

EIR

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Is a 'new Polish revolution' coming?
Shining Path readies its final offensive

**Southern fried fascism
seizes Democratic Party**



DOPE, INC.

Is Back!

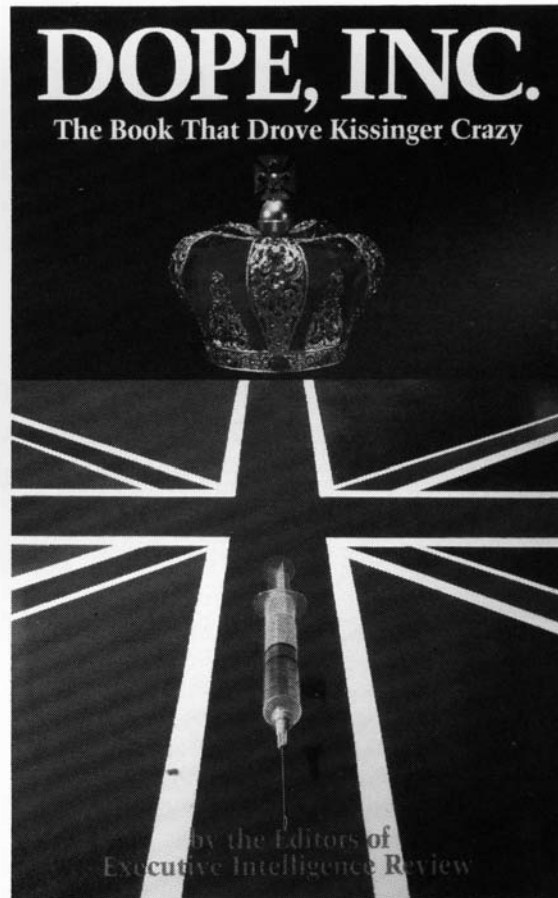
The history-making book 'Dope, Inc.' is now available, after being out of print for five years. The third, expanded edition of the explosive best seller bears the title: "Dope, Inc.: The Book That Drove Kissinger Crazy."

This overview of the global narcotics trade, with a preface by American political economist Lyndon LaRouche, shows that the international trade in illegal narcotics is doubling every five years, with profits in 1991 alone of nearly \$1 trillion. Thus, drug money today represents the largest pool of liquid capital in the world.

Also exposed is the destruction of developing-sector economies by consortia of international bankers, which replaced the national economies with drug economies. Other chapters tell the real story of the organized-crime link to "Dope, Inc.," from the Bronfmans and Kennedys, to the British assassination bureau Permindex, to the Anti-Defamation League.

Finally, in an appendix, Lyndon LaRouche's 1985 "Proposed Multi-National Strategic Operation Against the Drug Traffic for the Western Hemisphere" appears in full, a 14-point plan for defeating the drug traffickers for good.

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From the Editor

As some of you discerned a long time ago, *EIR*'s editors don't subscribe to "the power of positive thinking." For example, not all of the positive thinking in the world will make Alan Greenspan's chimerical recovery come true.

Nor will it turn the sickening spectacle of the Democratic National Convention into anything beneficial for Americans or the rest of the world; Clinton and Gore combined the rock-bottom worst of what has happened to the Democratic Party since the McGovern reforms of 20 years ago (the New Age), with the worst of the Republican Party's overt embrace of the Wall Street crowd. Therefore, as one acquaintance put it mildly, whereas "Bush does not deserve to be President again," the official opposition offers no alternative at all.

The U.S.A. being a superpower, this is all mirrored in other parts of the world, especially in the chaos engulfing our neighbors in the western hemisphere. Look at Peru—where we warned, in a cover story not long ago, that Shining Path's savage "Pol Pot"-style terrorists are on the march to power, and that they are being backed by the Anglo-American elite. It's all coming true. Look at Colombia, where the first "narco-democracy" is being born, thanks in great part to an official U.S. institution, the National Endowment for Democracy, which might better be named the Narco Endowment for Democracy.

Look at the real ecology—the relative potential population-density of the human race—threatened by the AIDS pandemic on a scale which Lyndon LaRouche and *EIR* warned of years ago. Our warnings were not only rebuffed, but scorned and slandered. We were right.

It is necessary to confront these negatives in order to grasp the fact that there is no choice except a sweeping, radical shift of policy-direction, against the forces of death and for the principle of life. We think Lyndon LaRouche's statement, reprinted on page 58, offers national leadership for such a change, when other politicians have abdicated all responsibility.

In a specific domain, but surely a very important one, see the *Music* section, which offers contributions from different parts of the world to a discussion on reviving Classical music. Since Clinton-Gore have embraced Elvis, this counterpoint seems especially timely.

Nora Hamerman

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Correction: The conference in Cameroon to which Lyndon LaRouche addressed a message, printed on pages 8-9 of our last issue, was inadequately identified. LaRouche's statement was read to the first National Convention of the Social Democratic Front in Bamenda, Republic of Cameroon, meeting May 21-26.

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Senators say Greenspan is running out of bullets

by Chris White

On July 21, Federal Reserve Chairman Alan Greenspan presented his semi-annual "Humphrey-Hawkins" evaluation of the state of the U.S. economy to the Senate Banking Committee. The report is named for legislation which tied unemployment rates to national security as a prime concern of national policy.

The hearings were not the typically cozy, mutual stroking sessions which usually take place between the legislators and the Fed's chief bureaucrat. This time the gloves were off. Greenspan was treated with a rudeness not usually seen in such appearances. His opening testimony was interrupted by Michigan's Senator Riegle. The substance of his remarks was demolished by Paul Sarbanes (D-Md.), quoting from Greenspan's testimonies of the last year and more. But Sarbanes had not even been present when Greenspan delivered his prepared remarks. All in all it was quite a humiliating day for the jazz clarinetist and sometime companion of NBC's battle-scarred journalist Andrea Mitchell, who was elevated way out of his league to end up as head of the Federal Reserve.

Greenspan was hauled over the coals in a number of different ways, and President Bush and the Brady Treasury Department were dragged along in his wake. Chief among them were his record over the last year and half. Senators James Sasser (D-Tenn.) and Alfonse D'Amato (R-N.Y.) griped: "You're always after the fact. You're always trailing economic developments." And committee chairman Donald Riegle (D-Mich.): "Why is there any more reason for us to think you're right this time, when we look at the record and see that you've said essentially the very same thing in past months, and it has turned out not to be right?" Greenspan had basically taken the tack of arguing that everything is more or less on the right track, and if we only persevere, all will eventually turn out okay.

Particular emphasis was placed on the failure of Greenspan's 23 successive reductions in interest rates to get the economy moving again, and on the collapse of employment, unforeseen by him in his earlier testimonies. Earlier in the year he had told the Senate that if the official unemployment rate were to go above 7%, he would have to conclude that there was not only no recovery, but a recession. Now, with the narrowest of the government's measures showing 7.8%, and a new round of job eliminations in the works, he is still looking forward to eventual recovery.

Bailing out the banks

Charges also flew thick and heavy, that his interest rate reduction policy has only been intended to bail out banks. This time around, Greenspan was accused of "conflict of interest" in his dual capacity as manager of the nation's money supply and regulator of some of the biggest banks. Senator Sasser accused him of organizing a taxpayer bailout for the commercial banks. "We're reducing rates, and the banks are using the reduced rates to cut the return they give to savers. They in their turn take the funds and invest them in government securities, and we now find that the banks, in my view, are getting wealth from their ill-advised leveraged buyout policies. In effect, the taxpayers are bailing out the banks for their problem loans of the 1980s, and the CD holders are helping to pay the freight of it."

Greenspan's testimony, as well as his next day's report to the House Banking Committee, was organized around precisely this idea. He calls it "rebuilding balance sheets." It now turns out, from the mouth of the Fed chairman himself, that lower interest rates have not been intended to bring about an economic recovery, but rather to prevent an uncontrolled meltdown of the financial system. That's no surprise to *EIR* readers. Greenspan put it this way: "The successive monetary

easings have served to counter these contractionary forces, fending off the classic bust phase that seemed invariably to follow speculative booms in pre-World War II economic history. Lower interest rates have lessened repayment burdens through the refinancing and repricing of outstanding debt. And, together with higher stock prices, have facilitated the restructuring of balance sheets.”

Blacker than Black Monday

Greenspan's testimony was presented just one day after his 23rd reduction in interest rates brought the world financial system to the brink of the precipice for the first time since the Black Monday global stock market meltdown in October 1987.

The dollar was in free-fall, nearing its post-World War II low against Germany's deutschemark. Stock markets plunged, down 7% in Italy and Sweden, 4% in Japan, 3% in Germany and France, and 2% in Britain. Panic intervention from central banks in Europe and North America attempted to stem the tide.

Some said it was the combination of the Democratic presidential nomination of Bill Clinton, and the campaign pullout of non-candidate Ross Perot, which did it. Others said it was the decision by Germany's central bank, the Bundesbank, to increase interest rates which set everything off.

