chapter in a debate . . . about whether military missions should be expanded from the traditional role of external security to a 'new professionalism' of internal security.

"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. . . . The Brazilian redefinition of the professional military role—to include national security and development activities—has been central to intramilitary debates."

Since the mid-1980s, however, the United States has ceased to encourage the military to carry out civic action and "nation-building tasks," they wrote. This has helped reduce the influence of the Brazilian doctrine. They cite the case of Guatemala, where the military has accepted a "national stability doctrine" which allows the military to concern itself only with *form* of government (democracy), and not the exis-

tence of the nation as a whole. Similar shifts are occurring in Argentina.

The authors complain that in reaction to the drug crisis, the specter has arisen again of an active military role in the task of securing national development and security—to them, apparently a greater threat than a narco-terrorist seizure of power! “The dangers of the drug war as a military mission are obvious . . . likely necessitating the expansion of military intelligence operations; it would blur the line between appropriate and inappropriate domains for military professional actions; it would expand the managerial roles played by the military in society; and it would increase the role military men play in national politics and political decision-making.

“Involving Latin American armed forces in the drug war threatens traditional concepts of military professionalism in the region. . . The preferred solution, of course, would be to treat narcotics trafficking as a police problem; to train special gendarmerie to control it; and to restrict military missions to external security matters,” they conclude.

Greater military role needed

The “national gendarmerie” approach has dominated most official thinking as to the appropriate military role vis-à-vis the drug problem. The recurring flaw in all such “special forces” approaches is the reduction of the military aspects of anti-drug operations to only that which pertains to overtly military confrontation with narco-terrorist and trafficking forces per se.

But the depth of penetration by the drug trade of the economy, physical geography, and institutional fabric of the Andean region in particular, foredooms any such “special forces.” No matter how many soldiers give their lives battling the narco-terrorist apparatus, the drug trade will not be defeated as long as governments continue implementing liberal economic policies which demand drug profits be given ever more freedom over the economy.

To succeed, military operations must be designed as part of a global *nation-building* policy, including economic policies centered on developing national productive capabilities, at the expense of international financial interests. Consider the difference between two approaches to the drug crisis recently put forward in Peru, distinct from the Fujimori proposal.

According to Gen. Francisco Morales Bermúdez (ret.), the time has come to restructure the Peruvian military entirely. According to a report in *Expresso* daily of Feb. 1, Morales Bermúdez has proposed that equipment and training for the Armed Forces should be scaled down to what is needed to fight the “internal enemy” on the enemy’s terms. In his view, the military can succeed only if it be transformed into an almost irregular force, operating in the same manner as the narco-terrorist enemy: “deploy on foot, with mobile bases, in contact and in combination with skilled *ronderos* [minimally armed peasant self-defense squads]. . . . The Armed Forces

should blend in with the environment, with the peasants, with their customs.”

Although apparently differing from the approach advocated in *The Military and Democracy* in the insistence on the importance of the “internal enemy,” the Morales Bermúdez proposal would lead to the same result in practice: a significant reduction of the Armed Forces in size and capabilities.

A dramatically different approach was put forward by the Independent Solidarity Movement in the 1990 national elections in Peru. In its pamphlet, “Mercantilist Manifesto for an Industrial Peru,” the Solidarity Movement proposed that the Peruvian Army be expanded through the formation of “civil-military engineering battalions,” whose job would be to reestablish control over the whole national territory, by building several large infrastructure projects in abandoned, but resource-rich, regions. Such battalions could begin with the vital task of “building the roads which will end the isolation [of some regions] and eliminate the sanctuaries enjoyed by the narco-terrorists,” the “Mercantilist Manifesto” states; it goes on to propose that manpower for the battalions be provided through the activation of Peru’s compulsory military service.

Corps of military engineers proposed

A similar proposal was circulated in Colombia by the Andean Labor Party (PLAN), in a pamphlet entitled “Industrialize Colombia: The PLAN’s Program To Win the Peace.” The PLAN identified how Colombia’s backward transportation system, unmaintained roads, and decrepit or nonexistent railroads, provide the irregular armies of the narco-terrorists with a crucial advantage over the military in mobility of movement, as well as restricting the country’s economic development.

“The first step in developing the country will be to *double* the number of soldiers in the Armed Forces,” the PLAN wrote. “The number of men under arms should be 300,000, including members of the National Police. A special corps of Military Engineers will be created, whose role will be to plan and build the infrastructure which the country requires for national integration. The 150,000 men who enter the Armed Forces will be assigned, principally, to the Military Engineering Battalions which will be created. Thus, the mission of the Armed Forces will be broader: In addition to its capability for physical combat, it will have the capability to take control of reconquered areas and to construct the infrastructure (highways, bridges, etc.) necessary to integrate these areas into the national infrastructure.”

The U.S. State Department proposal turns civilians against the military, and assumes the permanence of the drug trade. The “engineering battalion” approach hands the military the capability to deal with the crisis it faces, while returning the military to its legitimate place in any serious republic—the role it played in the evolution of the United States—as one of the leading forces for national development.

Salinas unleashes 'oil cholera'

As if he were the Queen of Hearts, Salinas is lopping off the head of anyone who dares to discuss Mexico's oil.

The most deadly disease currently affecting officials of Carlos Salinas de Gortari's government has come to be known as "oil cholera," and the contagion appears to be spreading. "Oil cholera" attacks anyone who speaks—without presidential permission—about Mexican oil in connection with the Free Trade Pact the Salinas government is now negotiating with the U.S., and it forces its victims to resign immediately.

The breeding ground for this infection lies in the intense U.S. pressure on Mexico to include its oil in the Free Trade Pact. Foreign involvement with Mexican oil is strictly prohibited by the Mexican Constitution, and any alteration of the Constitution to accommodate Bush's planned annexation of Mexico's economy, and especially its vast oil wealth, would trigger widespread opposition inside Mexico—that is, as long as such changes were attempted in plain view. Those who would surrender the oil, understandably, are acting *sotto voce*.

There is widespread suspicion among Mexican circles that the "oil cholera" was brought to Mexico by former U.S. Secretary of State Henry Kissinger, who declared, following his Feb. 8 meeting with Salinas, that the incorporation of Mexico's oil into the Free Trade Pact "needn't require changing your Constitution; there are many ways in which we could reach a deal." In other words, we'll get your oil, one way or the other.

Kissinger's suggestion of circumventing the Mexican Constitution confirms these suspicions of what transpired behind closed doors during

Salinas's late-November 1990 marathon meetings on the Free Trade Pact with Bush. Salinas repeatedly emerged from those meetings denying that Mexican oil was a subject for negotiation. And yet the word on everyone's lips at the time was that Bush was after one and only one thing, Mexico's oil, *and that he got it!*

The weekly magazine *Siempre* observed in its Feb. 7 editorial, "Despite the fact that Article 27 of the Constitution is still in force, the truth is that behind doors and in corners, in whispers and in private, the possibility of privatizing *Petróleos Mexicanos* [Pemex] is being discussed."

The first symptoms of the "oil cholera" were revealed Jan. 18 when *La Jornada* columnist Alberto Barranco Chavarria wrote that "for the purpose of avoiding distortions, exaggerations, or misinterpretations about the repercussions of the Persian Gulf war on our country, the highest office in the country has ordered that the only spokesman . . . on oil matters is Pemex General Director Francisco Rojas." And on Feb. 7, *El Economista* director Luis E. Mercado wrote that the only ones permitted to speak about oil and the Free Trade Pact are "Trade Secretary Jaime Serra Puche; head of the Office of Negotiations Herminio Alonso Blanco Mendoza; and the coordinator of that same office Jaime Enrique Zabludovsky Kuper. Those not mentioned 'are out!'"

The order to shut up has also been extended to congressmen of the ruling PRI party, all of whom have reportedly been fitted with a "muzzle," according to Jorge Alcocer in the maga-

zine *Proceso* of Feb. 11.

But in a "democratic" country like Mexico, some officials have made the mistake of believing they were inoculated against the "oil cholera." On Feb. 5, a communiqué issued by the office of the President announced the resignation of the Deputy Secretary of Energy, Mines, and State Industry (SEMIP), engineer Alberto Escofet Artigas, who a few days earlier had declared that "there will be private and foreign investment in oil and electricity."

On Feb. 14, the press reported another victim of the "oil cholera": Miguel Angel Toro Hernández, director of international trade negotiations for Mexico's Commerce and Industrial Development Department (SECOFI). Toro Hernández resigned after declaring that oil would indeed be included, "within the constraints of law," in the Free Trade Pact.

According to *El Economista* director Mercado, two delegates of SECOFI, from Pueblo and Chihuahua, have already resigned after committing the same sin.

Following these outbreaks of "oil cholera," President Salinas held a private meeting Feb. 11 with Sen. Porfirio Muñoz Ledo, former Mexican ambassador to the U.N. and co-founder, along with Cuauhtémoc Cárdenas, of the opposition Party of the Democratic Revolution (PRD).

Despite a cautious disavowal by Cárdenas that the moment was not propitious for a dialogue with the government, the Muñoz Ledo meeting with Salinas went ahead, and has been widely viewed as a willingness to give credibility to the Salinas government by at least one faction of the PRD. In statements afterwards, Muñoz Ledo admitted that Mexico's oil policy and the ramifications of the Persian Gulf war on Mexico were central aspects of his amicable "chat" with the President.

Narcos go for total amnesty

Abandoned by the U.S., Colombia's back is to the wall; legalization of the drug cartels is Gaviria's next play.

Colombian President César Gaviria Trujillo's first cousin, former cabinet minister and governor Fortunato Gaviria Botero, was kidnaped, murdered, and buried on his own coffee farm on Feb. 13. And on Feb. 16, a car-bomb loaded with 440 pounds of dynamite and shrapnel was triggered by remote control at the exit to a bull-fighting arena in the city of Medellín, just as thousands of spectators began streaming out. The blast was so powerful that human bodies and automobiles alike were flung into the air, and "it rained arms and legs," according to one shell-shocked observer.

Both incidents were the work of the Medellín cocaine cartel, whose leaders have been negotiating a legalization deal with the Gaviria government for many months. Just hours after the Medellín car-bomb explosion, a confidant Juan David Ochoa, one of the cartel's four chiefs, swaggered into the offices of Medellín's prison authorities and surrendered, under promise of a reduced jail term and protection from extradition to the U.S. He joined his two younger brothers, Jorge Luis and Fabio, in a special, luxuriously appointed jail just outside of Medellín.

Two days earlier, on Feb. 14, the Bogotá daily *El Tiempo* reported that, according to security agency intercepts of the communications of top Medellín Cartel chieftain Pablo Escobar, the "godfather" had decided to reject the government's surrender offer. Escobar has reportedly opted instead to seek an alliance with the rival Cali Cartel of Gilberto Rodríguez

Orejuela, which would employ a combination of terrorism and "diplomacy" to force through a general amnesty for all the traffickers, through the good offices of the traffickers who have penetrated the Constituent Assembly now deliberating in Bogotá.

Already, two of Escobar's lackeys inside the Assembly, former Medellín Mayor Juan Gómez Martínez and Hernando Londoño, have formally proposed that the Assembly constitutionally ban extradition and repatriate Colombians, such as former cartel transportation czar Carlos Lehder, convicted and serving time in the United States. Former minister and cartel negotiator Joaquín Vallejo Arbeláez, Pablo Escobar's baptismal godfather, also added his voice to the campaign. He penned a column in the Feb. 11 *La República*, urging the Assembly delegates to "dialogue" with the country's narco-terrorists: "Christian pardon of crimes, when there exists a formal commitment to a new life, is what distinguishes us from the philosophy of vengeance," intoned the apologist for terrorism.

Notwithstanding the ongoing terror and blackmail scripted by the drug traffickers, who still hold several prominent hostages after having slain several others, President Gaviria has announced that he is prepared to renounce all U.S. financial assistance for a war on drugs, in return for a U.S. "open door" policy to Colombian export products. We must "de-narcotize" relations with the U.S., said the Colombian President, who is scheduled to visit Washington, Feb. 25-28,

to get the official stamp of approval from the Bush administration for his appeasement policy.

Indicating that such approval has already been unofficially granted, the U.S. Justice Department has just announced that it has negotiated a "memorandum of understanding" with its Colombian counterpart, which will "put extradition on the back burner," wrote the *Washington Post* of Feb. 16. According to Assistant Secretary of State for Inter-American Affairs Bernard Aronson, Washington's policy will now be one of strong support for Gaviria's negotiations with the cocaine cartels. It comes as no surprise that official Washington has yet to provide Colombia with any evidence for use in the pending criminal trials against the surrendered Ochoa brothers, who are wanted for murder and drug trafficking in the United States—but *not* in Colombia!

Despite the diplomatic charade that will take place in Washington, all but the most naive in Colombia know that Gaviria's appeasement policy was *made in the U.S.A.* in the first place. Ranging from both overt and covert attacks on the Colombian military for alleged "human rights violations," to denial of adequate economic, financial, and technological assistance in order to wage an effective war on drugs, Washington's strategy has been to drive Colombia into precisely the indefensible corner it is in today.

The unholy combination of Gaviria, a former International Monetary Fund economist, as President and a Constituent Assembly dominated by narco-terrorists and their apologists virtually guarantees that full amnesty for the cartels and legalization of the drug trade will be the next *made in the U.S.A.* proposals on the Assembly's agenda.

Noriega's comeback

Vice President Guillermo Ford has resorted to blows in response to people's cries of "We want Noriega!"

Guillermo "Billy" Ford, U.S.-installed vice president of Panama, was involved in a drunken street brawl on Feb. 11 in the town of Penonomé. According to various press reports, Ford exchanged blows with Rolando Guillén, an official in the former government of Gen. Manuel Noriega. Ford is a self-styled macho he-man. Last year, he derided the Panamanian police, headed by his fellow Vice President Ricardo Arias Calderón, as a bunch of "faggots." In 1989, Ford became the poster boy of the Bush administration's efforts to oust Noriega, when he got bopped in the head in an earlier brawl. During that incident, Ford was filmed with his shirt drenched in the blood of his bodyguard, and his face on every U.S. television screen.

What the Bush administration took pains not to publicize was Ford's links to drug-money laundering. Ford was one of the co-owners of Dadeland Bank of Miami, an institution notorious for its involvement in drug-money laundering, such as the case of Gonzalo Mora, Jr. who pled guilty last year on charges stemming from his role as the Medellín Cartel's top money launderer. According to the *Miami Herald*, last year another Medellín Cartel figure, Ramón Milian Rodríguez, also fingered banker Ford as one of his drug money-laundering partners.

There are differing accounts as to why Ford resorted to fisticuffs against Guillén. The one almost everyone reports is that Guillén saw Ford at the *culecos* (a bacchanalia where people

dance in the streets, drench passersby with water, and forcibly paint each other's faces) and provoked people by shouting, "What do you want?" When they chanted in reply, "for Noriega to come back!" an irate Ford lunged at Guillén.

More than any serious expectations that Noriega will leave his Florida imprisonment and return to power any time soon, the Mardi Gras incident underscores the frustration of the Panamanian people with what has happened and what has not happened since the U.S. invasion.

The Bush administration has not kept its promises to help Panama rebuild. Estimates are that Panama suffered as much as \$7 billion in damages from the invasion and the preceding months of economic sanctions, and even the U.S.-installed government said that at least \$3 billion were needed to "jump start" the economy. But the U.S. only approved a niggardly \$460 million, and very little of that actually reached Panama's needy. Most was spent inside the U.S., to pay off Panama's debt to the American banks owned by Bush's backers.

Panama's phone company, its sugar mills, railroads, airlines, and even the public ports are being sold off at bargain prices to pay off foreign creditors. "We might as well sell some of our properties to pay the debt," said Comptroller General Rubén Darío Carles, according to *Journal of Commerce* on Feb. 12. Nonetheless, Ambassador Deane Hinton, the U.S. proconsul, insists that "U.S. aid to Panama has been extremely gener-

ous," reported the *Financial Times* on Feb. 18. Hinton, say some who know him, is extremely contemptuous toward Panamanians, even including the ruling troika.

People also resent the U.S. because President Bush, just as he is now telling the people of Iraq that his war is only with Saddam Hussein, had earlier told the Panamanians that, all we want "is to get Noriega"; we do not seek the destruction of the country, nor do we have any quarrel with the Armed Forces. He lied.

To this day, Bush is stonewalling on the number of Panamanian civilians killed during the invasion, which numbered at least 4,000. The Panamanian Defense Forces have been destroyed. The vacuum is being filled by the U.S. occupation army. "There is virtually no aspect of Panamanian government that the Americans are not directly involved in," the *Financial Times* reported. "At times, Panama appears to be little more than a U.S. laboratory for experiments in 'nation-building,'" it added, "with Washington calling all the shots, while appearing to defer to Panamanian wishes."

In the latest example of that sort of manipulation, Ambassador Hinton has been telling everyone that the U.S. will absolutely not renegotiate the Carter-Torrijos treaties, which call for Panama to assume full control of the Panama Canal and related military bases by the year 2000.

At the same time, Panamanian legislator Leo González, who belongs to the MOLIRENA party of Billy Ford, has introduced legislation, at the behest of the U.S., calling for the treaties to be renegotiated. "Panama is not ready take over the Canal," said González, adding that the bases should remain "because the only thing the Americans have ever brought us are money and good stuff."

International Intelligence

Bush is like Hitler, says Brazilian admiral

In a Feb. 13 editorial headlined "The Poison of the New World Order," appearing in the Brazilian daily *O Estado de São Paulo*, Adm. Roberto Gama e Silva wrote that "Adolf Hitler boasted of a new global order" headed by the peoples of superior race, when he was launching German military power against Europe. "Now, when all the industrialized bloc, independent of ideologies, creates an invincible coalition" against an Arab government, "we see with perplexity, that the President of the biggest power in the world declares loudly, that after the defeat of Saddam Hussein, the hour will come to institutionalize a new world order!"

Gama e Silva forecast that this new world order will be formed by two groups: those who use natural resources and those who have them. He noted that "Brazil is one of the rare exceptions to the rule, due to its great physical wealth under its exclusive sovereignty and, above all, the diversity of the resources with which that same territory was well favored."

The admiral advised Brazilians that "A good dose of looking into one's own economy, just like all rich countries did before acquiring that 'status,' is the most efficient antidote against the poison of the new order and, simultaneously, an ideal source of impetus for long-term progress."

Club of Rome plans genocide agenda South

In preparation for the meeting to be held in Montevideo, Uruguay in November of this year, the Club of Rome held a special meeting in Bogotá Feb. 11, sponsored by its Colombian chapter. International president Ricardo Diez Hochleitner presided over the gathering, which presented the malthusian group's agenda for exterminating much of the developing sector's population by promoting ecologism, population control, and

deindustrialization. Present at the Bogotá meeting was former Colombian President Belisario Betancur, who has just been named the Club of Rome's vice president for Latin America.

In his speech, Hochleitner announced that prior to November's conference, the Club of Rome would embark on an organizing offensive which would include meetings in Mexico and Argentina. He stressed that the topics of greatest concern to the continent are "the accelerating deterioration of the biosphere," "lack of security and accumulated capacity for annihilation," and "global food security." Hochleitner said that the greenhouse effect was the greatest threat facing humanity, along with acid rain, destruction of the ozone layer, pollution, and the destruction of the Amazon.

Hochleitner focused on the need to create a "Latin American community" through which, he said, many of the Club of Rome's proposals could be implemented. He made a point of emphasizing that the organization's upcoming full meeting would be of crucial importance in preparation for the United Nations June 1992 meeting on the environment and development, to be held in Rio de Janeiro. The world's major malthusian and ecology groups are focusing on that conference and "the defense of the Amazon," as part of their assault on Brazilian sovereignty.

KGB arrests authors of Lithuania investigation

Vilnius Radio, the voice of free and sovereign Lithuania, reported on Feb. 12 that three members of Shchit (Shield), the Independent Military Group of Experts' Organization, were arrested by the Soviet KGB immediately following Shchit's release of an investigative report which concluded that the Soviet Union was indeed attempting to overthrow the Lithuanian state during its military actions of Jan. 12-13. The KGB reportedly charged the three arrested officials with transporting illegal arms and narcotics.

Shchit's report gives the names of the individuals in the Lithuanian Communist Party and its clone, the National Salvation Committee, who were responsible for planning the actions.

"In the estimation of Shchit organization's commission," Radio Vilnius report, "the responsibility for the attempt to overthrow the state in Lithuania and for the many victims and damages, belongs to U.S.S.R. President Gorbachov, who did not fulfill his constitutional duty, and also to Defense Minister Yazov and Internal Affairs Minister Pugo and State Security Committee Chief Kryuchkov, who allowed the use of forces under their command for anti-constitutional and criminal purposes. Responsibility also belongs to Gen.-Col. Ochalov, deputy minister of defense; Gen.-Maj. Ukhopchikov, commander of Vilnius Military Garrison; and others, who were directly in charge of the soldiers under their command, in order to implement the criminal attempts of the National Salvation Committee and the Lithuanian Communist Party."

Arafat identifies 'new Rome' as the enemy

Palestine Liberation Organization (PLO) chairman Yasser Arafat told the French Catholic daily *La Croix* Feb. 12 that the Persian Gulf war has "unmasked certain hideous faces. . . . We will not accept the status of slaves that will be imposed on us in the 'new Rome' built by the Americans. Don't forget that Spartacus was a Palestinian, Christ was Palestinian, Saint Peter was Palestinian." History, claimed Arafat, is simply beginning to repeat itself.

In another interview appearing the previous day in the French daily *Le Figaro*, Arafat charged that the United States had sabotaged an all-Arab solution to the Iraq-Kuwait crisis, in order to have a pretext to seize control over Gulf oil supplies.

Arafat pointed out that the United States "has not intervened to save [Kuwaiti] Sheikh Jaber—remember how the U.S.

Briefly

dumped the Shah of Iran or President Marcos of the Philippines—but to get their hands on the oil, their sole aim: to obtain a position of force in the economic confrontation with their two big rivals, Japan and united Europe.”

Arafat reported that Israel is meanwhile attempting to provoke a desperate Palestinian population to explode in protest, thus providing Israel a pretext for transferring Palestinians en masse out of the Occupied Territories. He angrily denied claims that Israel is softening its curfew policies in the territories. “No, this is pure propaganda! We seriously lack food and medicine for our hospitals. And no one speaks about this crime against the rights of man.”

The PLO chief broadly hinted that the Abu Nidal terrorists are a joint Israel-Syria operation. Asked by *Figaro* whom he holds responsible for the assassination of the PLO's number-two man Abu Iyad on the eve of the Gulf war, Arafat said: “The Mossad. The Abu Nidal group only pulls the trigger. . . . The Abu Nidal group is completely infiltrated by the Mossad. We have proof.” He denied that Iraq has any connection to the group, insisting that this was severed 10 years ago. Asked by the paper, “Then where is he [Abu Nidal]? In an Arab country?” Arafat answered, “Yes. In an Arab country very close to you.” Question: “Syria?” Answer: “I prefer not to expand further on that question. But, in fact, Abu Nidal uses a base in Syria.”

Voices from Israel oppose Gulf war

In perhaps the first public declaration by an Israeli group against the Persian Gulf war, several prominent leftist activists stated on Feb. 6 that the war was “motivated by the lust for power and oil, and not from the exalted principles voiced by George Bush.” According to the Feb. 7 *Jerusalem Post*, the dissident group includes Prof. Yeshayahu Leibovitz, Reserve Maj.-Gen. Matti Peled, and Knesset members Hashem Mahameed

and Mohammad Miari. They presented a petition at a press conference in Jerusalem, reportedly containing the signatures of 100 persons who condemn the Iraqi missile attacks on Israel, the Iraqi conquest of Kuwait, and the Gulf war itself.

Leibovitz reportedly said that Israel has two choices on the Palestinian question: to continue ruling in the Occupied Territories through the exercise of violence, in which “Israel will turn into a fascist state . . . fighting Arab countries from Morocco to Kuwait”; or “to divide the land into two sovereign, independent national entities.”

Soviet advisers still active in Iraq

Voices of senior Soviet military officers have been picked up on Iraqi military frequencies by various of the “coalition” intelligence services now operating in and around Saudi Arabia, the French daily *Libération* reported Feb. 12. The fact has been “confirmed by several offices of chiefs of staff of several nationalities” and by “diplomatic personnel.”

The Soviets have been heard in military communications. Soviet officers are evidently operating “at the heart of the Iraqi armed forces.” From the voice pick-ups, these are definitely not Russian-speaking Iraqis or low-level Soviets, but “high-level personnel.” The voice exchanges, reports *Libération*, “are not only at the level of the army corps or division, but generally even between different Iraqi battalions. Which presupposes a relatively large presence, shared between units, directly on the ground.”

Libération also reported that around Feb. 5, information began to be circulated by “Anglo-Saxon” sources that the Soviets were providing satellite information to the Iraqis, which was helping them to conceal their forces and troop presence.

German military intelligence sources report that several thousand Soviet military advisers are presently operating in Iraq.

● **ANTONAS TRITSIS**, the mayor of Athens, Greece, just back from a trip to Baghdad, told a press conference on Feb. 13 that there was an imminent risk of an epidemic breaking out in the Iraqi capital. He announced that he and other mayors of historic cities in the Mediterranean and Middle East would now take measures to ensure that electricity is restored in Baghdad.

● **IRAN** has sent a diplomatic delegation to Jordan for the first time in 11 years, Radio Vatican reported Feb. 13. The two countries denounced “expansionist ambitions in the Middle East,” and talked of ways to “consolidate relations” with each other.

● **KAZIMIERA PRUNSKIENE**, the former Lithuanian prime minister and ex-communist, wants to form a leftist opposition party in Vilnius after her return to Lithuania at the end of February, she declared in Frankfurt, Germany, Feb. 13.

● **CROATIA** and Slovenia signed a pact military assistance pact on Feb. 14, in order to defend their state of independence against an intervention of the central Yugoslav regime from Serbia. Slovenian President Milan Kucan announced that in the event of an attack, Croatia and Slovenia would call for foreign support, and for U.N. intervention.

● **AZERBAIDZHAN'S** parliament has passed a resolution of “concern” about allied military operations in the Persian Gulf, the Soviet news agency TASS reported on Feb. 15. This is the first time that a Soviet Muslim republic has officially spoken out on the Gulf war.

● **SOVIET** Foreign Minister Aleksandr Bessmertnykh is expected to visit South Korea in March to prepare a visit by Mikhail Gorbachov in April. Gorbachov's visit will most likely follow his visit to Japan.

H.L. Mencken and the roots of Bush's American fascism

by Charles Hughes

The Diary of H.L. Mencken

edited by Charles A. Fecher
Alfred A. Knopf, New York, 1989
476 pages, hardbound, \$30

On February 6, 1990, the Associated Press released a story about the just-published diary of H.L. Mencken, one of the century's most controversial journalists and literary critics. Locked away in a vault of Baltimore's Pratt Library since 1956 when Mencken died, a legal provision of Mencken's will stated that the book was not to be made available to researchers for 25 years. The AP story stated that the diary would be found to be extremely offensive to blacks and Jews, but that nevertheless Mencken should continue to be honored with a memorial room at the National Press Club: "The library at the National Press Club will continue to bear the name of journalist H.L. Mencken despite what the club's secretary described as 'despicable' remarks about Jews and blacks in Mencken's recently published diaries."

I will go the Associated Press and other critics' one better and show that the Mencken diary is offensive to just about every American as well.

The importance of H.L. Mencken in American journalism and literary criticism lies in his obvious role in his unrelenting attack on American republican values during his life in the period 1910-40 in American culture. Mencken was a prolific writer and published over 50 volumes of essays, criticisms, commentaries on music, language, and translated material. He claimed to be the first popularizer of the works of Friedrich Nietzsche and compared the American population

which he termed the "booboisie" to Nietzsche's slave proletariat. He attempted to popularize anti-republican and anti-Christian ideas such as euthanasia and eugenics as well as bizarre ideas on government and laissez-faire, at one point arguing for the abolition of public transit and even sidewalks in New York City on the grounds that the rich pay for the sidewalks and the poor use them, which is unfair.

Very much like his favorite authors, Mark Twain and Ambrose Bierce, Mencken's philosophy boiled down to a vicious mixture of extreme cultural pessimism.