What has finally begun to hit is the reality that the United States is bankrupt—financially, economically, and politically. As the publication of June's 7.8% unemployment report supposedly confirmed, Greenspan's lowered rates again failed to give the economy a kick and stimulate recovery. After 23 times, such stories wear a bit thin, even for the most credulous. As Senator Riegle bitterly remarked: “I don't think you see the risk in terms of all the damage that is happening to the economy. You don't seem to be able to see that. You can see the future risk, the inflation risk, but the damage in terms of all the unemployment, all the business failures, loss of confidence, and the massive job eliminations: Look at that, and you have a very benign reaction to it.”

The new round of financial collapse is the not-so-delayed reaction to the obscenity which unfolded in Munich, Germany on July 7 in the name of the summit of the Group of Seven countries. There, it became apparent that the policymaking structures of the western world have broken down. There isn't a recovery, and there won't be one, without a fundamental shift in policy-orientation. Yet, here was the supposed leadership of the world, acting out roles which could have been assigned to any of the unfortunates who have adopted names like Alexander, Julius Caesar, or Bonaparte, in psychiatric wards around the world.

There was Bush and company, fresh from the recognition that there would be no “recovery” to bail them out till November, insisting that “character” and “family values” would be hot election issues, not the economy. France's François Mitterrand, his country gridlocked by transport strikes, facing a social explosion. Italy, set perhaps to become the first industrialized

nation to default on its state debt. John Major's Britain, where unemployment is over 10% and rising, and bankruptcies and foreclosures are at rates not seen since the 1930s.

That's why the worldwide panic of July 20, and the central banks' intervention, mark a turning point. The world financial system and economy is running out of control, and nobody is minding the store. Back to the fore of the agenda has come the crisis which too many people had been prepared to believe was under control: the depression bankruptcy of the United States.

The July 20 events were more than just a backdrop. They gave Senators Sasser and Riegle the opportunity for one final twist of the knife as Greenspan concluded his testimony. As Sasser put it: “I think you're running out of bullets over there at the Fed . . . because the Germans are not cooperating with you. You're running out of options.” Riegle supported him in this way: “We're wedged into a corner here where decisions in foreign countries, like for example, Germany, are becoming very difficult for us to deal with because of the implications for us and how weak our economy is. . . . If in fact you're out to the end limits of what you can do—and that's the cold hard fact of the matter—then I think we have to begin a discussion about what other tools are available in other directions.”

Both senators emphasized what will no doubt become obvious very shortly. The Bundesbank's decision to increase its discount rate has eliminated Greenspan's ability to lower interest rates any further, for example, at the end of September, in time to give another kick to Bush's reelection campaign. They point out that if Greenspan cannot lower interest rates, and if he is to act on his double-talking opposition to a free-fall in the dollar, then U.S. interest rates are going to have to start to go back up again. Or standing policy will have to be changed.

Meanwhile, it seems that Germany's central bank will raise interest rates again at its next council meeting in August. Again the events on July 20 showed that Greenspan and company are lagging after events. If his interest rate reduction option is removed, then all his claims about “fending off the classic bust phase” will be proven to be hot air.

Sasser, Sarbanes, and Riegle are, of course, Democrats. Their name for a different policy is “fiscal stimulus,” featuring “make-work” programs fixing up roads and bridges and the like. The next day, they opened up their committee to hear the view of Clinton's economic advisers such as Lester Thurow, and of Peter Petersen of the Council on Foreign Relations.

They've got the symptoms down pat, but as for solutions, that's a different matter. Now is the time to take up Lyndon LaRouche's legislative draft and federalize the Federal Reserve, to make credit available for job creation in basic economic infrastructure, industry, and agriculture. That's the way out of the abyss Greenspan and company have pushed us into.

AIDS researchers warn: 40 million infected by turn of the century

by Joyce Fredman

Over 11,000 people representing 133 countries gathered in Amsterdam, The Netherlands starting on July 19, for the Eighth International Conference on AIDS. The week-long meeting, with some 5,000 scientific presentations, was sponsored by Harvard University and the Dutch government, and co-sponsored by the International AIDS Society and the World Health Organization.

Ironically, the very same AIDS science mafia which, during the 1980s, hysterically denied the magnitude of the AIDS threat worldwide, has now taken to the podiums to warn that inaction on the part of the world's governments will cause mass deaths on the largest scale mankind has ever witnessed. The AIDS mafia is still promoting the false view that AIDS is a sexually transmitted disease, so that they can link AIDS budgets to measures for population control; but nevertheless, a picture of the true magnitude of the crisis is beginning to come out. The Amsterdam conference was an important forum for this.

During the 1980s, *EIR* and Lyndon LaRouche were virtually alone in warning of the reality which the so-called experts are now, finally, forced to admit. (See *Documentation* on page 9 for a summary of LaRouche's program.)

Estimates revised upward

Authorities everywhere are now raising their estimates as to the projected number of victims. The World Health Organization (WHO), under the auspices of the United Nations, predicts that upwards of 40 million people will be infected with HIV, the AIDS-causing virus, by the year 2000; but the Global AIDS Policy Coalition, a Harvard University-based research group headed by Dr. Jonathan Mann, has developed a computer model that predicts that a staggering 110 million people will be infected. Independent researchers have pushed the number up as high as 150 million. As one doctor said, "Whether we talk 40 million, 50 million, 80 million, or 100 million, it's a terrible epidemic and we need to act on it." Researchers agree that 75-90% of infections will occur in the underdeveloped sector.

Dr. George Lundberg, editor of the *Journal of the American Medical Association*, gave a briefing to the press on July 18, noting that as many as 10 million people are believed to be infected, and by the year 2000 that number will be 40

million—a fourfold increase. "Perhaps not since syphilis among the Spanish, plague among the French, tuberculosis among the Eskimos, and smallpox among the American Indians, has there been such a threat," he warned.

Lack of political leadership

Dr. Mann, who is chairman of the conference, tried to maintain an upbeat focus, insisting that this be a conference of hope, based on the will and commitment and capacities of all those attending, despite the horrendous predictions. "This is really a conference here of hope, not a conference of despair. We see people bringing together their knowledge, their experience. We know that we can do better. We know, in fact, we can control AIDS and care for the people who need care," Dr. Mann told the television news program "Good Morning America."

Even with his Pollyanna demeanor, Mann minced no words when it came to the pathetic record of the Bush administration and the implications of its inaction. Mann said that the United States is "desperately lacking political leadership on the question of AIDS." In no way is the response of the Bush administration commensurate with the problem; hence, "you have this gap emerging between the accelerating pace of the epidemic, the flattening or diminishing of the response . . . [the] gap is widening rapidly and dangerously. So we're at the critical moment. Either we're going to close the gap . . . or we're going to see this epidemic carry forward and really spin out of control." In another interview, Mann reminded ABC News reporter Chris Wallace of the President's statement that we spend 10 times more on AIDS than on cancer. Mann suggested that possibly someone should be so bold as to tell President Bush that not enough is being spent on cancer either.

Dr. Michael Merson, head of the WHO Global Program on AIDS, underlined the paltry amounts of money allocated to this fight. On the continent of Africa, \$2 per person is the average *annual* amount spent on health care, despite the fact that of the 13 million people infected with AIDS worldwide, 8 million live in Africa. Besides wiping out entire populations of cities, he projected that by the year 2000, there will be 10 million orphans on the African continent.

Most of the new AIDS cases (over 70%) involve hetero-

sexuals in Africa, Asia, and Ibero-America. The number of infected has tripled in five years, and while about 1 million Asians are infected with AIDS, Asia may overtake Africa by the end of the decade, according to Dr. Mann. By the late 1990s, India could have more people infected with HIV than any other country, the chairman stated. Whole villages and population groups are destined to die in Kenya, Uganda, and Zaire. "If you look at what's happening in Africa and what will happen in Asia, you have reason to be very pessimistic," said Dr. Anthony Fauci, head of the U.S. government AIDS research efforts. "All the signs indicate that the pandemic is not slowing down at all."

Disease of poverty

Even though the conference participants continued to maintain the coverup line that AIDS can only be transmitted by sexual intercourse, mother to infant, and blood transfusions, it was also affirmed that the virus is exploding in Africa and Asia much faster than in the industrialized nations. No explanation was offered for this; but clearly, the virus travels faster among the poor. Dr. James Curran, director for the HIV/AIDS division at the U.S. Centers for Disease Control, said that although AIDS is expected to level off in the relatively richer West, even there the poor will be extremely hard hit. "Throughout the world, the virus is winning flat out," he said. The link between poverty and AIDS was a recurring theme.

Dr. Marcus Conant of the University of California in San Francisco told the conference that AIDS was once seen as the scourge of homosexual men and drug users, but has now overwhelmingly become a killer of the poor. In Brazil, some AIDS patients sell their free AZT (the only drug which has so far been licensed for initial treatment of AIDS) for food, noted Dr. Maria Eugenia Fernández, an adviser to Brazil's AIDS control and prevention program. "Poverty is everywhere," she said. "The AIDS epidemic is showing us in a tragic way the fragility of our health care."

U.S. government inaction

While the Third World will be most severely hit, Dr. Curran told the conference that in the United States, a total of 230,179 AIDS cases had been reported by the end of June, and 152,153 Americans had died. The number of new AIDS cases has been steadily increasing, with 47,457 new cases in the last year alone.

By the end of 1994, as many as 535,000 cases are expected to have been reported in the United States, with as many as 385,000 fatalities, according to Curran. In addition, the number of Americans living with AIDS or other diseases caused by HIV will continue to increase. The proportion of increase will be greatest among the poor and minorities.

A report from Dr. Philip Rosenberg of the National Cancer Institute, written in the *Journal of the American Medical Association*, had similar figures. Made public in Amsterdam

for the conference, Dr. Rosenberg's report said that "one in 57 men in Washington developed AIDS in the 10 years up to 1991, more than six times as many as in the United States as a whole." U.S. cases could be expected to level off, but cases in the federal capital would increase by as much as 34% from 1990 to 1994, he wrote. "Trends in the nation's capital may be similar to those in other urban areas." Since the mid-1980s, Washington has seen 700 new AIDS infections a year among intravenous drug users, 200 through heterosexual contact, and 150 in men who have sexual relations with other men.

As stark as these figures are, conference participants agreed that they haven't received the attention of Washington's most illustrious inhabitant. Actress Elizabeth Taylor stated to the conference, "I don't think President Bush is doing anything about AIDS. I'm not sure he even knows how to spell AIDS." On the MacNeil-Lehrer television program, Mark Harrington, spokesman for the AIDS Treatment Action Group, was even more blunt: "The most important point that we have in our report is that as a nation, the U.S. is abandoning its commitment to eradicate the disease AIDS, whereas the world 20 years ago made a commitment to eradicate smallpox, and did so 10 years ago. America, which is the flagship of the worldwide biomedical research establishment, has not committed to the eradication of AIDS and in the President's budget for this year, for example, AIDS research doesn't even keep up with inflation. . . . We have a government in gridlock, neither the President nor Congress able to coordinate a rational campaign against AIDS or any other serious disease."

New strains

It now appears that a new, undetectable AIDS virus may be emerging. According to *Newsweek* magazine, doctors have identified about a dozen cases in which patients have developed acquired immune deficiency syndrome but never tested positive for either of the known AIDS viruses, HIV-1 or HIV-2. Thomas Spira, epidemiologist at the U.S. Centers for Disease Control, is studying six American AIDS patients who tested negative for HIV. "We don't have any indications that this is a widespread problem," stated Dr. Harold Jaffe, acting director of HIV/AIDS at CDC. "But we're taking the evidence seriously." The implication of this news is that blood transfusions which were formerly considered safe, may not be so.

Gerald Myers of the Los Alamos National Laboratory in New Mexico pointed out that AIDS viruses mutate with extraordinary speed, and so far, HIV-1 alone has spawned five different strain groups. When asked if this could be the first sign of a third AIDS virus, Myers said, "If an HIV-3 were to appear, it would . . . fail to respond to standard tests," just as the other strains have done.

This seemed to confirm the gloomy predictions of an Australian medical conference in Sydney the week before.

"At the moment, we have classical conditions for the spreading of some of the past plagues, particularly due to the disruption of normal populations," Frank Fenner, professor of microbiology at Canberra's John Curtin School of Medical Research, told reporters. "We have refugees all over the place living under very bad conditions, these are exactly the sort of conditions under which pandemic plagues are likely to occur."

Fenner said that 20 years ago there were about 5 million people classified by the United Nations as refugees, but now

"If you look at what's happening in Africa and what will happen in Asia, you have reason to be very pessimistic," said Dr. Anthony Fauci, head of the U.S. government AIDS research efforts. "All the signs indicate that the pandemic is not slowing down at all."

he estimates that the number has increased tenfold. "We don't know what it [the plague] will be, or where it will be, but there will be one, we only have to look at history, and see the number of plagues that have occurred, wiping out large numbers of the population," he warned.

No cures seen this century

More than a decade after the first case of AIDS was diagnosed, there still is no word on a cure. Progress is far slower than scientists had predicted five years ago, yet they insist that they have confidence that an effective vaccine can be developed by the mid-1990s. Even so, it is unlikely to be widely available before the next century.

One area of potential good news was given by Max Essex, a Harvard University researcher. He thinks real progress was being made in designing chemicals to outwit the HIV virus. Discoveries enabling researchers to infect monkeys with human AIDS should speed the process. Previously only chimpanzees and gibbons, both endangered species, could be infected with HIV. "I'm optimistic it will work," said Essex. "The new monkey models offer a tremendous way to test new products sooner."

Dr. Daniel Hoth of the U.S. National Institutes of Allergy and Infectious Diseases, which coordinates AIDS vaccine tests, also seemed optimistic. "The encouraging news is that the more recent trials have shown a higher frequency of neutralizing antibodies, which kill HIV directly." Approximately a dozen vaccines are now in various stages of testing in humans.

One experimental vaccine made from a genetically engineered version of the gp120 protein, which serves as the envelope of the AIDS virus, was well tolerated by volunteers who received it and produced a variety of positive responses, reported Dr. Mary Lou Clements of the Johns Hopkins University in Baltimore.

Previous studies showed that the vaccine, made by Genentech, Inc. of San Francisco, California, protected chimpanzees against one strain of the AIDS virus. In a new study, 28 uninfected humans received three injections of either one or two doses of the vaccine or a useless substitute. No serious side effects were reported, and 9 out of 10 volunteers who received the highest dose of the vaccine produced a variety of positive immune system responses, including the production of "neutralizing antibodies," which are proteins produced by the immune system that can kill HIV.

Jonas Salk, developer of the polio vaccine, also made a speech to the conference regarding his work on a vaccine. But he disagreed with most other participants on the approach that should be taken. Most of the scientists and companies are working on a vaccine that would produce high levels of protective antibodies. But Dr. Salk thinks what patients need is a lot of immune cells to kill the AIDS virus, which hides inside infected human blood cells. Therefore, he maintains, researchers should be working on bolstering the body's immune cells, as opposed to the antibodies which kill the HIV virus.

He bases his approach on studies of people who successfully threw off the AIDS virus after exposure, including babies of infected mothers, and health care workers. Many were skeptical of such a viewpoint, and questioned his data. He is now developing a vaccine made from an AIDS virus that has been killed.

One note of caution was made by Dr. Karl-Otto Habermehl, director of Berlin's Institute for Clinical and Experimental Virology at the Free University. He predicted great progress on a vaccine in the next year, but said that a preventive vaccine would be easier to develop than a therapeutic one, designed to treat people already infected.

Despite whatever progress is being made on the research end, the pace of the effort is not at all in step with the disease. One person is infected every 15-20 seconds by WHO estimates, and yet Congress cut the budget for the National Institutes of Health by \$150 million. The United States now spends \$8 billion on biomedical research of all kinds, at a time when new strains of diseases are developing, and old ones, such as tuberculosis, are resurging. In the United States, over 75% of the victims live in poverty, yet evidence is ignored that links infection to such "environmental co-factors."

It is time to put an end to the insanity of handing out condoms as a cure-all to the worst plague the world has ever seen, and instead to demand the political leadership that will fight for the survival of the whole human race.

The LaRouche plan to defeat the AIDS virus

While officials of both the Reagan and Bush administrations have been guilty of gross negligence in respect to the AIDS pandemic, Lyndon H. LaRouche has distinguished himself by foreseeing the current crisis. In 1973, LaRouche put together a biological holocaust task force to study what could be done to prevent mass disease outbreaks, which he said would occur as a result of the austerity policies of the International Monetary Fund. In October 1985, in a statement announcing his candidacy for the 1988 Democratic presidential nomination, LaRouche declared AIDS to be "the most important of the political issues threatening us right now." In November 1989, Warren J. Hamerman wrote the following, in a preface to an EIR Special Report on AIDS:

Within the immediate period ahead, mankind will reach the point of no return on adopting one of the only two proposed concrete courses of action to deal with the out-of-control AIDS pandemic.

As he pledged to the American people in a June 4, 1988 prime time national television broadcast, Lyndon H. LaRouche, Jr.'s science-intensive plan will lead to total victory over AIDS—the wiping of the virus from the face of the Earth.

The alternative course proposed by [then-Surgeon General] Dr. C. Everett Koop, by the insurance companies, the banks, governments, and the health establishment, in the name of "cost containment," is to revive Nazi policies of euthanasia ("mercy killing") and death camp "hospices" instead of hospitals. This plan will doom the human species to a miserable end. . . .

We remain optimistic that mankind will ultimately choose victory over defeat. However, we must offer three particular limiting conditions upon our philosophical optimism.

1) The choice for victory must be made and adopted in time.

2) The victory plan of a crash scientific, public health, and economic renaissance program must be adopted in its entirety and not selectively.

3) The LaRouche victory plan must be directed by the designer of the plan—physical economist Lyndon H. LaRouche, Jr.—or it will not be perceived as or in fact be a victorious "total war" effort, since LaRouche is the policy "energizer" at the center of the international scientific, politi-

cal, and medical networks who must lead the war to vanquish the AIDS virus.