This pessimism is reflected in the diary, where he describes the descent into decay and alcoholism of his many literary protégés. Mencken had promoted writers of the Twain stripe in the publications which he controlled such as the "smart set" and *American Mercury* magazines. Such writers as F. Scott Fitzgerald, Theodore Dreiser, Sinclair Lewis and Willa Cather, whose literary productions dealt with "American realism" themes such as murder, adultery, sexual deviation, and moral corruption, are by and large the authors and works taught in college as American contemporary literature! From the Mencken diary a sample: April 27, 1932—"F. Scott Fitzgerald and his wife were here to lunch yesterday. Mrs. Fitzgerald is a patient at the Phipps Clinic. The poor girl went insane in Paris a year or so ago, and is still plainly more or less off her base. . . . Fitzgerald is a heavy drinker, and most of his experience has been got in bars." Noting the continuing deterioration of the author of *The Great Gatsby*, the entry for June 12, 1934 is pertinent: "The case of F. Scott Fitzgerald becomes distressing. . . . Several years ago, visiting Joe Hergesheimer at West Chester, Pennsylvania, he caused a town sensation by arising at the dinner table and taking down his pantaloons, exposing his gospel pipe."

Mencken comments on the occasion of the centenary of Nietzsche's birth, Oct. 15, 1944, that this date if it is noted anywhere in America will be on the ground that he was a wicked fellow and the inspiration for Hitler, and because of that there is little hope for America.

Exposing his lack of moral purpose in an entry for Nov. 29, 1939, Mencken says that he does not write for the purpose of reform, but only to provide a *catharsis* for his own thoughts. "This may be a kind of insanity, but in all events it is free of moral purpose."

Of the last four years covering the period of World War II, there is very scant mention of the war. Such may well give substance to speculations that Mencken was not only pro-German, but a Hitler sympathizer. One such entry for April 27, 1944 should be quoted at length: "I went to New York on Sunday April 23 for the A.P. Orgies, and had dinner with Blanche Knopf. I told her I believed that the little book of Prayers for soldiers just brought out by the house, disgraced its list and damaged its trade mark. There are actually prayers by Generals Eisenhower and Patton—the latter the hero who lately got into the newspaper by cuffing a wounded soldier . . . the idea for a book of prayers, she said came from Bernard Smith, the sales manager. What his name was before he changed it I do not know. He, too, is a Jew, and moreover, a Jackass."

Note also this entry on Gen. George S. Patton, Jr. for Dec. 16, 1943: "Fishbein (Editor of the *Journal of the American Medical Association*) told me that he believes all the higher officers of the American Army should be examined by psychiatrists. . . . He lately said that General Patton, who was lately hauled up for assault upon a wounded soldier, was plainly more, or less cuckoo. He is an extremely excitable and noisy fellow, and always bursts into tears when his emotions are stirred. His infirmity is well known in the Army, but nevertheless Roosevelt insisted upon giving him a high commission."

It will come as no shock to those familiar with Mencken the racist curmudgeon from his published essays such as "prejudices I-VI," that the diary incredibly enough attacks blacks, whites, and Jews.

Here are some examples: writing on Sept. 23, 1943 about an accidental fall taken by his maid, Emma Ball, who had overpolished the floor, Mencken insists that it is impossible to talk anything resembling discretion or judgment into a colored woman. "They are all essentially childlike, and even hard experience does not teach them anything."

Strange to relate, Mencken hated whites as well. "The Hollins Street neighborhood is slowly going downhill. . . . Filthy poor whites from Appalachia and the Southern Tidewater are already living in the 1600 and 1700 blocks, and their foul children and dogs swarm in Union Square." And in another entry: "As for the damage to their virtue, it is purely imaginary, for only a rare linthead girl remains a virgin after the age of 12. Her deflowering, in fact, is usually

performed by her brothers, and if not by her brothers then by her father. Incest is almost as common as fornication among this vermin, and no doubt it is largely responsible for their physical and mental deterioration. Everyone who knows the Southern poor whites knows this, but it is not mentioned in official reports."

The incident of expulsion of a Jewish citizen from Mencken's club, the Maryland Club, is reported in the entry for Dec. 16, 1943: "Some time ago, two members of the club nominated for membership a man named Winter. This Winter seemed to be presentable fellow and he was promptly elected. One day he was seen entertaining an elderly and palpably Jewish gentleman in the dining room . . . it turned out the guest was his father. When this news was brought to Mason, he started an investigation, and presently found that Winter's actual name was Winternitz. . . . It appeared that they had not suspected that he was a Jew and knew nothing about his change of name. One of them went to him and told him that the discovery of the facts had greatly embarrassed him, and Winter-Winternitz resigned at once!"

Since only about a third of the total diary was edited and published by Fecher, it is probable that more entries showing Mencken in an even worse light were left out. Over the coming years, more of Mencken's unpublished writings are to be released, but I doubt that there will be any surprises.

Yes, I think it were better to remove the Mencken Room from the National Press Club. If many journalists object, perhaps the whole business would be better kept in the Museum of Natural History.

'The philosophy of Friedrich Nietzsche'

Friedrich Nietzsche was born in Prussia, on Oct. 15, 1844 in the village of Röcken. His father was a Protestant pastor and Nietzsche was descended from a long line of Protestant divines from both sides of his family. Friedrich's sister Therese played an important part in his career and became his first biographer. In 1864, he enrolled in the University of Bonn; the philosophers Hobbes and Schopenhauer—and perhaps the anarchist Max Stirner—were the leading influences on him. While at Bonn, he became violently anti-Christian.

The tradition that he chose to follow was that of the oligarchical and usurious slave states of the ancient world: namely, Rome and Persia—otherwise identified by Friedrich Schiller as the model of Sparta against Plato's model of Athens. Nietzsche added to this oligarchical tradition an element of unreason magnitudes greater, or, as he termed it, being a "dionysian."

Through the influence of powerful friends such as the philologist Ritschl, Wagner, and others, Nietzsche became a professor at the University of Leipzig, and later in Switzerland at Basel. In 1872, he began to write down his worldview, which toted up to 18 volumes. He died in Weimar in 1900, some say the result of induced insanity and strokes. He is



Friedrich Nietzsche, "superhero" of the brand of journalism practiced by Mencken, and guiding luminary of the Nazis.

buried in Röcken.

Although there is only one direct reference to Nietzsche in Mencken's diary, Oct. 15, 1943, this philosopher is the major influence on Mencken. Mencken's several biographers do not like to admit that fact. One such reference in a book on *American Literary History* is more honest and notes, "But most of his intellectual gods as he admitted were German, and Nietzsche formed his mind more than any one else . . . so Mencken laid about him with a slashing style that was full of Nietzschean mannerisms."¹

Ben Hecht, a Mencken disciple and collaborator, in his own autobiography also points to the influence of Nietzsche on Mencken, "His ideas and points of view were to be found sometimes in other men—Nietzsche, Pollard, Huneker, Bierce, Brandes, Schopenhauer, Voltaire. But they existed there like a retired army in full dress. Mencken put battle suits on them and sent them forth in my century."²

Mencken's very first venture into bookwriting was his 1908 *The Philosophy of Friedrich Nietzsche*, an explanation of Nietzsche's ideas for Americans which was an overnight success and eventually went through at least three editions. One of Mencken's biographers, Carl Bode, accused Mencken of exceeding Nietzsche in ferocity and said that Nietzsche himself had doubts about Darwin's survival of the fittest doctrine, but Mencken—never. So in this book Mencken takes Nietzschean anti-human doctrine and comes up with something much worse.

Recall that this was the era of Theodore Roosevelt, or, as Mencken called him, "Roosevelt Major." Mencken fitted in exactly to these times of American cultural collapse, with its social Darwinism, eugenics, and general pessimism.

The very last book written by Mencken in 1956, which may be the most Nietzschean of all, is *Minority Report*, consisting of material from H.L. Mencken's notebooks. By examining these two books, I might be safe in surmising that his other 48 books written from 1910 to 1948 were also quite Nietzschean. Mencken himself admits many times that he had not basically changed any of his ideas throughout his career; he considered such changes to go against his integrity. He remained a thorough Nietzschean his whole life.

Perhaps Mencken's obsession with Nietzsche explains his own spectacular success in the field of journalism. This was the time when the British financial oligarchy was firming up its control of America, and the ideas of Nietzsche were almost made to specification for the purpose of destroying America's faith in technological progress, even when Mencken took pains to appear to be libertarian and an anti-establishment rebel.

Mencken explains in the preface to his book on Nietzsche that American interest in Nietzsche is very prominent and that the pressure of Nietzschean ideas is considerable in current literature and periodicals. His first edition of the book sold out at once, after Nietzsche had been dead less than a decade. He deals with Nietzsche's ideas superficially, in chapters titled with such categories as "Government," "Christianity," "Civilization," "Morality," and a final chapter on how to study him. The commentary throughout the book is uncritical of Nietzsche and often surpasses the original in barbarity.

Here, to make the point of Nietzsche's influence, I will concentrate on the chapter on government. First, let us deal with the one fact known to most Americans who have heard of Nietzsche at all, and that is the fact that he was insane. What does Mencken say about this? Mencken explains in "Nietzsche's critics": "That Nietzsche died insane is undoubted, and that his insanity was not sudden in its onset is also plain, and one may even admit frankly that it is visible here and there in his writings . . . but that his principal doctrines, the ideas upon which his fame is based, are the fantasies of a maniac is certainly false. . . . Ibsen also passed out of life in mental darkness and so did Schumann, but no responsible critic would seek thereby to deny all intelligibility to *Peer Gynt* or to the Piano Quintet in E-flat."³

Mencken stresses the importance of Nietzsche's concept of the nature of man and the means by which man progresses. But what is a man? He says that in all of Nietzsche's writings, a human being means a being of a higher sort, not a person of the drudge class who is unable to think for himself and is unworthy of consideration for such its highest mission was to serve the master class. He adds that man's reason is subordinated to and an offshoot of the highest natural law, that of self-preservation, and is but a puny offshoot at that.

In defense of slavery

Mencken seemed to enjoy the prospect of most of humanity being enslaved under Nietzsche's regime, which Men-

cken figures at about two-thirds. Nietzsche wrote: "We ponder over the need of a new order of things—even a new slavery, for the strengthening and elevation of the human race always involves the existence of slaves."⁴ Mencken tells us that the new order is quite different from Christianity, Islam, or even Buddhism. Its main goal is increasing the power of the master class. Anything which increases such power, or such a will to power is good, anything which proceeds from weakness is evil. But the lower orders of men are merely a conglomeration of draft animals made to be driven, enslaved and exploited. Complete surrender to the law of natural selection is demanded. This law ordains that the fit shall survive and the unfit perish. "Every man is either a master or a slave, and the same is true of every race. Either it rules some other race or it is itself ruled by some other race."⁵

In Chapter 10 in *The Philosophy of Friedrich Nietzsche*, we see how Mencken conceives of a Nietzschean government. Mencken shows that a Nietzschean state is not an absolute monarchy, nor is it a dictatorship, but an oligarchy—the rule of a large dominating caste. The concentration of power in a monarch, or even a small military-judicial class is defective, says Mencken, for that would lead to stagnation of the state. An oligarchy has less chance of becoming reactionary, is willing to conduct social experiments.

Democracy on the other hand is not to be considered because the masses of ordinary people are "naturally incompetent, ignorant, credulous, superstitious, corrupt, and wrong."⁶ The oligarchy must work more or less by means of anarchic relationships among members of the upper castes. Each member of the ruling caste should be at liberty to work out his own destiny; no laws must be made to prevent the free association with his peers. At the same time, the oligarchy must never be forced by the lower strata to pass any laws for the lower castes' benefit! The upper castes have absolutely no responsibility to those below them. If this seems to describe how the present Anglo-American elites would like to rule, that is more than coincidental.

The masses, Mencken insists, have no right to exist on their own account. They are a superstructure, or scaffolding upon which a more select race of beings may be elevated. American democracy benefits drunken loafers, whereas the salutary effect of the Nietzschean state would be to bring the men of progress to the top of society, those strong, free, self-reliant men, whose capacities are so much greater than the mob, that they may force their ideas upon it; Nietzschean anarchy would create an aristocracy of efficiency.

The notebooks of a literary thug

Mencken published his *Minority Report*, or *The Mencken Notebooks* at the end of his life, in 1956. This book consisted of about 400 maxims and aphorisms embodying his most cherished ideas, gathered over his career from 1900-56. In this very concentrated writing, it is much easier to feel the

full shock of the essential H.L. Mencken, in contrast to his three-volume autobiography, or the "prejudices" books. The *Minority Report* was given that name, perhaps, because Mencken intends to show how he represents a minority position with respect to the other 99% of the human race. By the nature of these outrageous snippets of writing, we can, I hope, see his application of Nietzschean method to various aspects of American and universal issues. In the preface of

One of Mencken's biographers, Carl Bode, accused Mencken of exceeding Nietzsche in ferocity and said that Nietzsche himself had doubts about Darwin's survival of the fittest doctrine, but Mencken—never.

the *Notebooks*, he writes: "Thus I make no apology for printing my brief and often crude memoranda."⁷

- On the proper type of government for South Americans: "Probably the only decent government ever heard of in South America was the one set up by the Jesuits in Paraguay . . . while it existed, Paraguay was well governed and life was safe, but as soon as it fell, there followed a bath of blood. The totalitarian paternalism of the Jesuits apparently fitted South American conditions enormously better than democracy."⁸

- Some comments on American demographics are proffered further on, "The great problem ahead of the United States is that of reducing the high differential birth rate of the inferior orders, for example the hillbillies of Appalachia, the gimme farmers of the Middle West, the lintheads of the South, and the negros [sic]."⁹

- If there be any doubt that Mencken believed the American farmer was in the lower orders of the mass read the following: "If all the farmers in the Dust Bowl were shot tomorrow and all the share croppers in the South burned at the stake, every decent American would be better off, and not a soul would miss a meal."¹⁰

Notes

1. *Our Literary Heritage*, Brooks and Bettman, 1956, p. 222.
2. *A Child of the Century*, Ben Hecht, 1954, p. 177.
3. *The Philosophy of Friedrich Nietzsche*, H.L. Mencken, 1908, p. 272.
4. *The Joyful Wisdom*, Friedrich Nietzsche, p. 377.
5. *The Philosophy of Friedrich Nietzsche*, p. 82.
6. *Ibid.*, p. 192.
7. *The Minority Report* H.L. Mencken, p. 4.
8. *Ibid.*, p. 147.
9. *Ibid.*, p. 188.
10. *Ibid.*, p. 252.