That the alternative to the LaRouche plan spells total defeat for mankind is underscored by how governments and the health establishment have let the situation get completely out of control.

As we have long warned, the brutal cost-cutting and sub-human austerity policies of the international banking institutions and the tragic failure of the Reagan-Bush administration and allied governments to tell the truth about AIDS and commit the resources to fight it, have allowed the 100% lethal disease and related pandemics to spread unchecked through all the continents of the globe.

The willful intransigence of governments and institutions to adopt traditional public health measures, such as mass testing, has combined with a peculiar and devastating biological feature of the AIDS virus itself—the very long "lag time," of 5-10 years or more, between infection and the onset of sickness. . . . Thus has much of the continent of Africa been devastated. Thus have America and Europe's once-invincible health infrastructures been overwhelmed. Thus have the nations of Ibero-America been brought to the brink of the needless death of millions. And thus has the killer virus established a beachhead in the vast, highly concentrated populations of Asia.

Yet because of the biological lag time of the virus and the policy of governments to consciously blind our public health radar, all of the devastating map of AIDS we see today is actually the after-shock of infections that occurred half a decade to a decade ago. Those sick today were potentially infecting others throughout most or all of that half decade to a decade. How many, and who, we do not know, because of the health establishment's policy.

The EIR-proposed science-intensive war plan to fight AIDS is designed to:

a) Pump money into basic bio-medical research programs to catalyze "crash" breakthroughs, through advancing our understanding of life processes on a broad scientific front. Technology-intensive solutions are always the most efficient and least costly ways to solve problems.

b) Upgrade and enhance the immunological disease-resistance potential of populations through improving nutrition and sanitation, housing, and so forth.

c) Modernize and augment both the skilled medical manpower and hospital facilities for a "surge" of health care delivery to populations.

d) Give doctors the advanced training and resources required to fight disease, while liberating them from attack through so-called malpractice insurance law suits.

Today . . . we would only underscore what is at stake in the choice between these two alternatives, by identifying it as a "global showdown" leading to mankind's total victory over a deadly disease threat under the LaRouche plan, or our total defeat as a species.

Revolt against 'shock therapy' gains in CIS

by Mark Burdman

The backlash against International Monetary Fund "shock therapy" austerity policies is growing throughout the "Slavic core" of the Community of Independent States, only days after the July 6-8 Group of Seven meeting in Munich had formalized the demand that IMF policies be followed religiously in the formerly communist countries of central and eastern Europe. The backlash is tangible in Russia, Ukraine, and Belarus, the three countries whose leaders signed the accord of Dec. 8, 1991, which formally ended the Soviet Union and created the new CIS.

Of the three, Belarus is most explicit in its rejection of the "shock therapy" approach. In an interview with the French daily *Le Monde* July 21, Belarus Prime Minister Vyacheslav Kebich stated that his policy is "to hurry slowly," and to allow enterprises to "reorient themselves" to the new circumstances, rather than shutting them down and creating massive unemployment. Stated Kebich: "We have, next to us, this horrible example of Poland, which has given in to shock therapy." He reported that he had received personal warnings during two recent private meetings "from the mouth of [Polish President] Lech Walesa, not to repeat [Poland's] errors" in Belarus.

Kebich said he supports measures of "protectionism," in order to protect the internal market. This, stressed *Le Monde*, is in violation of the "post-communist taboo" against this word.

Kebich had been in Paris on July 15-17, to attend a seminar sponsored by the Ministry of Finance and Economics on the "modernization of the public sector in a market economy." He welcomed French government support for his opposition to shock therapy, noting that the entire seminar "revolved around one, and only one, order of the day: 'don't rush.'" *Le Monde* quoted French Finance Minister Michel Sapin, advising, "one can not privatize precipitously. To succeed, these operations must be carefully prepared."

After his meetings in Paris, *Le Monde* noted, Kebich flew on to Germany, for a dinner with German Chancellor Helmut Kohl. A large German business delegation has recently been in Belarus.

A parallel process is going on in Ukraine. The IMF's man in the Ukrainian government, Vladimir Lanovoy was removed over the July 11-12 weekend, and replaced by an opponent of shock therapy policies.

'Abandon the liberal approach'

In Russia, it is generally anticipated that Boris Yeltsin will soon sacrifice his IMF-linked economic policy czar Yegor Gaidar, in order to save his own political skin. That has been forecast by Vladimir Tretyakov, editor-in-chief of the influential *Nezavisimaya Gazeta*, in an op-ed in France's *Le Figaro* daily July 23. Certain high-level sources in the West think it may already be too late for Yeltsin to do this, and that he himself will be out of power by October-November, a victim of the reaction against Gaidar's policies.

Meanwhile, Russian influentials are putting forward some historically derived alternatives to the IMF-Gaidar program. In a July 21 press conference in Moscow, former Moscow deputy mayor Sergei Stankevich positively recalled the policies of Pyotr Stolypin, the Russian reformer whose assassination in 1911 had set the seal on effective "dirigist" policies and had help set in motion the developments leading to the Bolshevik takeover of power later in that decade. Stolypin had, in particular, prioritized reforms in the agricultural sector.

Stankevich called on Russia to "abandon the liberal approach" in both foreign and domestic policies. He rejected what he called the "liberal dream," insisting that "a strong central power" would be needed to promote a policy of "active industrialism," defined as "capitalism with a very active oversight by the state." Stankevich further said that any solution must take into account the special historical circumstances of Russia, since what was now being rejected was exclusive dependence on imported "western" models. Russia must have a more Eurasian perspective, of balancing between East and West.

On July 17, a recently appointed economic adviser to the Yeltsin government, Yevgeny Yasin, had criticized the tradition of "Adam Smith's invisible hand" that Gaidar and his team have tried to bring into Russia. "In Russia, you have got to have a visible hand," Yasin proclaimed. "That is one of the peculiarities of the system. You cannot just dismantle the state sector and let everything be done by the market. It does not work here." This came in the context of an angry attack on Yegor Gaidar.

Advocates of the "shock therapy" model are frantically trying to distance themselves from Harvard University's Jeffrey Sachs. One high-level Polish collaborator of Sachs, during a July 23 discussion, at the mere mention of Sachs's name, shrieked that politicians and economic policymakers throughout formerly communist Central Europe and the former U.S.S.R. were "furious" at Sachs's efforts to claim authorship for reform policies, and dismissed "this American economist" as "adventurous."

Since this individual's actual policies are no different in content from those of Sachs, the reaction shows how strong popular discontent against "shock therapy" has become. Sachs is the lightning rod of resentment in the nations trying to free themselves from both communist and Adam Smith-free market legacies.

Promising opposition to IMF policies could spark 'new Polish revolution'

by Frank Hahn

Three years after the defeat of communism in eastern Europe, disappointment, bitterness, aggression, and apathy characterize the situation in eastern Germany, Poland, the soon-to-disappear Czechoslovakia, Hungary, and the former Soviet republics. Already three years ago, *EIR* warned that the application of the monetarist doctrine of the "free market," or, more precisely, of "rampant capitalism," would lead in short order to even greater misery and economic ravages than communism had caused in its 40-70-year reign. But most refused to heed those warnings.

Today's gruesome reality has proven us right: In eastern Germany, 50-80% of all jobs have disappeared, without any prospect in view of creating new ones. Poland and Russia are experiencing an economic collapse which dwarfs that of 1931-32. Over the past two years, we spoke repeatedly about the betrayed revolution in the East, and repeatedly emphasized that a second revolution was urgently needed—this time against Anglo-American liberalism and the genocidal usury policy of the International Monetary Fund (IMF)—so that a new and just economic order could be established between North and South, based on the sovereignty of nations and individuals in keeping with the order of Creation.

The time has come, when a new spark of revolutionary courage, a new striving for truth, is being kindled—and just as in 1980, it is coming from Poland first.

When we consider that the struggle of the Solidarnosc trade union was what set events into motion in 1980, leading ultimately to the fall of the Berlin Wall in 1989 and the collapse of the Soviet Empire in 1991, then current developments in Poland represent a great hope for all Europe and the world. Nevertheless, Poland is only beginning the process. It is therefore all the more important to make the Polish freedom struggle into the cause of all civilized mankind, and to unite it with the freedom movement and presidential campaign of Lyndon LaRouche in the United States. With that intent, we present the following report which reflects the situation in Poland in early July 1992.

Since August 1989, Poland has had three governments which came out of the Solidarnosc movement, and the fourth one—under Prime Minister Hanna Suchocka—is just now setting up shop. This interval has seen an unparalleled collapse in living standards. Under the infamous Finance Minister Leszek Balcerowicz, Poles' buying power was cut literally in half overnight, back in January 1990. Behind this "shock

therapy program" was Harvard professor Jeffrey Sachs and the IMF and the World Bank, who have overseen Poland's fulfillment of details of this horror scenario of poverty, disease, and economic denudation.