Rewedding morality to modern society

by Warren A.J. Hamerman

Moral Philosophy and Social Ethics

by Dario Composta

Urban University Press, Rome, 1987

English translation by Theological Publications in India, Bangalore, 1988

222 pages with index, paperbound

This remarkable book by one of the world's most learned and creative thinkers on the subject of natural law was intended to aid the study of the neglected area of classical moral philosophy originating from the Greek masters and passing through Christian thinkers such as St. Augustine. The author clearly demonstrates why this classical tradition is superior in all respects to various pessimistic systems of contemporary thought from René Descartes to Immanuel Kant, G.W.F. Hegel, Karl Marx, and Sigmund Freud.

Dario Composta was formerly the dean of the Philosophy Faculty and is currently the vice rector of the Vatican's Pontifical Urban University in Rome. He is the author of numerous essays and articles, among them "The Theology of Natural Law," "Nature and Reason," and "Work and Liberation."

In this work you will find a clear presentation of the common fatal philosophic flaw in both the liberal economics of Adam Smith and the communist dogma of Karl Marx. They each discount morality of every unique person—with equal dignity as God's children—as a necessary feature of how modern society operates. Instead, events are ruled by "objective forces," such as class struggle or the market laws. In either instance, the "results" justify "the means."

In Marxism, morality is abolished in favor of economic structure, or full materialism. Lenin, at the Third Congress of Communist Youth in Russia in 1920, said: "We do not believe in an eternal morals and denounce all the fables concerning morals. . . . Our morals are completely subordinated to the interests of the class struggle and of the proletariat." In the *Communist Manifesto*, Marx himself wrote that his system "abolishes eternal truths, religion, and morals so as to make room for a new form."

Similarly, in the major philosophies of liberal capitalism,

such as the sociological school founded in the last century, personal morality is secondary to the "society." Such an outlook recognizes that the good is "what prospers," no matter what its moral substance or effect on others. This reduces itself in economic practice to a deregulated Hobbesian jungle where "anything goes." The brutishness of this system is justified through a series of modern philosophies—the positivism of Auguste Comte, the neo-positivism of the Vienna Circle of Bertrand Russell, Wittgenstein and its offshoot in the Chicago School of Carnap, the sociologism of Durkheim, the structuralism of Claude Levy Strauss, and the psychoanalysis of Freud. They all reduce the significance of the individual's own moral choice. The moral "fact" is not "interior" in a unique human being but depends on society. Thus, personal ideas on morality are mere stereotypes "acquired" from the social environment.

Moral life

While the book was intended for use in university study, the author clearly establishes that every man and woman is involved in the subject of moral philosophy whether or not they are conscious of it. Each and every person has varied personal experiences with determined religious, educational, social, aesthetic, psychological, and moral depth, and these form the basis of clear choices and decisions through life; for instance, whether to marry or not. Thus, Composta concludes: "Man's spirit could be viewed as a scenario in which the dramas are not spectacles to enjoy, but events involving the person himself. It is the task of moral philosophy to try to understand in depth this (sometimes dramatic) *life* and to become *moral science*."

In fact, the very study of moral philosophy encourages the asking of universal questions, such as:

Does the moral fact belong only to me, or to all men?

Does good depend on my tastes, on my culture, on my familial or national education, or on more profound reasons?

Does the moral act depend on the voice of conscience, or on the call of the dignity of the person?

Are my morals different from those of my peers, from those of other nations and continents, or do universal human morals exist?

Am I free or not, because I act according to the moral norm?

Is interior freedom in harmony with exterior moral norms?

Do I live morally for my own happiness (almost as if morals were a technique of spiritual pleasure), or do I live morally for a higher goal?

Dario Composta teaches that how one answers these questions will lead to one of four forms of destiny before both civil and religious politics:

"a) the destiny of the human person who isolates himself from the civil and the religious community. We shall call this project of life 'apolitical'; b) destiny of the human person

who realizes himself only in the civil community; we shall call this destiny 'politicized'; c) destiny of the human person who realizes himself only in the religious community; we shall call this destiny 'sacral'; d) destiny of the human person who realizes himself in the various subordinate hierarchical communities: the family, associations, the religious community, the state. We shall call this destiny 'normal.' ”

False solutions

Among the philosophies which Dario Composta analyzes as false solutions to morality are those of Kant (1724-1804), Hegel (1770-1831), Comte (1798-1857), Kierkegaard, and Sartre.

Bécause of his enormous influence in shaping the Enlightenment and belief structure of economic liberalism, and our limited space, I would like to report only some of the features of the author's attack on a single philosopher—Immanuel Kant.

While Kant put forth rationalism mixed with religious pietistic ideals, he could not locate the creative freedom in each individual person. Dario Composta writes:

“For Kant morality—that is, the good or evil of the voluntary action—does not depend on factors external to the person (God, the material world), but on the person himself; but, Kant rejects that moral rectitude depends on the person as a being in the world. . . . The person is a substance among all the others and cannot be known in his metaphysical entity. So, the only thing remaining are human acts; but, Kant *rejects the emotions, impulses, and tastes*; being variable, they cannot establish universal rapports such as those of morals.”

Since Kant does not believe in good acts for their own sake, he does not recognize the Christian conception of charity as an efficient force in society. It is not “good will,” but “duty,” which mechanically bounds the individual. What are necessary are *categorical imperatives*:

“What for Kant represents the mechanical, instinctive non-moral elements is of an anthropological order and derives from the inferior impulses of man; morality arises from the practical reason as duty and imperative.”

Dario Composta offers as a positive alternative to such dreary outlooks the classical tradition of natural law. The foundation of morality must be found in the author of human nature, who is God. Thus natural law (*lex naturalis*) is a participation in the eternal law of God.

In pagan systems, man's work is reduced to the equivalent of a beast of burden, in contrast to Christianity which ennobles man's work as a projection of the creative acts of God.

Composta's work is a systematic presentation of the subject divided into two parts: “Fundamental Ethics” and “Social Ethics.” He also provides three valuable appendices—one on “Communist Morals,” a second on “Hebrew Ethics and Greek Ethics,” and a third on the “Specificity of Christian Ethics.” It contains a rich listing of suggested further readings

as well as valuable end notes for those stimulated to pursue the subject.

This book will give the reader deep insights into how to restore morality to economics, science, and government. Readers will find particularly timely his discussion of the interrelationship of Justice, Peace, and Economics, from a traditional Christian standpoint. Although his work was not intended to be “topical,” it is precisely relevant to understanding the current simultaneous breakdown of both the Marxist and Adam Smith economic systems.

Peter Sellars puts the soap in Mozart's operas

Imagine Roseanne Barr choosing to assault the National Anthem with her own peculiar body language and gestures. Now transfer and enlarge this image so that Roseanne is put in charge of the most widely circulated performances in the United States of three Mozart operas, for the Mozart Bicentennial celebrations.

Voilà! In the simplest and least painful way, you have the secret of what Peter Sellars calls his productions of the Mozart operas, *The Marriage of Figaro*, *Don Giovanni*, and *Così fan tutte*, widely being shown on the Public Broadcasting System currently. Deliberate and premeditated ugliness.

The only difference is that most Americans didn't feel they had to swallow Roseanne's interpretative creation. However, the guardians of our national culture, our art critics, haven't allowed themselves any such healthy responses. Rather, they prefer hiding behind such phrases as “interesting,” “new dimensions,” *ad nauseam*.

Does one have to take seriously Sellars's claim about making Mozart relevant to modern-day, soap opera America? If so, much time and noise could be spent showing how Sellars's “translation” of Mozart goes beyond interpretation, beyond recognizable distortions, to outright fraudulent misrepresentations. Roseanne Barr's National Anthem, by comparison, was a model of faithfulness. It seems, however, that Mr. Sellars has succeeded in translating one 18th-century concept: “*enfant terrible*” comes out rather clearly as the “terrible infant.”

You might have known: Some people's idea of the proper commemoration of Mozart's premature death is to assassinate him all over again.—*David Shavin*

The movie 'Henry V,' or, why the British elites despise Shakespeare

by Renée Sigerson

Over centuries, the literary legacy of William Shakespeare has successfully inspired exceptional qualities among persons who have helped to shape the political battle for the good. We are about to review a currently popular movie version of Shakespeare's play *Henry V*. Let us take this obvious fact—the influence of Shakespeare's method of composition in fostering the advancement of mankind—as the solid terrain, from which to judge this performance of a Shakespeare play.

Henry V was exported to the United States in 1989-1990 by the British production group headed by actor Kenneth Branagh, and in recent months has become a relatively popular household video item. Even those who have enjoyed the movie, to the extent that they have compared it with Shakespeare's original text, admit that the producers made limited efforts to present the composer Shakespeare's original intent. The film is—at best—an example of what is called "director's theater," in which the audience is treated not to a strict presentation of the composition, but overtly, to a *director's interpretation* of the work.

The movie makes King Henry V's development, and his military victory at Agincourt—that is, the *plot*—the focus of the play. How different that is from Shakespeare's method, in which the plot is rather a vehicle to render the processes of thinking of the viewer to the status of subject, we shall see in short order.

We take the view that, at best, the film is an artistic failure; and, at worst, something more pernicious, namely, an example of British cultural warfare aimed at English-speaking populations. Particularly dating from the 1963 U.S. debut of the Beatles, the British establishment has waged continuous cultural warfare on American territory. This effort has aimed at cementing bonds, both politically and emotionally, within the Anglo-American dominions. British cultural exports have targeted whatever inclinations might persist among Americans toward rigorous scientific method—for which Shakespeare's plays are such wonderful examples—to trigger instead romanticized biases, and muddled thinking.

Let us consider three things to situate criticism of this film. First, let us consider the *American* relationship to Shakespeare—as it might also potentially be viewed by high-level British circles. Then, let us review the *Henry V* play as

written by the author, Shakespeare. Finally, let us consider the method of presentation of the latest movie performance. The approach should suffice to show why it is in our interests to use the highest standards whenever judging performances of Shakespeare's works.

Who is Shakespeare?

Henry V is one of a set of eight Histories, in which the intellectual giant William Shakespeare recounts England's political crises during a war with France that lasted 100 years. In these plays, Shakespeare poses what are clearly the most compelling questions facing mankind: What is meant by just war? How is history shaped to advance or devolve? What is the role of the human individual—that microcosm of the entire universe—in shaping the process of history? How does one build a lasting nation-state?

Now: what is occurring in the world today? The United States, and other nations, are entering into a time of unparalleled crisis. As the crisis advances full force, sections of the American population—for whom English is a primary language—suddenly exhibit a heightened interest in Shakespeare's plays. This should not be surprising. For Shakespeare, undoubtedly, is the greatest genius in the use of the English language—the Dante Alighieri of English—whose lasting spiritual influence upon English-speaking populations is potentially massive.

As was seen in the past 18 months in China, East Germany, Czechoslovakia, Lithuania, and other locations on this planet, when a nation is plunged into upheaval, its citizens will suddenly seek poets, philosophers, musicians, and talented intellects to step forward as their leaders. The "man on the street" will become somewhat less pragmatic and the troubled citizen will seek out from his nation's history, as well as from the people around him, figures of vision and spiritual fortitude, to help nurture strength within himself to combat the onrushing turmoil. The persons, alive or from his heritage, he will suddenly want to associate with, are precisely those he believes should be able to articulate the struggle he witnesses within his own heart, persons whom he earlier tended to brush off as mere "dreamers."

It is from this standpoint that William Shakespeare's gift to humanity in the form of his empyreal literary remains, is a strategic asset. What is the capacity of the American

population to overcome the flood of troubles which have erupted? Is there anything in Shakespeare's method of composition which might *enhance* the capacity of the American population to respond to this crisis?

This is what is important about the American view of Shakespeare. Now, the next level of the problem enters in: Unfortunately, there are *two* Shakespeares—the first is the true Shakespeare, the other is something else.

What is Shakespeare?

The true Shakespeare is a Beethoven-like master of human creativity who survives in the form of the texts he left behind. In two life-or-death points in American history—the American Revolution and the Civil War—this true Shakespeare helped to inspire qualities of exceptional statesmanship in the ranks of America's political leaders.

The second Shakespeare is something else, a personality which never existed in real life. We might name this fellow "Brand X." Invented by the cultural mavens working for the British ruling elites, Brand X *borrow*s from Shakespeare's literary remains to appear credible. However, the texts presented in Brand X versions of Shakespeare are heavily edited, usually with large cuts, not only of scenes, but also of the flow of dialogue, entirely misrepresenting what Shakespeare is saying. Additionally, actors trained with Brand X scripts usually insist upon methods of enacting Shakespeare which are ridiculously at variance with the master's concept of beauty and the human mind.

Whether or not a dramatic performance is an honest attempt to present a great classical work of art, or a violation of the composer's intent, is almost never a matter of opinion. There are scientific criteria around which such judgments need to be formed, if classical art is to ever have any meaning at all.

Socratic method and history

Henry V documents how one of the only English monarchs ever to be embraced by his people, wins a miraculous military defeat over French forces, despite massive French superiority. In respect to the rest of the historical plays, it is constructed much in the way Ludwig van Beethoven composed his late String Quartets. Conceptual and dramatic material introduced in earlier plays are picked up again and then developed from a different standpoint. The various elements of the drama relate as do the elements of a double fugue—each element working independently upon the totality, towards the end of a transfinite principle to which all the elements are subsumed. Though *Henry V* would hardly be viewed as ranking with Shakespeare's greatest plays, it is certainly no trivial work; there is no element of the composition which is arbitrary, or introduced simply to fill up space.

The play opens with a Chorus—a character who does not appear in that same way in any of the earlier plays. The Chorus appeals to the members of the audience to arouse

their powers of imagination. He aims to raise the audience above the individual elements of the play, to gain a unifying idea of the totality.

Then the play proper begins. Two officials of the Church come onto the stage. They are greatly troubled, for the Congress has reactivated a plan to expropriate most of the Church's holdings. The Archbishop has a plan. The young King Henry is a friend of the Church. Before his coronation, he had been a notorious rake, associating with lower class thieves and rowdies. But, Henry has matured since becoming King, and has also been betrothed to the princess of France. The plan is the following: Henry believes he has a strong claim to also become King of France, which France rejects. The Archbishop proposes that the way to protect the Church's holdings is to have Henry launch war against France, to win the neighboring throne, and at the same time, yank the momentum away from under the effort to seize the Church assets.

Is this plan evil? It would certainly seem so; but if that is the case, then Henry is evil for going along with it. So, let us consider: Is there anything legitimate about England's claim to the French throne? A lengthy presentation is given by the Archbishop to argue that to be the case.

Shakespeare deliberately fosters ambiguity on these questions, an ambiguity which should hang over the entire drama. The question will come up again: Does Henry have the right to do what he is doing? These questions then become the basis for lawful dramatic tension. To permit that, the dialogue of the Churchmen must be acted succinctly, perhaps a combination of fear and impotence rather than sinister power-wielding, since the question should go unanswered for the viewer.

War is irreversibly provoked when the French prince sends an insulting message to Henry by courier. Act II begins. The scenes are short, and different types of personalities enter in quick succession. The effect of the stark shifts is similar to that of musical counterpoint, a type of writing in which Shakespeare excels.

First, we meet some of the soldiers—none other than that group of bandits around Sir John Falstaff who were Henry's old friends. Then, Henry and some of his officers abort an assassination attempt on Henry's life. The assassins include one of his best friends. We also are directly introduced to the French court, where the arrogance of a declining royalty is shown by the contrast between the prince and his father. Three levels of human experience are established: the common people, who in some cases, are lovable, but very brutalized; the officials of the state from the Church and the court; and the kings.

The stage shifts to France. The French King refuses to enter the first battle, and throws the castle of Harfleur to Henry. Henry nobly orders his troops not to pillage—but we are reminded that his troops are not always so noble. A page to the soldiers becomes sick to his stomach when ordered by his masters to pickpocket from other soldiers.

Then, an entirely new musical element is introduced. The scene shifts to a room in the French palace, where the Princess Katherine, Henry's betrothed, is with her maid. Katherine does not yet know about the war; she and her maid are practicing English vocabulary in preparation for the move to England. The scene is truly witty; it makes us reflect that there may be more humor to be sought in the play than we may have first believed. The introduction of English-French dialogue sticks in the mind as a form of musical/poetic counterpoint. This device will return, and whenever we hear French and English in one dialogue, we will think back to the Princess.

More musical contrast: The next immediate scene shows the French command, which in contrast to the Princess, is crying for war following the defeat of Harfleur. The commanders know that the French are massively superior in number, and that Henry's ranks have been weakened by disease and bad weather, but the mood of revenge silences all thought of diplomacy. The countdown to Act IV, the highpoint of the drama is on.

Everything said until now about this play was necessary to properly situate what is about to occur. We are about to witness the unfolding of a miracle. It occurs—because Shakespeare was an extraordinary poet—through a series of dialogues that presage the way a double fugue functions in a musical composition. Following a kind of overture, a non-verse dialogue with the soldier Williams, Henry delivers in quick succession three addresses: a semi-monologue, a monologue, and then a speech before the troops, which in their unified totality are the double fugue towards which the entire composition has been directed.

Henry knows his troops are terrified, after months of attrition and faced with French forces 20 times their size. He shows no outward fear, but he must find a way to their hearts. The night before the battle, he dons a cape to hide his identity, and walks among the troops, inviting them to tell him what they are thinking. As an overture, the soldier Williams poses the question which brings us right back to the beginning of the play:

"But if the cause [of the war] be not good, the king himself hath a heavy reckoning to make; when all those legs and arms and heads, chopped off in a battle, shall join together at the latter day, and cry all, 'We died at such a place'; . . . I am afraid there are few die well that die in a battle; . . . Now, if these men do not die well, it will be a black matter for the king that led them to it, whom to disobey were against all proportion of subjection."

The overture thus begins. Henry answers but when the soldiers leave, he is overtaken by the deepest anguish, and fear. This is not fear of his own death, it is terror of the burden. Why must he be accountable, when each of these men is individually accountable to God for his sins? What is the difference between a king and the other men, whom he refers to as slaves? He protests: Only ceremony makes him

different than ordinary men. There is a pause, he is interrupted in his thoughts by his officers. The second monologue then begins. He directs his words to God, whom he refers to as "God of battles!" He seeks a very personal atonement. He asks forgiveness again, for his father's murdering of the prior King. Following this atonement, as morning comes, he stands before the troops, delivering the address, the "feast of Crispin," where he puts them all into the hands of Providence, and rallies them: They require "not one man more" to stand up to the French; "We few, we happy few" will win the battle.

The miracle occurs: Ten thousand Frenchmen are killed, only 29 from Henry's army and he is declared the victor. There are many more scenes; but of those most important we cite the two remaining French-English dialogues. The only battle scene which Shakespeare incorporates is a dialogue between Henry's old tavern friend, Pistol and his captured French hostage. As usual, all that Pistol cares about is ransom money. And, at the close, the King formally proposes marriage to Katherine. Again, the scene is in French and English, and Katherine speaks what becomes later a very important question: "Is it possible dat I should love de enemy of France?" It is part of Shakespeare's genius that although his histories of England were tragedies, they were never humorless.

Change and no-change

The genius of Shakespeare was his mastery of Socratic method. It is understandable why many think that the subject of the drama is Henry's development—particularly, if it is acted in the bombastic fashion characterized by the recent movie version. But, this is not really the case: for, although Henry changes, *England does not*. Shakespeare tells us that, again and again, using a contrapuntal approach to show us how the population can be aroused, but it is not being educated. The Chorus in fact says at the close, referencing Henry's marriage with Katherine:

Henry the Sixth, in infant bands crown'd King
Of France and England, did this king succeed;
Whose state so many had the managing,
That they lost France and made his England bleed. . . .

The transfinite subject to which the play is addressed is something only hinted at in the play; namely: the Christianization of Europe. Shakespeare wants you to ask yourself: Are these Christian nations? If not, why not? Shakespeare is using the method of many dialogues of Plato; it is the method of posing the transfinite by showing, negatively, what it is not.

Henry changes, but in a way recently addressed by Lyndon LaRouche, in an extraordinary book on scientific method, written in prison, entitled *Project A*. (*Project A* appeared in full in *EIR*, Oct. 26, 1990.) Examining the problem of scientific warfare against the organized forces of tyranny, LaRouche writes:

"In both science and politics, the object is to increase the per capita power of society to exist and develop. . . . Which set of underlying political principles, notions of the nature of God, man, and nature in general, guide us to form some practice which corresponds to an increasing power of mankind over nature, and the increasing security of a society. . . . It is on the second level, of changes in axioms and postulates, at least implicitly, to the purpose of increasing the per capita power of man and society, that our attention ought to be primarily focused, rather than on the inferior level of the simple response to judging of simple experience. . . ."

"This involves also, as we have already indicated, the case in which an event has occurred, which is anomalous, and which thereby would tend to require an overthrowing of existing sets of axioms and postulates, at least implicitly so. But . . . we refuse to recognize the aspect of the event which represents this challenge. . . . *So, even though a change might seem to be required by the anomalous event, no change occurs.*"

This is exactly the process Shakespeare illustrates. The beauty of the play is the "Mozartian" quality of the poetic counterpoint in which this is done, a quality which was tremendously violated by the recent movie production.

What is said here was perfectly understood on a very high level by Shakespeare's devoted admirer, Friedrich Schiller, the German 18th-century poet and dramatist. In his most mature period, Schiller wrote a sequel to *Henry V*, the drama *Joan of Arc, Virgin of Orleans*, which picks up chronologically exactly where *Henry V* ends. Joan of Arc accomplished for France what Henry did for England, a miracle, but of even greater miraculousness. It is in Joan of Arc that we find the transfinite principle of the Christianization of Europe addressed *positively*, for Joan is a commoner—namely, she is transforming the population—who models herself upon the Virgin Mary. The tie to Shakespeare's play is explicitly shown by the scene in which Joan momentarily falls in love with an English officer, and is plagued by her flaw in "loving the enemy of her country." That she does change the world in behalf of Christianity is shown by the fact that she—in contrast to Princess Katherine—rejects all carnal love for sainthood.

It is from the vantage point of these considerations that the movie version of *Henry V* is, put simply, a fraud. The worst aspect is the use of a cheap background soundtrack to create artificial emotional effects. If one simply reads the play while watching it, you find that the script is substantially chopped up from Shakespeare's original; and, the pornographically gory battle scene—a major part of the movie—is a substitute for the French-English dialogue between Pistol and his hostage, which is never shown.

Typical errors are the use of electronically amplified stage whispers in entire dialogues—such as the opening scene of the two Churchmen—to blur what is being said. And: The casting of the St. Crispin's Day address with a Wagnerian

leitmotif repetitiously droning in the background is unbearable. The real music is the *contrast* between the three statements of the "fugue"; the soundtrack overwhelms this musical poetry.

In sum, one is driven by the production to focus entirely upon Henry. This is a rigid linearity, which has nothing to do with the genius of Shakespeare. Even if one thinks that the movie conveys how a determined handful can shape history against great odds, such a view must still be compared to Shakespeare's—not the movie's—treatment of the Battle of Agincourt. Shakespeare is hard, very hard, on England's flaws; this is no "good guys vs. bad guys" presentation of reality. The Agincourt account is undoubtedly based on some chronicle of British history. It is invalid to judge Shakespeare's view of that until one has considered—in *Henry VI*, the *sequel* to this play—Shakespeare's scathing treatment of the miracle of Joan of Arc. Unlike his admirer Schiller, Shakespeare does *not* present Joan as a heroine, but rather painfully puts both British and French in a critical light, to force the viewer—who must now *become the statesman*—to conceptualize the solutions to the crisis presented.

If the effect of this film is to arouse viewers to read the original Shakespeare histories, then the film will have done no harm. But, it must be recognized as another modernistic distortion of Shakespeare's method.

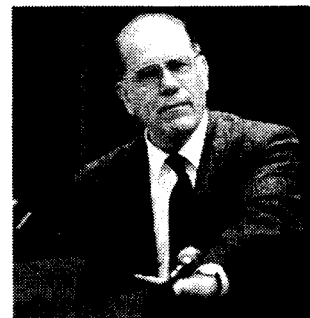
'From the prison in which the politician's career expires, the influence of the statesman is raised toward the summits of his life's providential course. Since Solon, the Socratic method has become the mark of the great Western statesman. Without the reemergence of that leadership, our imperiled civilization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

—Lyndon H. LaRouche, Jr.



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Wilder commutes death sentence of famous prisoner

by Nancy Spannaus

Responding to pleas for clemency from a wide spectrum of individuals and groups, Virginia's Governor Douglas Wilder acted on Feb. 20 to save the life of death row prisoner Joseph M. Giarratano. Giarratano, who was convicted of two murders back in 1979, had been scheduled to be murdered in the electric chair on Feb. 22. He would have been the fourth Virginia prisoner to be executed since Wilder took office in January 1990.

Governor Wilder denied the request of Giarratano's lawyers for a conditional pardon, by which he would have been saved from death pending the outcome of a new trial on evidence which has been suppressed by the Commonwealth.

Yet the governor's action has raised hopes in the anti-death penalty community that the barbarous practice, which has been eliminated in most Judeo-Christian nations, can be defeated in the United States.

International mobilization

Wilder's commutation came after an international mobilization on behalf of Giarratano, whose rehabilitation from a drug-addict to a highly successful jailhouse lawyer brought him significant acclaim. Giarratano's case had even become a big issue in Western Europe.

On May 17, 1990, the European Parliament in Strasbourg, France concluded its study of the death penalty in the U.S. by issuing the following statement:

"The European Parliament

"A. recalling its previous resolutions on the death penalty,

"B. whereas an independent study has shown that at least 100 people have been executed in the U.S.A. this century,

"C. whereas the most cogent argument against the death penalty is the risk of convicting and executing an

innocent person,

"D. whereas in particular:

"(a) Joseph M. Giarratano, who has been on 'death row' in Virginia since 1979, was condemned to death on the basis of very controversial testimony,

"(b) in the State of Louisiana in the United States a death sentence is to be carried out on Dalton Prejean, a 30-year-old black U.S. citizen, who was sentenced in May 1978 for the murder of a white policeman; noting also that evidence to the effect that Prejean had suffered brain damage, was borderline mentally retarded, and under the influence of alcohol and drugs at the time of the murder was not presented at the sentencing hearing; stressing that the Louisiana Board of Pardons and Paroles has recommended that his sentence be commuted to life imprisonment,

"1. Calls on the Governor of Virginia, L. Douglas Wilder, to ensure that the case of Joseph M. Giarratano is reopened and that the fresh evidence is assessed in open court in order to avoid the possibility of executing an innocent man;

"2. Appeals to the Governor of Louisiana to commute the death sentence;

"3. Calls on the various States of the Union in which capital punishment is still used to review their legislation with a view to abolishing the death penalty;

"4. Instructs its President to forward this resolution to the Commission, the Council, and the Governors of the States concerned."

Mr. Prejean was not saved from the death penalty, but Giarratano now has been, in a halfway measure by the governor. This fact is not unrelated to the domestic mobilization on Giarratano's behalf, which brought together a grouping of white and black, conservative and liberal, public and private

individuals to demand that he get a chance to confront, and challenge, evidence against him which he did not have the opportunity to challenge in his first trial.

The leading members of GRACE, the Giarratano Review Action Committee, include such diverse figures as the Hon. Ramsey Clark, Joseph Rauh, Jr., Richard Viguerie, James J. Kilpatrick, and actor Mike Farrell. The group carried out major publicity campaigns in the United States, which succeeded in getting four programs on CBS's *Nightwatch* and a segment on ABC's *20/20*.

Focus on Mary Sue Terry

The governor's action commuting Mr. Giarratano's death sentence to life imprisonment with a possibility of parole after 25 years, explicitly left the decision about whether the prisoner would be granted a new trial in the hands of Attorney General Mary Sue Terry. She promptly announced on Feb. 22 that she would take no such action.

"Mr. Giarratano has received the benefit of exhaustive legal review and Governor Wilder has shown compassion in sparing his life through the clemency process," said Terry in a prepared statement. "Like Governor Wilder, I am intimately familiar with the facts in the case, and I am convinced that Mr. Giarratano committed the crimes of which he stands convicted. He is not entitled to a new trial, and I shall initiate no further legal proceedings."