Despite all the promises to break with this merciless plundering, there was no change in course even under the government of former Prime Minister Jan Olszewski—and Suchocka has already indicated her readiness to enforce the IMF conditions. But the patience of the Polish people has reached its limit. Solidarnosc leader Lech Walesa and his people have become just as hated as were the communists who preceded him. The political and economic failure of the Solidarnosc governments—the circus-like, infantile squabbling, intrigues, and personal frictions in the Sejm (the Polish Parliament)—have soiled its revolutionary reputation. Ever since it became known that Solidarnosc had received \$1 billion from questionable American sources, while rumors of Walesa's activities on behalf of the intelligence service of the former East German regime continue to gain strength, many political observers in Warsaw have come to believe that the days of Walesa and his entire Solidarnosc movement are numbered.

Deindustrialization and depopulation

In an interview with this reporter, Professor Balcerek of the Warsaw College for Statistics and Planning laid out an extraordinarily precise and caustic analysis of the current situation. We quote from his comments here:

"Sometime in the next six months there will be a social explosion in Poland. The IMF rules the country, and has done so since 1971. That was when [President Eduard] Gierek brought the IMF to Poland, and locked it into the vicious cycle of indebtedness, high interest rates, and foreign dependence. The last communist government, that of [Prime Minister Mieczyslaw] Rakowski, put an even sharper edge on this policy, and all the non-communist governments since [Prime Minister Tadeusz] Mazowiecki have simply continued this subjugation to the IMF dictatorship. In reality, therefore, we see a continuity of policy from the communists through their successors: At a certain point, primitive communism was no longer in keeping with the times, and so they simply changed the label.

"What is the IMF's goal? It says it wants to promote the restructuring of industry. Now I'm for restructuring, too, but here we're seeing industry being entirely dismantled. The IMF

has a malthusian program—it wants to reduce Poland's population by two-thirds, from 40 million today down to 15 million. You can calculate it yourself: Out of the 14 million employees in industry, the IMF wants to keep only about 3-4 million, while in the farming sector, out of the current 4 million, only 500,000 to 1 million are to remain employed. The political parties currently governing Poland have one task alone: to oversee and implement this dismantling of our economy.

“Please consider that most of these parties cannot finance themselves on the basis of regular membership dues payments: Most of them only have about 2,000-3,000 members. Thus they are financed from abroad. And so you cannot expect any policy change to come from the government or the Parliament. We are told by the West, that we must de-monopolize our economy. But just to mention one example from the chemical sector: In one range of products we used to have 14,000 employees working in eight different plants; but now all this has been taken over by *one* western firm. While the cartellization becomes ever greater in the West—just look at Fiat or GM—we are supposed to look on as our industry is destroyed under the slogan ‘de-monopolize.’

“Over the past year this dismantling has led to drastic disruption of the national budget. Since over 80% of tax revenues used to come from state-owned factories, the collapse of these plants resulted in a deficit of 70 trillion zlotys [about \$5.4 billion]. And then the experts from the IMF tell us: ‘You have to balance the budget; you’re spending too much for education and health.’ What nonsense! The problem is not the high expenditures, but rather the low revenues as a result of the dismantling policy. And against that 70 trillion zloty deficit, in 1991 some 40-60 trillion zlotys fled the country, thanks to investors who transferred their profits abroad. This year both the deficit and capital flight figures will be somewhat higher.

“Foreign investors have invested up to 70% of their funds into Poland's *service sector*, i.e., paper circulation and speculation, in league with dirty money, are sucking the Polish economy dry. The remaining 30% of ostensibly productive investments in many cases goes merely to buy up the looted hulks of once viable firms at bargain prices, in order to put Polish workers, at starvation wages, onto the extended workbenches of western firms—something which has nothing to do with true economic development.”

Balcerek's bitter summation: If there is no drastic change very soon in present economic policy, then Poland will face a far worse fate than it did in 1795 after it was partitioned for a third time. The Polish state ceased to exist then, whereas now the state's economy is being eliminated. The inevitable outcome will be a social collapse which would take a very long time to reverse.

The resistance gets itself organized

Balcerek sees a social revolution as the only way out of this predicament. But how realistic are the chances of this

happening? The storm warnings are already here: The weeks-long street blockades and protest actions by Polish farmers, and their occupation of the Agriculture Ministry, and the Upper Silesian miners' fight against the shutdown of their mines, are harbingers of the coming social ferment and unrest. The long-term success of such movements, and a revolution in the sense of establishing a just world economic order, however, are dependent on the quality of moral and intellectual leadership which puts itself at the head of these strike and protest movements.

At the moment, two organizations have been assuming this leadership role: the “Solidarity 80” and “Agricultural Self-Defense” movements. The great hope for Poland and for Europe consists in the fact that both these movements are profoundly different from all the other European trade union and political movements, in that they have been explicitly directing their fight against the IMF and the World Bank. Thus we now see in Poland the emergence of Europe's first mass movement against the IMF.

But they go one step further. Their attacks against population reduction policies strike at the very core of the Anglo-American “new world order.” To quote from the Declaration of Principles issued by Agricultural Self-Defense (in Polish: *Samoobrona*):

“It is necessary to defend our fatherland, and indeed with reason, conscience, and love! . . . We are open to international cooperation, but we do not want Poland to be subordinated to supranational interests which are leading to the impoverishment of our nation and to the collapse of our identity. Among other things, we will defend ourselves against the dictatorship of the World Bank and the International Monetary Fund. . . .

“We will not tolerate the utter bankruptcy of our industry and the destruction of Polish agriculture. We do not want a ‘flea market economy’ which condemns Poland to being flooded with shoddy foreign products and relegates Poland to the role Europe's garbage dump, the only place where you can still draw on a reservoir of cheap labor. We do not agree with the use of *primitive folklore* as a substitute for true culture . . . nor with the sapping of our physical strength, which will lead to a considerable reduction in our population—on the basis of the idea of depopulation which is being promulgated with ever increasing brazenness.”

The declaration states that capitalism and the market economy are not ends in themselves. At the center of all economic activity must stand the human being, and thus the principle of scientific and technological progress.

Similarly, the Solidarity 80 movement's economic philosophy is oriented toward Friedrich List and toward Catholic social doctrine. This trade union split-off from the original *Solidarnosc* because it refused to go along with the IMF policy under Balcerowicz. This high level of political thinking in a mass movement is unique in recent history. While the danger of corruption is real, there is potential here for an

revolution against the IMF.

On the strike front, the Samoobrona farmers are focusing on a just solution to the debt problem, in order to save productive farms from going bankrupt. In 1990, many farmers took up the government's offer to take on loans for the modernization and expansion of their farms. That occurred at a point when the interest rates were 30%—relatively low by Polish standards. As a sweetener, the government promised to lower the interest rate to 12% in the near future. But the contrary occurred: One year later, interest rates skyrocketed to 90%. The countryside was swept by a wave of forced-bankruptcy auctions; families and entire villages suffered indescribable human tragedies; many farmers committed suicide.

Samoobrona sought to prevent these forced-bankruptcy auctions from taking place, and in one year built up a powerful organization of about 100,000 farmers.

Meanwhile, the situation has been worsened by the flood of cheap food imports from abroad, so that the most modern farms are now working only at 20% capacity. Already in April, farmers occupied the Agriculture Ministry to highlight their demands for debt restructuring, import barriers, parity prices, etc.

In mid-June, farmers began blocking major highways in and out of Warsaw. Despite police intervention, every major intersection around Warsaw had about 200 farmers who remained at the side of the road with their vehicles, as a warning should negotiations with the police and the government fail. Then, on July 9-10, police moved with extreme brutality against these remaining partisans. At least 100 people were temporarily jailed. The next day, 500 farmers marched on the Parliament in protest.

The farmers' actions have been increasingly coordinated with railway workers, teachers, nurses, unemployed, and miners. Indeed, the plight of the miners around Katowice is the next flash-point. Under the leadership of Solidarity 80, hundreds of workers have been occupying the state mining administrative building in Katowice since July 1, demanding that the Upper Silesian mining district not be dissolved as planned. The World Bank has demanded that Poland shut down 51 of the 70 coal mines in Katowice, which would mean that out of 364,000 workers, 302,000 would become unemployed—without any prospects for alternate employment.

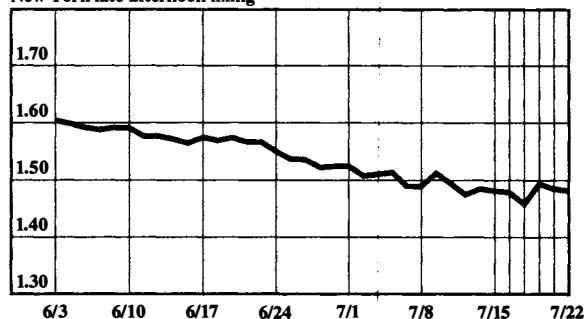
Put another way: Poland, which in 1984 was still exporting 43 million tons of high-quality anthracite coal, is slated to become a net coal importer during this decade, so that by the year 2010 it will be importing 27 million tons of coal each year. The state has already imposed export and production limits to that end.

The demands of the workers' protest committee include: revocation of the export limits, debt moratorium for the mines, that various "punitive taxes" which have been discouraging new investment be abolished, blocking the transformation of mines into stock corporations owned by single individuals, and higher wages and pensions.