In a recent interview published in *EIR*, Gerald Zerkin, Mr. Giarratano's attorney, said that Miss Terry has been withholding evidence which would prove his client's innocence. "It is a sign of a system unwilling to concede that it could possibly make a mistake," said Mr. Zerkin at the time. "They seem to abide by the philosophy that if we admit that it's possible for a mistake to have been made, then that will undermine people's faith in the death penalty. I think their position is nonsensical."

On Terry's decision against a new trial for Mr. Giarratano, Mr. Zerkin said, "Obviously, we're disappointed. It's unfortunate that [Terry] decided to do this without even waiting for the petition [for a new trial] to be filed. Of course, we will not stop now. We will proceed, but it will take us some time to determine what our options are, and to make a decision as to how to proceed."

Governor Wilder, unlike the Attorney General, stated that he recognized the merits of the case. Walter A. McFarlane, a lawyer for Wilder's policy office, said that the governor "looked upon [the case] as an appellate court would, taking into account all the facts and law. . . . People will say that many people knocked on the door and that that was political pressure. But that was not the case."

The governor stopped short of reining in his Attorney General. In his six-page decision, Governor Wilder fell back on the proposition that there had never been an instance "in which any governor in the United States or any U.S. President has ever extended his clemency powers in a manner that

has either granted or allowed a new trial for any person convicted of a crime."

But there is ample evidence to demand a new trial. In a statement earlier this year, The Virginia Coalition on Jails and Prisons criticized the Attorney General's office, for having "persistently fought a new trial and refused to disclose evidence in the possession of the state which could further exonerate Mr. Giarratano."

The new evidence, said Mr. Zerkin on Feb. 22, "falls into three categories. One category is genuinely evidence that wasn't known at the time at all. A second category would be evidence the significance of which was not properly understood, and can only be properly understood in light of some newly discovered evidence. And, the third part is evidence which was there, but which was just misunderstood."

As examples, Mr. Zerkin said, "The state is in possession of a driver's license found at the scene of the crime, which is not Joe's nor that of the victims, and which was never turned over to the defense. In addition, they refused to turn over the forensic expert's notes or anything else in her file, other than the reports that were actually provided to the defense, which are incomplete. They refused to provide photographs of the crime scene that were not introduced into evidence."

Additionally, "The crime scene photographs are of particular importance. . . . We think that the body in fact was moved in a significant manner and that the other photographs might in fact show that. . . . More importantly, a videotape of the crime scene has been removed from the court file which was introduced into evidence. It disappeared from the court file at the time we started making our allegations as to Joe's innocence and specifically focusing on some things in the crime scene. Apparently no one has a copy of that."

And, said Mr. Zerkin, "We have an expert who thinks that this was done by somebody who is right-handed. Not only is Joe opposite-handed, but he has a neurological deficit on that side, of longstanding and of some significance. We think the stabbing of Barbara Kline was committed from behind and the whole position of the body then becomes critical to the question of how that murder was committed. . . ."

"To tie Joe to the crime scene, they relied on the two drops of blood on one of his boots, which we now know, number one, were not there at the time he was arrested. Number two, they used that to infer that Joe's boots had made some bloody shoeprints that were found at the scene. We now know from the serologist who testified at the trial that she knew that Joe's boots did not make those prints."

Despite this new evidence, said Mr. Zerkin, Mary Sue Terry's assistant "has written to me saying that he won't give us the stuff because we've raised absolutely no question as to guilt and innocence that would justify it! The Attorney General has made public statements at political meetings saying that she has absolutely no question as to guilt or innocence and, quite frankly misrepresents in fact what the evidence is."

Rohatyn plots final solution for N.Y. City

by H. Graham Lowry

As New York City's economic collapse proceeds with the speed of an avalanche, it is just as swiftly being pushed to the brink of financial takeover by the state. The driving force is the same set of Wall Street investment bankers who have bled the city dry for decades, led by Felix Rohatyn of Lazard Frères. Still the chairman of Big MAC, the so-called Municipal Assistance Corp. created in 1975 to impose a stranglehold on city spending, Rohatyn is notorious for prescribing "pain and agony" as his fiscal "fix." With the city about to expire today as a result, he described the latest remedy as "extreme brutality," at a Big MAC board meeting on Feb. 6.

Caught between massive revenue losses and record cut-backs in state aid, the city now confronts a \$3 billion deficit for the coming year, according to Wall Street reckoning. That figure is nearly double the \$1.6 billion estimate presented by Mayor David Dinkins Jan. 17, when he ordered savage budget cuts including the elimination of 25,000 municipal jobs by the end of June 1992.

At the end of January, the projected deficit jumped by \$500 million, when New York Gov. Mario Cuomo eliminated that amount of revenue for the city as part of a \$4.5 billion budget cut for the state's next fiscal year, beginning April 1. Mayor Dinkins, under the gun of Wall Street's threat to lower the city's bond rating again, quickly presented a new austerity package totaling \$2.1 billion. City budget director Philip Michael announced Feb. 6, "We are already working on a plan that will accommodate the pain of about a \$500 million cut in state aid."

Scheme for financial dictatorship

At the Big MAC board meeting, Felix Rohatyn declared that New York City's worsening financial crisis could soon lead to a takeover of its finances by the state's Financial Control Board. Predicting a \$3 billion deficit for 1992, he warned that only "extreme brutality" could bring it into line. For starters, he mused, the measures required would include 30,000 more layoffs and \$1.5 billion in new taxes.

But Rohatyn also dusted off the same scheme he used to entrap the city into surrendering to financial dictatorship in the '70s. "At some point the tradeoff between balancing the

budget and the long-term social and economic harm may not make sense," he said. He then dangled the prospect that Big MAC could refinance the city's current interest payments on its bond debts over a number of years, to give it a one-shot infusion of several hundred million dollars next year.

That arrangement, however, "would have to be part of an overall city plan that involved the state," Rohatyn added. His master plan calls for legislation to extend the city's fiscal year past June 30, providing more time to impose the massive austerity envisioned, and force the municipal labor unions into a compact under the Financial Control Board and the bond rating agencies. Though the mayor's office initially rejected Rohatyn's suggestion, only one day later Dinkins said that, given the city's "very severe situation," stretching out the budget crisis might be the best alternative.

The city's final surrender is premised on Rohatyn's shutting off any further borrowing, while tax revenues continue to plunge far below any budget requirements. His plan to stretch out interest repayments would last only 18 to 24 months, with *no* extensions. By state law, the Financial Control Board may take over any time the city ends a fiscal year with a deficit over \$100 million. On Feb. 13, State Controller Edward Regan demanded a monthly accounting of the city's progress on reducing the \$2.1 billion deficit estimated by the mayor's office.

On Feb. 18, City Comptroller Elizabeth Holzman celebrated Washington's birthday by further pressing for the full pound of flesh, while announcing that her staff projects the city's revenues for fiscal 1992 at \$610 million less than the mayor has. "We think that most of the city's major revenue projections are overly optimistic," she declared. "It seems clear that difficult decisions will have to be made." She also charged that the city had underbudgeted expenses for the next 15 months by another \$300 million, particularly for debt service. Holzman put the overall deficit for 1992 at \$3.3 billion, thus lending official support for Rohatyn's figure.

Growing mood of revolt

There is clearly a growing mood of revolt against budget solutions which simply intensify the depression's effects on people's lives, especially among the suffering urban populations who will be most affected by massive cuts in human services. The mood is even reflected in Albany, the state capital, where the New York State legislature's Black and Hispanic Caucus issued a plan Feb. 17 to restore \$228 million in cuts for social services and \$108 million for education—and a total of \$500 million in all.

The caucus proposes to increase the upper-income tax rate by approximately 2%, as the centerpiece of a scheme to raise about \$2.8 billion in taxes on wealthier individuals and corporations. Attacking Cuomo's plan, State Assemblyman Arthur Eve (D-*Buffalo*) said, "This budget kills. This budget denies opportunities. This budget shatters hope. . . . We must tax those that can afford to be taxed."

Churches join forces to halt Gulf slaughter

by Kathleen Klenetsky

Churches across the globe have redoubled their efforts to bring the Persian Gulf war to an end, following the brutal slaughter of innocent Iraqi civilians by U.S.-led coalition forces.

Pope John Paul II's insistent pleas for an end to the bloodshed have been joined in recent weeks by leading Protestant and Orthodox churchmen representing a wide variety of denominations in nearly every country of the world.

At the World Council of Churches (WCC) seventh assembly, which took place in Canberra, Australia, Feb. 7-20, the issue of the war dominated the agenda. A statement on the conflict and "the threat to world peace" was voted up by the assembly on its final day, despite efforts by the Church of England to sabotage the anti-war move.

The statement is a strongly worded warning that the Gulf war "is a war of ominous and unforeseeable dimensions," which, if not immediately stopped, "threatens the destruction of the land and people it seeks to liberate." Calling "urgently and insistently" on both Iraq and the U.S. for an immediate cease-fire, the WCC statement demands that the United Nations "act decisively now" to end the war.

Among its specific recommendations, the statement urges a U.N.-convened "international conference on peace, security, and cooperation in the Middle East," and calls for compliance with existing U.N. resolutions calling for an end to the illegal occupation of territory in the Mideast, including the Israeli Occupied Territories.

Additionally, it demands that all foreign military forces be withdrawn from the Middle East, except for U.N. peacekeeping forces, and appeals to Iraq to signal its intention to withdraw "completely and unconditionally" from Kuwait after hostilities cease.

'Sin against the Lord'

The statement reflects the near-universal condemnation of Bush's war expressed by delegates to the WCC meet. In contrast to the Bush administration's blasphemous insistence that Operation Desert Storm is a holy war smiled upon by the Almighty, Gunter Krusche, of the German Federation of Evangelical Churches, bluntly told a special WCC session on the Mideast conflict Feb. 12, "Let's have the courage to

call the war what it is: sin and sinning against the Lord."

Those sentiments were echoed by numerous other participants, among them Aram Keshishian, the Armenian Apostolic Archbishop from Lebanon, who charged that the conflict was neither a just nor a holy war, and called for an unconditional cease-fire, and Adebisi Sowunmi of the Church of Nigeria, who declared, "This war is neither just nor holy, and amounts to a heretical myth."

The National Council of Churches (NCC), a U.S.-based group which belongs to the WCC and represents nearly 50 million Christians, released its own statement on the Gulf conflict Feb. 14 simultaneously in Canberra and New York. The statement urges an immediate cease-fire and a "fresh effort to find a diplomatic solution" to the crisis.

The U.S. is in "a war that should have been avoided," the statement declares, adding that the fighting will produce "no winners," but instead will "unleash violence that would only multiply and reverberate" for generations. "The words of the Gospel cannot be reconciled with what is now happening in the Gulf. It is on Jesus' call to be peacemakers that we are united and will take our stand."

The declaration is the first collective statement against the war to come out of the NCC since hostilities began on Jan. 17. Signers represent a wide array of denominations, including the United Methodist Church, Presbyterian Church (U.S.A.), Orthodox Church in America, American Baptist Church, and Episcopal Church—Bush's denomination. Also signing were the leaders of five largely black denominations, reflecting the intense opposition to the war in the black community, as well as 15 Roman Catholic bishops and other clergymen.

The churches are situating themselves to become a vehicle for the creation of an anti-war resistance movement. The NCC statement, for example, calls on Christians to "build a disciplined, morally based nonviolent movement in response to the war," and urges the churches to "offer support and assistance to conscientious objectors who are refusing military service" and "to those who cannot obey military orders that conflict with the church's teachings on the sacredness of human life."

On Feb. 15, a group of black civic and religious leaders held a leadership summit at the Abyssinian Church in Harlem in New York City, where they laid out plans for mobilizing the black community against the war. The group called on the 65,000 black churches in the U.S. to offer sanctuary to war resisters, and to offer counseling to those who seek to be recognized as conscientious objectors.

The summit, whose participants included Coretta Scott King, the Rev. Joseph Lowry, Rep. Major Owens (D-N.Y.), and the Rev. Benjamin Chavis, head of the Commission for Racial Justice of the United Church of Christ, also sent a letter to President Bush calling the war immoral and demanding that he declare a cease-fire in response to the recent Iraqi peace overture.

'The Minotaur of war has been loosed'

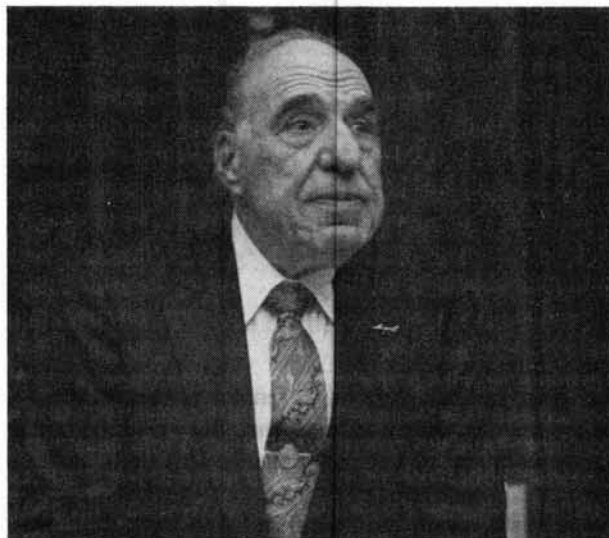
Rep. Henry Gonzalez (D-Tex.) sent the following letter to a Virginia peace activist on Feb. 15.

I appreciate your support for impeachment of the President because of Operation Desert Storm. For the reasons I state below, I introduced a Resolution of Impeachment (H.Res.34) of the President on Jan. 16. The decision to introduce this legislation was made over a number of months, and it was a very difficult decision which I did not take lightly. However, the pain I feel for our country, and particularly for the men and women from around the world who will die in this war, compelled me to act. I support our troops, for they are obeying their Commander in Chief, but this is not a war they should have to fight.

There is no question that I had tried every other means available to a Member of Congress to stop this war since Aug. 2—I called for Congress to end its August recess and later to refrain from adjourning in October; I implored the Speaker to bring the question of war to the floor for full and open debate; I introduced legislation twice to invoke federal law to require the President to report on his war-making to Congress so that the path to a violent resolution could be forestalled while peaceful measures were explored; finally, I was forced to resort to the only legal means left—a Resolution of Impeachment. I hope that if hearings are conducted on the Resolution in the near future, there will be an opportunity not only to stop the war but to investigate a number of issues that have been raised in connection with President Bush's conduct in the Persian Gulf crisis. With the current level of censorship being exercised by the administration, it is more imperative now than ever to raise issues to the public's awareness.

There are five grounds for my Resolution of Impeachment. The first is that the President has violated the equal protection clause of the Constitution by exploiting the lack of economic opportunities available in our society to poor whites, to blacks, and to Mexican-Americans. By failing to provide viable economic opportunity to these people, the government has effectively forced them into military service. This is not right, and it violates these individuals' right to equal protection.

The second basis for my Resolution is that the President violated the United Nations Charter and other laws in bribing and threatening U.N. Security Council members into voting for the use of force in the Middle East.



This is clear: Egypt's \$7 billion debt to us was "forgiven"; China was promised \$140 million; over \$7 billion was promised to the Soviet Union; Zaire was promised military assistance and partial forgiveness of its debt; Saudi Arabia was promised at least \$12 billion in arms; Yemen was threatened with the termination of support; and the United States finally paid off \$187 million of its debt to the United Nations.

The third basis is that the President is using weapons of massive force that will result in the killing of tens of thousands of civilians. This is outrageously immoral, and it is a violation of law. The fourth basis is that the President never took his case to Congress when there could be full and open debate on the question of war—instead, the President waited until 500,000 troops' lives were on the line, and the majority in Congress believed they had no choice but to support the President, particularly since he stated he would go to war even if Congress prohibited it. The fifth basis is that the President has generally, and in every way, breached the peace by his unwarranted commitment to violence. We have violence in our streets—San Antonio's murder rate is soaring, as is the murder rate in our nation's capital and other cities around the nation. How can we preach to our children and our adult citizens that violence is not the way to solve conflict when our nation is engaging in violence of such magnitude?

How soon forgotten the last wars: the basket cases, the armless, the legless, the sightless. The Minotaur once again is turned loose by cynical old men to consume our young. How tragic!

Sincerely
Henry B. Gonzalez

Chicago Democrat asks 'LaRouche alert'

by Patricia Salisbury

With the Democratic Party primary on Feb. 26 taking place in the context of total national attention to the Mideast war, the current hysteria among the leadership of the Chicago Democratic Party is a testament to the fragility of the "consensus" aura around the war which the Bush administration has tried to convey. The Democratic Party hierarchy felt it had to make public its fears that a slate of LaRouche supporters would once again stand national politics on its head, as they did in the 1986 Illinois primary. This danger looms as a particular nightmare to the establishment, since Lyndon LaRouche has announced from federal prison that he is running for President in 1992.

In a statement released on Feb. 8 at a press conference called expressly to stop LaRouche, Gary J. LaPaille, the Democratic Party chairman of Cook County, declared a "LaRouche Alert." The subject of the alert is the campaign of LaRouche supporter Sheila Jones for mayor of Chicago, and that of her running mates Charles Knox for city clerk and Mark Fairchild for city treasurer.

It is indeed a slate to be reckoned with. Knox is a well-known human rights activist, and Fairchild was on the LaRouche slate which won the Democratic Party nomination for lieutenant governor in the 1986 Illinois state primaries. Jones, a civil rights leader and classical musician who has become known throughout Chicago for her aggressive campaigns, is vying for the Democratic Party nomination in a four-way race against current Mayor Richard Daley, former Mayor Jane Byrne, and black "consensus candidate" Danny Davis.

Electoral 'terrorism'

LaPaille termed the LaRouche supporters, who have been campaigning on a program for ending the Mideast War and for the economic reconstruction of Chicago, "electoral terrorists." His only substantiation of this claim was to link the candidates with imprisoned U.S. statesman Lyndon LaRouche. In a reference to the 1986 election victory for LaRouche supporters, LaPaille stated, "These extremists were quietly able to deceive the voters of this state once before. I am here today to state that I will not allow that to happen again." In 1991, as in 1986, the LaRouche supporters have been entirely open about their reliance upon LaRouche's policies and ideas, and had named their slate "The LaRouche Mayoral" slate.

LaPaille announced that he will cover all the bases in reaching the hack political machine and the biased Chicago media with his alert. He set the following into motion:

- 1) A letter to every candidate for mayor, city clerk, and city treasurer asking them to "expose" the LaRouche candidates; 2) a letter to aldermanic candidates warning that some of their opponents may be LaRouche "followers" and urging them to warn their voters; 3) a letter to ward committeemen asking them to have their precinct workers tell people about the LaRouche slate; 4) calls to newspapers, television, and radio stations asking them to put out editorials and news articles on "the extremists"; and 5) radio advertisements in the final days of the campaign.

Why so nervous?

One reason for the Democratic Party tantrum, according to political observers, is that in late January, the gossip columns in the Chicago media covered the fact that Sheila Jones was outpolling former two-term mayor Jane Byrne in various straw polls. The race further opened up when Danny Davis, who had been promised the black vote, was stabbed in the back by various black ministers and Jesse Jackson's Operation PUSH, who came out endorsing Richard Daley—after they urged Davis to run for mayor. Jones is known to have a substantial following among Chicago's black community.

The Jones campaign and those of her slate members have spent hardly a penny on campaigning, but campaign supporters have been active in organizing campus forums on the war and ward meetings on the war and the economy, and can be found talking to individual voters throughout the city. Jones has issued a very detailed platform for the economic reconstruction of Chicago, which would place a tax on transactions on the speculative and profiteering activity on the Chicago Board of Trade in order to reopen Chicago hospitals and other services, rebuild the city's infrastructure, and house the homeless.

In response to the flap created by LaPaille, Sheila Jones told the press that the chairman's recognition of her slate's strength is "somewhat flattering," but pointed out that he otherwise appears "a bit disoriented and off-center of the issue facing the Democratic voters in Chicago." Jones made it clear that for her part she will continue to run her campaign on the issues she has defined, and extended to chairman LaPaille the opportunity to discuss what can still be done to avert what appears to be an imminent thermonuclear conflict in the Persian Gulf.

Jones also noted that the Democratic Party must initiate a discussion of the reality that the Cold War is not over, given that the Soviet Union's Red Army has returned to a position of power, while Europe is completely defenseless. She called on the Cook County Democratic Party to refrain from falling "victim to the same blind arrogance as George Bush, and to join in an effort to organize a movement for an immediate cease-fire, and for the impeachment of President Bush."

FEC finds ADL, AJC broke law vs. LaRouche

The Federal Election Commission (FEC) on Feb. 15 made it a part of public record that one year ago, on Feb. 6, 1990, the FEC had found “probable cause” to believe that the Anti-Defamation League of B’nai B’rith (ADL), its national director Abraham Foxman, and the American Jewish Committee (AJC) had violated the law. The FEC took five years to decide that the ADL had illegally spread slanderous reports against presidential candidate Lyndon LaRouche, instigating the charge that he was a “political extremist” after two of his associates won Democratic Party primary victories in Illinois in March 1986.

The FEC suppressed its decision for many months, despite the fact that the decision proved the defense arguments of LaRouche and his associates in various criminal and civil trials, that the ADL is an illegal, central component of the multi-jurisdictional “Get LaRouche” task force.

Complaint filed in 1986

The FEC’s rulings came in response to a complaint which LaRouche’s co-defendant and fellow political prisoner Edward Spannaus had filed nearly five years ago, on April 14, 1986. One year ago the FEC made its ruling, and then engaged in a negotiation process mandated by FEC procedure with the ADL and AJC for several months. Then, the FEC sat on its decision—since at least May of 1990.

The FEC specifically ruled that the ADL illegally spent \$17,000 to produce and distribute 6,624 copies of the 54-page report which initiated the widespread characterization of LaRouche as a “political extremist.” Additionally, the FEC found that the ADL illegally published a fundraising solicitation negatively discussing the candidacies of LaRouche and his supporters. The illegal ADL report focused at length on the entire LaRouche association from its formation, including a targeting for defeat of LaRouche Democratic candidates on the general election ballot in Illinois, California, Pennsylvania, Ohio, New Hampshire, New Jersey, and New York. As well, the report also targeted for defeat other unnamed LaRouche candidates around the country.

The ADL and AJC expenditures were illegal because, election law states, “It is unlawful for any . . . corporation . . . to make a contribution or expenditure in connection with any election” which involves selection of federal candidates.

The ADL fundraising letter asserted that the ADL would be “working around the clock and across the country contending with political cultist Lyndon LaRouche, who’s all too adept at using—and misusing—the democratic process.”

The letter noted the ADL’s “massive campaign to counter and expose LaRouche and his fanatic followers” and solicited contributions.

Furthermore, the FEC ruled that there was “probable cause” to believe that the American Jewish Committee and its director Jonathan Levine had violated the law when it published 1,500 copies of its own study on the effect of presidential candidate LaRouche and his followers on the 1986 Illinois primary election.

Revoke ADL tax-exempt status

The FEC finding that the ADL and its chairman made these forbidden campaign contributions also implicitly calls into question the ADL’s tax-exempt status. Tax-exempt organizations are prohibited from using their charitable funds for any political purpose. IRS code specifically states as to organizations accorded tax-exempt status under 501(c)(3), that their activities may not include “participat(ion) in, or interven(ing) in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public office.” At the time that Spannaus, who was treasurer of LaRouche’s presidential campaign committee, filed the complaint with the FEC in 1986, he also filed a complaint with the IRS, which regulates tax-exempt organizations. The IRS, however, turned a blind eye.

The FEC rulings completely confirm the charges by LaRouche and his associates of the ADL’s role in generating the widespread media slander that LaRouche was a “political extremist,” as well as the ADL’s complete interface with the bad faith prosecutions and government actions against the LaRouche movement.

Despite these findings, the FEC decision goes through the most tortured and hypocritical illogic in order not to prosecute the ADL for its violations, because of the “relatively sympathetic posture” of the ADL and the “relatively low dollar amount at issue.” Therefore, one year ago, in a decision it kept secret from the public until today, the FEC decided to “take no further action” against the ADL, AJC, and their directors.

“The finding that the ADL had illegally spent \$17,000 is only the tip of the iceberg of their vast anti-LaRouche expenditures,” commented Warren A.J. Hamerman on behalf of the Constitutional Defense Fund. He concluded, “If the FEC actually investigated the ADL’s budget, instead of taking it at its word, it would find illegal expenditures for all kinds of overt and covert actions. While the facts compelled the FEC to find ‘probable cause’ of illegal conduct by the ADL and AJC, it took them five years to do so and make it public. That time-frame, together with their decision not to take further action, exposes their collaboration in the ‘Get LaRouche’ efforts.”

Attorneys for LaRouche’s campaign committee are evaluating whether to seek judicial review of the FEC’s decision to drop the matter.

Nebraska plea bargain seen as coverup

by Alan R. Ogden

Reaction to the embezzlement conviction in Omaha, Nebraska on Feb. 11, of Lawrence E. King, former manager of the Franklin Community Federal Credit Union, was swift and divided. King pleaded guilty to three felony charges of embezzlement, conspiracy, and making false entries. Thirty-seven other fraud-related felony indictments were dropped by federal prosecutors in the brief hearing, and a trial for King, which had been scheduled for March 5, now will not occur.

While representatives of the Nebraska political establishment averred that this finally brings to a close the state's biggest scandal, many Nebraskans have sworn to redouble their efforts to dismantle the tangled web of organized child abuse, of which financial fraud was only the marker. The child abuse scandal reaches all the way up to the Washington political establishment.

The rise of the flamboyant King to national visibility in Republican politics was backed by Omaha investor Warren Buffett, the second-richest man in the United States and a leading underwriter of genocidal "population reduction" policies. Three members of the special committee of the Nebraska Senate which had been set up to investigate the siphoning off of \$38 million from the small local credit union, Senators Loran Schmit, Bernice Labeledz, and Dan Lynch, all told the press after the King deal that the precluding of a trial of King means that the full story of the missing money may never be told. Speakers at an anti-child abuse mass meeting in the state capital of Lincoln Feb. 2 had decried the two-year-long, massive official coverup of the evidence of a major child prostitution ring revolving around King.

The heavy-handed coverup of the organized satanism and horrible crimes against children which came to light in evidence received by the Senate Franklin Committee, and the coverup of the circumstances of the mysterious deaths of at least 10 people connected to the case over the last year, have provoked increasing disgust among Nebraskans. Several Nebraska radio call-in polls taken after the plea bargain have reflected a wave of popular resistance to official corruption. Typical was the poll taken by KFAB. They asked people to call in with responses to the question, "Are you satisfied with the way the Franklin case has been handled?" Overwhelmingly, people answered "No." By 10:30 a.m. the day of the poll, 3,700 people had phoned in, and the 20 phone lines set up to handle the "no" votes were so swamped, that many people called the station's switchboard to say they believed the poll had been rigged and

the "no" votes were being blocked. The final tally was 93% not satisfied, and 7% satisfied.

King, who, according to observers in Nebraska will spend five years or less in prison, may never tell all he knows. Because of the way the two grand juries investigating the 1988 Franklin collapse handled the case, there were no indictments related to the organized child prostitution, child pornography and satanic ritual child abuse ring, of which Larry King was purportedly a nationally active impresario.

World-Herald doth protest too much

But the Nebraska media are full of smooth assurances by prosecutors in the case and others to the effect that it were highly unlikely that anything new about the Franklin case would have come to light in a trial of King. Under a bold headline, "Hoagland: King's Plea Not Sign of Coverup," the *Omaha World-Herald* Feb. 15 even quotes Nebraska Rep. Peter Hoagland (D), who had been involved in congressional oversight over the case, as commenting, "I just don't think anyone can conclude that the case came out this way to cover anything up."

Hoagland is said in the story to side with the published report of the Douglas County (Omaha) grand jury, which utterly discounted all the testimony from child sex abuse victims, who recounted in great detail their victimization by Larry King and by many of the other prominent people in the Omaha business establishment and in other cities where they were taken as child prostitutes by King. In a move unprecedented in the nation, the grand jury indicted two of the young abuse victims, Paul Bonacci and Alisha Owens, for perjury for their testimony. They are now both in jail, and are threatened with long prison sentences—360 years, Owens was told—if they do not retract their testimony.