Currency Rates

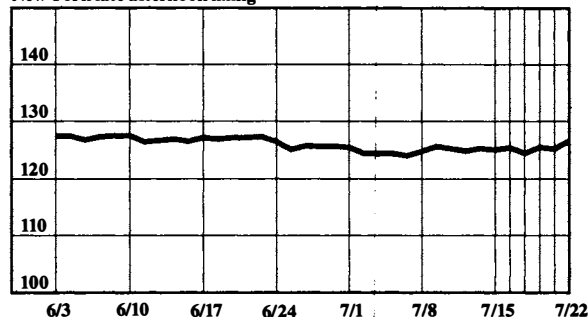
The dollar in deutschemarks

New York late afternoon fixing



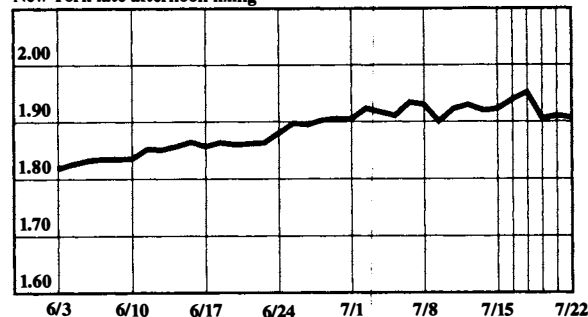
The dollar in yen

New York late afternoon fixing



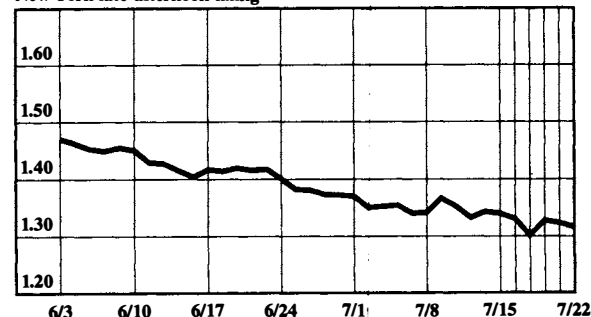
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The anatomy of Sweden's banking deregulation debacle

by William Engdahl

"The Swedish government is going to have to put in possibly three or four times what they have so far, in order to bail out Swedish banks before this is over," confided a Scandinavian banking source familiar with the ongoing Swedish real estate debacle. "After deregulation in the 1980s, many Swedish banks lent to anything you could think of, in areas where in many cases they had no prior experience."

In 1991, Swedish banks totaled record loan losses of SKr 35 billion [roughly \$6.6 billion]. By far the largest loser was the state-controlled Nordbanken, with a hefty SKr 10.5 billion in loan losses alone. Nordbanken has total loans outstanding of some SKr 260 billion.

But more worrisome are the not-yet-realized potential loan losses of Swedish banks. Some Swedish private economists estimate that it could take 5-10 years, or more, to digest the glut of commercial office construction which grew in especially the west coast of the country over the past decade. According to a recent study by Enskilda Fondkommission of Stockholm, the total volume of "problem loans" on the books of Swedish banks in 1991 totaled an all-time high of SKr 91 billion, some 10% of total bank loans.

But far from expecting improvement this year, Enskilda estimates that sum will go beyond SKr 150 billion by the end of December. The vast bulk of these loans are being held by the banks in desperate hope of an upturn in Sweden's depressed economy. Ironically, it was a socialist government, under Olof Palme and later Ingvar Carlsson, which opened the door to financial market deregulation during the 1980s—in the same way that Jimmy Carter's Democratic administration initiated banking deregulation in the United States.

Biggest real estate bubble in history

Traditionally Sweden had one of Europe's most conservative banking sectors and defaults were almost unheard of. By the time the Ingvar Carlsson government lifted final capital controls on Swedish banks and companies at the end of the 1980s, the biggest speculative real estate bubble in the country's history was fully under way.

During the series of measures introduced by Social Democratic Finance Minister Kjell Olof Feldt, in the mid-1980s, Sweden's traditional rural mortgage banks, which had been

restricted to lending at 100% collateral to local customers—often farmers or homeowners whom the local bank had known for generations—suddenly were free to invest where they wished.

Overnight, small *sparbanken* (similar at that time to the pre-1982 U.S. savings and loan institutions) merged to create "competitive" all-purpose banks. "Banks with no prior experience in commercial property lending were suddenly major players in speculative real estate projects," K.-A. Olsen of Copenhagen's Unibank told *EIR*. "Some of the actual stories of lending terms by these new banks would astonish you." Two of the banks which racked up the largest loan losses last year, Foersta Sparbanken and Sparbanksgruppen, were examples of such conglomerations of smaller *sparbanken*. Both banks had combined loan losses in 1991 of just over SKr 9 billion, an astonishing sum for Sweden's once-conservative banking sector.

The Nordbanken saga

The speculative boom came to an abrupt halt at the end of 1990, when the government and the central bank (Riksbank) took steps to "shadow" or peg the kroner to the European Monetary System's currency bloc, specifically the German deutschemark, as preparation for eventual Swedish membership in the European Community (EC). With no capital restrictions and an overvalued kroner, the Riksbank has more than once, since then, been forced to raise short-term rates to 17% or more to stabilize the kroner against the deutschemark. The result of the high interest rates was a predictable collapse of the domestic real estate bubble by the end of 1990.

The first real indication of the dimension of the Swedish property problems erupted last autumn, days after the election of a new conservative coalition under Prime Minister Carl Bildt. The large state-controlled Nordbanken announced huge real estate-linked losses tied to the collapse of Gamlestaden AB, Nobel Industrier AB, and Yggdrasil AB, all three linked to Nordbanken minority shareowner Erik Penser. The bank told the new government it needed an emergency SKr 5 billion capital injection to keep afloat and prevent a panic run on deposits.

At that point, according to well-informed Stockholm financial sources, Finance Minister Anne Wibble and the Bildt

government, with a strong "Thatcherite" free market bias, were initially inclined to let the bank fend for itself. But reportedly, a conference call with Riksbank Governor Bengt Dennis, at the time in Bangkok attending the annual meeting of the International Monetary Fund, "persuaded" the government that failure to step in with an immediate bailout of the bank would risk a domino-effect crisis, not merely in the Swedish banking sector, but possibly internationally. Dennis also sits as present chairman of the central bankers' Bank for International Settlements.

While the Riksbank would not comment on the issue, Anders Salen, head of the government bank regulatory agency, Finans Inspektionen, did say that it was his personal view at the time of the Nordbanken crisis last autumn, that a "major crisis was imminent" unless swift and decisive government intervention to restore depositor confidence was taken.

The government has been taking such steps ever since. While no one likes to speak about it, Sweden is one of the few OECD countries which has no system of deposit insurance in place, meaning a confidence crisis in any single large bank could rapidly become systemic.

But the government's Nordbanken capital injection last fall didn't solve much. By the end of the first trimester (January-April) of this year, Nordbanken had recorded another SKr 2 billion in loan losses. And this was before the giant Gothenburg property group AB Coronado collapsed in early June. Coronado, Sweden's third largest property conglomerate, had SKr 9.3 billion in debts. Its two largest creditors were Nordbanken and Sweden's largest private bank, S-E-Banken. The day Coronado failed, Swedish bank share prices plunged yet lower on the Stockholm stock exchange.

The government rescue plan

Nordbanken spokesman Mikael Anderkrona said that a government rescue plan, first made public at the end of June, is going ahead on schedule. "On Sept. 1, the new entity, Securum, will start business, still a part of Nordbanken. In January next year, Securum will then be split from Nordbanken, which then will again be a healthy bank. Securum will stay in state hands." The government hopes to clean up the remaining Nordbanken for sale to a foreign buyer.

Securum is the name of the entity proposed by the government at end April this year, after Wibble and the government became informed that the bank's losses were mounting alarmingly. The name was clearly chosen to give a public image of security to potential investors, but the assets of Securum—billions in bankrupt construction projects—will be "secure" only through an open-ended obligation on the highly taxed Swedish population to bail out the worthless speculative boondoggles. The Securum idea, not surprisingly, came from U.S. bank bailout "experts." Wibble flew to Washington for emergency consultations with U.S. banking officials and returned with a proposal for a U.S.-style "good

bank," "bad bank" system.

Securum will be the "bad bank," holding most of Nordbanken's defaulted real estate portfolio. Nordbanken deputy director Lars Thunell will run the Securum operation until January. "Securum thus will become one of the largest owners of real estate in Sweden, and will hold many properties abroad including holiday resorts in Marbella and London properties," Anderkrona added.

The idea is that, with a capital infusion of SKr 20 billion from Parliament, voted in mid-June, Securum will have sufficient capital to be able to ride out the storm until real estate prices recover. But not everyone is convinced. One Stockholm banker, who asked to be anonymous, said, "People believe this SKr 20 billion will be enough to fill the 'gap' in the bank's loan losses. But this is only a minimum needed to extend the life of Securum and prevent the all-out death of Sweden's property market."