Meanwhile, in the wake of the deal made for King, the brutal machinery of coverup, which over the last two years has included the FBI and the Omaha police, has continued to grind away. Financial warfare has been directed against former State Sen. John DeCamp, Bonacci's attorney, in an operation to deprive him of clients and bankrupt him. DeCamp was publicly accused Feb. 14 by state prosecutor Gerald Moran of prohibited conduct for stating in the Feb. 2 public meeting that he believes Bonacci is telling the truth, and the attorney was berated by Moran in a court hearing the day before for allegedly affiliating himself with Lyndon LaRouche. DeCamp was denied public defender funds in that hearing by Judge J.P. Mullen, which he needs to pay for expenses in defending Bonacci. As of January, DeCamp had already spend \$30,000 of his own money in the case. Also, DeCamp insists that Bonacci is mentally competent to testify at his own trial. But prosecutors announced that, although Bonacci is allegedly a perjurer for daring to stick to his story about the homosexual abuse he was subjected to by prominent Omaha citizens, he is mentally incompetent and cannot testify in court on his own behalf.

National News

Rare Bach manuscript identified in Pennsylvania

A three-leaf manuscript containing an organ prelude and fugue in G minor by the German composer Dietrich Buxtehude, which belongs to the Carnegie Library in Oakland, Pennsylvania, has now been authenticated as one of the earliest examples of the handwriting of Johann Sebastian Bach (1685-1750). The "Carnegie Manuscript" came into the possession of the library in 1895, but its importance has only recently been vindicated by Hans-Joachim Schulze, director of the Bach Archive in Leipzig, Germany.

The manuscript shows that Bach knew the music of Buxtehude, a renowned composer and organist who was to have a major influence on Bach's compositional style, some 10 years earlier than scholars had thought. The notation in Bach's hand on page 3 matches Bach's handwriting from around 1705.

The discovery, reported in *The Pittsburgh Press* Jan. 8, follows last year's dramatic find of the autograph score of Mozart's C minor Fantasy K. 475 in another Pennsylvania library.

Is Bush's 'truth' from satanist Aquino?

In an article written for the U.S. Army publication *Military Review*, retired Col. Michael Aquino calls for the transformation of Psychological Warfare Operations (PSYOP) into MindWar, a "deliberate, aggressive convincing of all participants in a war that we will win that war." Truth becomes what the United States intends as truth through the use of terror, fear, and military operations.

"Unlike PSYOP, MindWar has nothing to do with deception or even with 'selected'—and therefore misleading—truth," he writes. "Rather it states a whole truth that, if it does not exist, will be forced into existence by the will of the United States. The examples of Kennedy's ultimatum to Khrushchov during

the Cuban Missile Crisis and Hitler's stance at Munich may be cited. A MindWar message does not have to fit conditions of abstract credibility as do PSYOP themes; its source makes it credible."

Aquino writes that MindWar must target Americans "if it is to be effective. It must not only weaken the Enemy; it must strengthen the United States by denying enemy propaganda access to our people, and by explaining and emphasizing to our people the rationale for our national interest in a specific war."

Aquino, high priest of the satanic Temple of Set, spent over 20 years in the U.S. Army, which officially supported his right to be a satanist while serving as an officer, despite police investigations into his possible involvement in several cases of alleged child molesting. There are believed to be as many as 10,000 self-avowed satanists, witches, and occultists in the U.S. military.

Human rights meet to consider LaRouche case

The Commission to Investigate Human Rights Violations has announced plans to hold a conference in Arlington, Virginia on March 15-16, to discuss pressing issues of human rights internationally, including the case of political prisoner Lyndon H. LaRouche, known as the American "Dreyfus Affair." LaRouche's attorney Odin Anderson will present the case for a new trial for LaRouche, who is now in the third year of incarceration in a 15-year sentence.

Also on the agenda will be a discussion of violations of U.S. constitutional law and international law in the Persian Gulf war and in the implementation of the notorious Thornburgh Doctrine, which asserts an American "right" to allow law enforcement agencies to conduct kidnappings of foreign officials outside existing law.

Questions of human rights violations in the United States, including the harassment of black elected officials by the Justice Department, the growing use of the death penalty, and the inhumane conditions of the American prison system will also be discussed in this context.

A featured panel will discuss "Genocide

against Ideas," and will focus on the contributions to science, economics, philosophy, and culture by Lyndon LaRouche and his associates. LaRouche's alternatives to the genocidal policies now being carried out by the Bush administration will be highlighted.

Colonel warns of high casualties in Iraq war

The multinational coalition forces are faced with casualties in the Persian Gulf ground war as high as those in the battles of the Somme and Iwo Jima, warned Col. Harry Summers, of the U.S. Army War College, according to the Feb. 17 London *Sunday Telegraph*. "Our war aims are not achievable by bombing," Summers stated.

"What about the battle of the Somme in the First World War?" asked Summers. "After days of artillery bombardment of the German lines there were 50,000 British casualties on the first day of ground action. What about the 50-day bombardment of Iwo Jima in the Second World War? After all that, the U.S. Marines sustained 25,000 casualties against only 23,000 Japanese defenders."

Safire says 'Cold War II' has begun

Columnist William Safire declared that the U.S.-Soviet Cold War has returned, in a column entitled "Cold War II Has Begun," in the Feb. 14 *New York Times*.

Safire wrote that George Bush is "two years out of synch" with events, and is dealing with a 1989 Gorbachov, while the Soviets steal the march on events in 1991.

Citing the crackdown in the Baltics, the speeches of Soviet Prime Minister Valentin Pavlov, and Soviet maneuvers designed to allow them to pick up the pieces in the Middle East when the U.S. ends the war discredited, Safire moans that the Baker-Bessmertnykh meeting was "a 'surrender on the seventh-floor' a mini-Yalta [which] sealed the willingness of the U.S. to fight the war

on Soviet settlement terms, while guaranteeing Moscow an unearned equal role in postwar conferences.”

Archaeology professor corrects Cheney

In a National Public Radio (NPR) radio interview Feb. 14, an archaeology professor who is an expert on Mesopotamia, exposed the lies of U.S. Secretary of Defense Richard Cheney on the ancient ziggurat (pyramid) at Ur. He reported that the aircraft allegedly placed at the site of the pyramid by Saddam Hussein to prevent the U.S. from bombing them, were actually located on an airbase which has been there for 30 years, built by the British Royal Air Force.

As to Cheney's claim that the ziggurat had been continually occupied for thousands of years, he noted that the site had been abandoned by humans since before the birth of Christ.

Cheney's description of the ziggurat, an archaeological treasure dating from about 2200 B.C., as a model for the Egyptian pyramids of the First Kingdom, presents a slight problem, he said, since the Egyptian pyramids were constructed 4,500 years before the Mesopotamian ziggurat.

The professor said that had any first-year archaeological student turned in a paper containing this nonsense, it would have been passed around the department for laughs.

Oral arguments heard in Ascher appeal

A three-judge panel of the Virginia Court of Appeals heard oral arguments in the appeal of Rochelle Ascher on Feb. 14. Ascher was the first associate of Lyndon LaRouche convicted on so-called "securities fraud" charges in Virginia.

Defense attorney John Flannery argued the reasons for reversing the conviction of Ascher: that she didn't have a fair trial because the jury was biased by massive pre-trial negative publicity, much of which was

generated by the Commonwealth of Virginia; that the jury was given the wrong instructions and therefore was unable to evaluate the evidence properly; and that the jury heard evidence they shouldn't have heard.

Flannery argued that the prosecution conducted a public campaign against Lyndon LaRouche and anyone associated with him. The government put out press releases, Attorney General Mary Sue Terry made statements against the defendant, and then the Commonwealth took advantage of the prejudice they created. The fact that the jury pool was infected was acknowledged by the trial judge when he ordered a change of venue from Loudoun County, where LaRouche lives, after the jury was picked, Flannery said.

Flannery argued that the jury was also not allowed to consider whether particular promissory notes were securities, because jurors were instructed that any note is a security. Evidence was presented that these notes were political and were not securities, he said, but because of the instruction, the jury was not able to consider that evidence.

In response to questioning by Judge Coleman, prosecutor John Russell admitted that not all notes were securities, but claimed that loans made to political candidates were securities.

Jim Bakker wins right to be resentenced

PTL televangelist Jim Bakker's 45-year prison sentence was thrown out by a three-judge panel of the Fourth U.S. Circuit Court of Appeals in Richmond, Virginia on Feb. 12. The court ruled that Bakker was victimized by the sentencing judge's religious prejudice. Bakker will be resentenced by a different judge.

The court did not overturn Bakker's 1989 conviction on 24 counts of wire fraud, mail fraud, and conspiracy. However, Bakker's lawyer, Harvard University Professor Alan Dershowitz, said the ruling could open a challenge to Bakker's entire trial. "If this is a judge who had a religious bias during sentencing, wouldn't this be a judge who had a religious bias during the trial?" Dershowitz asked.

Briefly

● **THE ASSOCIATED** Conservatives of Texas, a group of Republicans, have called for a cease-fire in the war against Iraq. They are not sure they can trust the new world order, believe that Bush went to war to avoid the domestic crisis, and that the conduct of the war is not consistent with Bush's commitment to the right to life.

● **CLAYTON YEUTTER**, the secretary of agriculture, responded personally to two letters attacking his GATT policy published in the Nebraska press by Food for Peace activist Don Eret. Yeutter's comments in a letter dated Jan. 28, contradict statistics published by the USDA.

● **'EVERYTHING** Bush is doing now is a Kissinger policy. These guys are committed to a one world, actually a fascist one world order, under Anglo-American domination. That's been the consistent threat," Lyndon LaRouche warned in the *Boston Daily Free Press* Feb. 6. The article is based on a telephone interview conducted by Matthew J. Newmann.

● **ADVERTISERS** are tapping into the growing hatred of George Bush. The Feb. 10 *Washington Post* carried a full-page coupon ad entitled "A President's Day Offer—free broccoli." It offered buyers of Cheez Whiz to a free bunch of broccoli and featured a smiling George Washington pouring cheese onto a plate of broccoli.

● **WAR ORPHANS**, the children of more than 16,000 single parents and 1,200 couples who have both been deployed to the Gulf, have frequently been left with makeshift care, or no care at all.

● **MERLE HANSEN**, who heads the North American Farm Alliance, headquartered in Iowa, whose slogan is "farms not arms," has canceled the Rural Strategy Summit's spring mobilization to bring attention to the farm crisis because of the Persian Gulf war.

Editorial

War and peace

When President Bush summarily turned down both the Iraqi and the Soviet peace initiatives Feb. 19, he revealed that his agenda is the total destruction of Iraq. As we have documented, the occupation by Iraq of Kuwait was only a pretext. Iraq's real crime—in the eyes of the Anglo-Americans—was foremost, its commitment to become a modern industrial nation, and secondarily, the independence of its leadership.

Now that Iraq has unmistakably expressed its willingness to abide by United Nations resolutions, Bush has exposed the farce that the U.N. was acting independently of Anglo-American control. That the U.S. President has conceived a personal vendetta not only against his Iraqi counterpart, Saddam Hussein, but against the people of Iraq as well, is only a gruesome add-on to the imperialist policy objectives presently governing the British-American led "coalition."

These were clearly expressed in the Feb. 17 *Sunday Telegraph*—a British newspaper edited by Peregrine Worsthorne, the stepson of Montagu Norman, the head of the Bank of England who propelled Hjalmar Schacht into the position of creating the economic strategy of Adolf Hitler's dictatorship.

The *Telegraph* editorial in question bore the title, "Rely on Fear, Not Love," and argued that imperialism is needed in the Middle East as never before, to contain "Arab bellicosity," since the only thing the Arabs and especially Saddam Hussein understand is force, and that therefore, "it will take force to curb the ambitions of Arab nationalism and fundamentalism in general."

The editorial went on to assert that the United States and Britain cannot be bound, in their conduct of the war, by international opinion or the United Nations. "Nobody should underestimate the pressure," they write, "that will be placed on America and Britain not to exploit their rights of conquest. It will come from the United Nations, from the Third World, from the Soviet Union, and from the Western media—as against Western public opinion. The specter of imperialism will be raised to frighten the women and children. In the Middle East, however, Western imperialism is

exactly what is needed. It is not needed in Africa or Asia. But in the Middle East it is needed as never before."

While President Bush has repeatedly bragged that the "coalition" represents virtually all nations of the world, the opposite will soon be the case, if he pursues his wantonly destructive, unjust population war against Iraq. His refusal to end the war, the arrogant imperial war aims of the British and Americans, accurately expressed in the *Sunday Telegraph*, will isolate the United States and the United Kingdom.

Under these circumstances the financial and economic vulnerability of both nations will be their undoing. Who will be willing to foot the bill for a United States which in the eyes of the world has run amok?

Recent polls have shown increasing restiveness in the United States itself. Americans wonder why it is that an offer to withdraw from Kuwait is not enough even to justify negotiations with the Iraqis. As American casualties begin to mount, that question will be asked with increasing force.

One of the more extraordinary aspects of the Bush refusal is his demand that at the conclusion of the war, the Iraqis be forced to pay reparations for the costs of the war. The United States has already destroyed the water and sewage systems of all of the major cities of that nation. In Baghdad, public health officials warn that the population has now been forced to drink contaminated water. This is a sure prelude to the spread of typhus, cholera, and even plague. It is estimated that it will take at least a year to even repair the damage to basic infrastructure in Iraq.

The Soviet proposal that aid be given to the Iraqis to help them to rebuild their nation at the conclusion of hostilities, was vehemently rejected by Bush, but it is obviously the only just end to this unjust war.

While the U.S. and British rulers are doing all that they can to destroy the nation of Iraq, they are sowing the seeds of their own destruction. Ironically, the unintended result of this carnage, may be the final discrediting of their imperial policy.

THE WAR

We saw it coming —and knew why

July 3, 1990, Executive Alert Service:

"The state of Israel is now marshaled, in preparation for a war, which, from one standpoint, might be described as Israel's attempted 'final solution' to the Arab problem.

"This means a war, presumably against Iraq and other states, and the destruction of Jordan."

July 5, 1990, Executive Alert Service:

"'Yes, it is quite likely that the interests of Bush and Gorbachov coincide in wanting a new war in the Mideast,' asserted a knowledgeable Middle East source who pointed to the need of both powers to have a dramatic increase in the price of oil."

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Why doesn't the United States stand up for freedom and justice any more?

AMERICAN LEVIATHAN

Administrative Fascism under the Bush Regime

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