Bankers are worried

And some of Sweden's healthier private banks such as Handelsbanken are up in arms over the preferential SKr 20 billion bailout for Securum. Handelsbanken chairman Arne Maartensson, also Swedish Banking Association president, has called the government aid a direct hit against other healthier banks.

Another scheme which Nordbank-Securum's Thunell is proposing is creation of special new "junk bonds" to take the pressure off Sweden's banks, allowing them to buy time for a future property recovery. Under the scheme, banks would convert some SKr 50 billion in worst-case real estate loans into 10-year bonds. For the first several years until the economy recovers, and the properties can be sold at a profit, no interest would be paid bondholders. Nordbanken says it has successfully tried the bond scheme on some properties in Gothenburg.

However, some analysts of the Swedish real estate sector expect recovery will take more than a decade. Already since the crisis began in late 1990, Swedish property prices have fallen some 40%, the worst in history.

But with no deposit insurance, the worst banking crisis in its history, and the worst domestic economic depression since the 1930s the Bildt government has little room to maneuver. This is compounded by pressures for Sweden to "harmonize" key value-added tax (VAT) policies with the EC, as a precondition for membership. With the 1992 budget deficit likely to top 7% of Gross Domestic Product, some SKr 110 billion, and unemployment support to cost up to SKr 25 billion, the government must also begin to reduce Sweden's stiff 25% VAT. A cut to only 20% VAT would mean revenue loss of some SKr 15 billion. With the government ideologically locked into a too-high kroner, Sweden's traditional export economy is suffering even more than normal, further delaying recovery. We have not heard the last from the Swedish banking crisis.

Mahathir says labor leaders are traitors

by Lydia Cherry

Malaysian Prime Minister Dr. Mahathir Mohammed lambasted his country's Trade Union Congress on July 10, calling its leaders "traitors" because they "discredited Malaysia" at last month's International Labor Organization conference in Geneva. The prime minister emphasized that the union leaders had let themselves be used by western labor unions "bent on seeing Malaysians lose their jobs, and fail in the country's economy."

Along with the prime minister's strongly worded statement, the Malaysian daily *New Straits Times* published a rare article authored by the prime minister that placed the labor "operation" in the context of the much larger strategic game to "obstruct the industrialization process in the developing countries." Tracing the history of Third World countries' largely unsuccessful attempts to industrialize, Mahathir charged that the big powers were "so sure . . . that developing countries outside of Europe and America would not be able to master their technology that they were quite complacent when Japan tried to industrialize." Once Japan succeeded, however, and was rapidly followed by South Korea and Taiwan, "the developed countries decided to obstruct the industrialization process in the developing countries. It was too late to do anything about Japan," Mahathir adds, but "by stirring up industrial unrest and demanding an end to undemocratic rule, they set the stage of economic and political instability."

The targeting of Malaysia

The destabilization of Thailand in May was projected to be but the beginning of the destabilization of the Association of Southeast Asian Nations (ASEAN). Next on the hit-list are Indonesia and Malaysia, according to James Clad, a member of the Carnegie Endowment for Peace, in comments reported in the *Washington Post*. The labor component of the current "democracy" game being imposed on developing countries has been fine-tuned over many years. The International Labor Organization, which Mahathir cites, originated with the League of Nations of the 1920s, and is now an arm of the United Nations. The ILO works closely with the AFL-CIO.

A top-level AFL-CIO operative discussed the "strength" of Malaysian labor leaders in an interview recently made

available to *EIR*. Philip Fishman, head of the Asia-American Labor Institute (AFLI) of the AFL-CIO in Bangkok before returning to the U.S. to become head of the AFL-CIO International Division, says he trained all of the labor leaders who played a role in Thailand's pro-democracy demonstrations. He added that in Indonesia and Thailand it was necessary for AFLI to set up an operation, but that in Malaysia there is "clearly a stronger and more sophisticated labor movement than you find in either Indonesia or Thailand. One reason we didn't have a full program there is because we didn't need to—we had counterparts there, and we could develop a fraternal relationship there without needing to open up an office."

This is the destabilization operation that Mahathir is now identifying. Once the big powers classified Korea, Taiwan, Hong Kong, and Singapore as newly industrializing countries (NICs), he charged in his article, "they identified the comparative advantages of these countries as low labor cost, authoritarian governments, low currency value, and protection for local industries as well as domestic markets. Pressure by the Group of Seven industrial countries and the World Bank resulted in the currencies of the NICs being revalued upwards. More pressure was applied in order to open up their domestic markets. Immediately, these NICs became less competitive. Industrial and political unrest reduced productivity. Higher wages paid in the revalued currency increased the unit cost of products. The cost of living rose rapidly, negating the higher income received by the workers.

"Having succeeded in obstructing the development of the NICs, the rich developed countries are not going to wait until the other developing countries reach the stage of the NICs. They reasoned that it is easier and more effective to act early while these countries are very weak."

The cost of living in Malaysia, he pointed out, is about a third of that in most developed countries. "It is therefore wrong to compare the exchange value of the wages of a Malaysian worker or executive with that of workers in the developed countries. . . . Our only advantage is our low-cost labor and our low cost of living. If we lose it, then we will be a permanently poor developing country."

"Working through international labor organizations, the leaders of the labor unions gained influence over the leaders of unions in developing countries. . . . The leaders of the trade unions in the rich countries were able to lend legitimacy and moral strength to their objective of preventing the developing countries from competing with them; they argued that developing countries were not competing fairly because they do not pay their workers fair wages. That the developing countries have to pay the developed countries for their technology, management expertise and cost of capital and are, therefore, at a disadvantage when competing with the developed countries are ignored.

"At all times, everyone must be aware that when wolves offer to escort Red Riding Hood, the little girl can end in the stomach of the wolves," the prime minister concluded.

Eustace Mullins, the great betrayer

Populism is an oligarchic construct, no more popular than the “free market” is free. William Bohdan provides a commentary on a widely read book.

Every human being's analyses and conclusions are based on certain underlying assumptions, often unconsciously made by that person. In this book—which attacks the Federal Reserve System as the treason it is, but wrongly ascribes it to the heritage of Alexander Hamilton—Eustace Mullins's underlying assumption is that the British-tainted utopian populist democracy is good for us. This underlying assumption is false, and, therefore, Eustace Mullins's book *The Great Betrayal* is a fraud.

Although Mullins appeals to a Christian readership, neither God nor his Son, Jesus Christ, have ever acted democratically. Christianity is not democratic (popular opinion); it communicates a set of moral precepts by which man must direct his activity so as not to be contrary to God's natural laws in his rationally ordered universe, and thereby not bring destruction upon himself.

The irrationality of populism is exemplified by the Jacobin mobs that terrorized France around 1790, supposedly to rid that nation of an oppressive economic system. These mobs were organized by the very oligarchs who caused the oppression. This populist rage was turned against the people who were trying to get the country prospering through scientific and industrial development, namely, the Marquis de Lafayette, Duc de la Rochefoucauld, and other members of the French branch of the Society of Cincinnatus (Alexander Hamilton and George Washington formed the American branch). The storming of the Bastille by the Jacobin mobs in 1789 caused the release of only six prisoners, all common criminals, not the multitude of political prisoners, as our lying history books claim.

In economics, British populist democracy centers around an immoral system misnamed the “free market” system (more aptly described as the “flea market” system), which was written to directly counter the American System of economics defended by the Founding Fathers of the United States and later given policy form by George Washington's first Treasury Secretary Alexander Hamilton. (Years later, Hamilton's system became called the American System of Political Economy.)

The fact that many who call themselves Christians today, especially of the “fundamentalist” variety, believe in the free market system is not a justification for it; it is, in fact, the very reason to condemn it. These particular Christians are

victims of the same irrational concept of God and Jesus that they have of economics; their concept of blind faith denigrates the divine gift of human reason, granted to man as the highest of God's creatures in order to enable him to assist in the further development of the natural universe, in favor of the infantile craving for a simplistic, magical view of the universe which is reducible to the limits of their own minds.

Similar irrational assumptions induce belief in an “international Jewish conspiracy,” another fraud perpetuated by the oligarchy through such political networks as the British Israelites, the Social Credit Party, the League of Rights, the Freemasons (the British Duke of Kent is Grandmaster of London's Grand Lodge). While a cabal of nominally Jewish families has historically acted as the collector of usurious interest income on international bank loans (interest rates set in the so-called free market!), they have always been considered expendable by their oligarchist masters, ready to be scapegoated and persecuted in the event of economic depression. Shakespeare's *Merchant of Venice*, in which the Jewish usurer Shylock is ultimately an expendable pawn of the Venetian oligarchy, was a polemical exposure of this arrangement.

Another irrational assumption is that the Earth has limited resources and that our economic system must reflect that. Hence are the origins of population control, balancing federal budgets, populism, Social Credit's national dividends, etc.; ideas representative of shallow thinkers, not of the true profound man that “God created . . . in his own image” (Gen. 1:27). Since God the *Creator* is unlimited, is it reasonable that his creation as a whole would have limits? No, and that is why God said to man, “Be fruitful, and multiply, and replenish the earth, and subdue it” (Gen. 1:28). God *did not* say “use it wisely because it is limited” (today's populism of stewardship). There can be no ambiguity that the directive to “replenish the earth” meant that man's intervention in the earth had the potential to improve it and not deplete it, as would be reasonable for entities (mankind) “created in his own image.”

Adam Smith the evil

The free market system was developed by a paid agent of the British East India Company called Adam Smith, as an attempt to maintain the British colonialist looting system.

The immorality of this system stems from the immorality of Adam Smith. The following quote comes from his book, *Theory of the Moral Sentiments* (1759):

“The administration of the great system of the universe . . . the care of universal happiness of all rational and sensible beings, is the business of God and not of man. To man is allotted a much humbler department, but one much more suitable to the weakness of his powers, and the narrowness of his comprehension; the care of his own happiness, of that of his family, his friends, his country. . . . But though we are endowed with a very strong desire of these ends, it has been entrusted to the slow and uncertain determinations of our reason to find the proper means of bringing them about. Nature has directed us to the greater part of these by original and immediate instincts: Hunger, thirst, the passion which unites the two sexes, the love of pleasure, and the dread of pain, prompt us to apply these means for their own sake, and without any consideration of their tendency to those beneficent ends which the great Director of Nature intended to produce by them.” In other words, Adam Smith viewed man as an animal. And, this is the man whose economic philosophy many would-be Christians, obviously Mullins included, worship!

It is no coincidence that Smith published *An Inquiry into the Nature and Causes of the Wealth of Nations* in 1776, the year of American independence. He was struggling furiously, in the pay of the British East India Company, to counter the dirigist (government-directed) system of national economics. Smith’s oligarchical masters feared the U.S. would rise above that of being solely a raw materials supplier to Britain. Even in the U.S., the enemies of a strong central government, like James Madison, would quote on the floor of Congress from Adam Smith’s books to back up their arguments.

So, using his underlying assumptions, how does Eustace Mullins propose we deal with the poor and destitute, not just in our own country, but in all the countries of the Third World as well? Mullins plays on the semantics of the “general welfare” clause in the U.S. Constitution as the cause of the degeneration of the U.S. work ethic and the bankruptcy of the U.S. government, i.e., the out-of-control U.S. welfare system. What does Mullins, the so-called citizen-statesman, propose as a solution to these problems—faith in the free market system? That is the implication from his book, although he is very vague on solutions. I suggest he read James 2:17 for a lesson on the value of faith without works:

“If a brother or sister be naked, and destitute of daily food, and one of you say unto them, Depart in peace, be ye warmed and filled; notwithstanding ye give them not those things which are needful to the body; what doth it profit? Even so faith, if it hath not works, is dead, being alone.”

The reason America’s poor have no work ethic or motivation is because they continually see noble work efforts subverted by the workings of the economic system that Mullins

worships, in violation of the First Commandment: Adam Smith’s “magic of the marketplace.” The Bible clearly equates any magic with the workings of Satan.

Hamiltonian economics

Alexander Hamilton’s drive for a strong central government was spurred primarily by the gross inadequacies of the Articles of Confederation adopted shortly after the Declaration of Independence. The Articles gave no power to Congress (made up of only state representatives) to create currency, credit, or loans, or to levy taxes to pay for its operating costs, including money for the establishment of a suitable army and navy. As a result, by the conclusion of the Revolutionary War, Congress had accumulated a debt of \$79 million with no power to pay it off. The states had the exclusive rights to establish currency and lending. This resulted in very difficult and confusing interstate commerce due to the different and fluctuating values of each of the 13 states’ currencies. Therefore, it was obvious to statesmen like Hamilton that the central government had to be significantly strengthened if this republic was to survive and prosper.

For Mullins to conclude from these efforts that Hamilton was somehow supporting a British or European oligarchy exposes his spotty and superficial reading of the *Federalist Papers* (500 pages in paperback edition), two-thirds of which are papers written by Hamilton. Although Mullins’s book has no bibliography, the slant of his analysis indicates that he gets most of his information from works written by the apologists of Thomas Jefferson, the real traitor to the newborn republic.

Certainly, any rational reading of *Federalist Papers* No. 11 and No. 12 (written by Hamilton) makes Hamilton’s noble intentions obvious. For example, here are three quotes from paper No. 11:

There are appearances to authorize a supposition that the adventurous spirit, which distinguishes the commercial character of America, has already excited uneasy sensations in several of the maritime powers of Europe. They seem to be apprehensive of our too great interference in that carrying trade, which is the support of their navigation and the foundation of their naval strength. Those of them which have colonies in America look forward to what this country is capable of becoming with painful solitude. They foresee the dangers that may threaten their American dominions and would possess all the means requisite to the creation of a powerful marine. Impressions of this kind would naturally indicate the policy of fostering divisions among us and of depriving us, as far as possible, of an *active commerce* in our own bottoms. This would answer the threefold purpose of preventing our interference in their navigation, of monopolizing the profits of

our trade, and of clipping the wings by which we might soar to a dangerous greatness.

Under a vigorous national government, the natural strengths and resources of the country, directed to a common interest, would baffle all the combinations of European jealousy to restrain our growth.

The world may politically, as well as geographical-ly, be divided into four parts, each having a distinct set of interests. Unhappily for the other three, Europe, by her arms and by her negotiations, by force and by fraud, has in different degrees extended her dominion over them all. Africa, Asia, and America have successively felt her domination. The superiority she has long maintained has tempted her to plume herself as the mistress of the world, and to consider the rest of mankind as created for her benefit. Men admired as profound philosophers have in direct terms attributed to her inhabitants a physical superiority and have gravely asserted that all animals, and with them the human species, degenerate in America—that even dogs cease to bark after having breathed awhile in our atmosphere. Facts have too long supported these arrogant pretensions of the European. It belongs to us to vindicate the honor of the human race, and to teach that assuming brother moderation. Union will enable us to do it. Dis-union will add another victim to his triumphs. Let Americans disdain to be instruments of European greatness! Let the thirteen states, bound together in a strict and indissoluble Union, concur in erecting one great American system superior to the control of all transatlantic force or influence and able to dictate the terms of the connection between the old and the new world!

How can Mullins conclude that a man who writes with such patriotic passion be a traitor to America; unless Mullins is deliberately attempting to twist the truth? Giving Mullins the benefit of the doubt, it is probably his blind obsession with the free market system (there's that underlying assumption again!) that causes his impotence in not recognizing that a strong central bank and strong central government could operate outside of the influence of the oligarchs' financial power.

The importance of a strong national bank is very evident today when we see the Bank of Canada and the U.S. Federal Reserve, neither of which answer to the elected officials, taking their orders from the big private domestic and international banks. Mullins agrees with this analysis of the Federal Reserve, but, without substantiation, claims that Hamilton's First National Bank was designed to operate in the same fashion.

Mullins needs to read Hamilton's *Report on the Subject of Manufactures* to discover a truly moral and effective eco-

nomical system which is in harmony with the natural laws of God the Creator. [EIR's Jan. 3, 1992 issue was entirely dedicated to the bicentennial of Hamilton's *Report*—ed.] Mullins's only reference to this report is a quote from the *New York Times* (mouthpiece of the American Eastern Establishment, and the declared enemy of morality in economics) quoting Hamilton.

Hamilton and his adherents, such as Henry Carey, also identified that the "harmony of interests" among industry, agriculture, and labor produced the maximum prosperity of

Mullins needs to read Hamilton's Report on the Subject of Manufactures to discover a truly moral and effective economic system which is in harmony with the natural laws of God the Creator. Mullins's only reference to it is a quote from the New York Times (mouthpiece of the American Eastern Establishment, and the declared enemy of morality in economics).

a nation. Civilized society is not governed by Darwinian laws; one man's gain is not another man's loss in a morally run economy. Adam Smith's "magic of the marketplace" strips economies of morality.

Every time the U.S. moved in the direction of Hamiltonian economics it prospered. Two of the best examples are the periods in which Abraham Lincoln and John F. Kennedy were Presidents. But, as soon as the oligarchs and one-worlders saw that their system was being cast aside, they had both these Presidents assassinated (unless someone is gullible enough to believe that Lee Harvey Oswald killed Kennedy). The same economic miracle occurred in the U.S. during its mobilization by Franklin D. Roosevelt for World War II (up until then, Roosevelt used the same self-devouring socialist policies that our present "leaders" are ramming down our throats). Fortunately for the oligarchs, he died at the end of the war (although some people believe that Roosevelt was slowly poisoned to death). As soon as he was buried, all his Hamiltonian economic policies were dumped and replaced with those of Adam Smith.

Japan is the only country that has a national policy of operating under the Hamiltonian, dirigistic system of economics and look at the results! Japan has surpassed the U.S. as the biggest industrial power.

True wealth of nations

The true source of a nation's wealth is not the amount of its gold, silver, or paper money, but the *creative* potential of its citizens. This *creative* potential is converted to physical wealth through the rational and adequate provision of bank credits, government bonds, or loans to enterprising individuals (or firms) for productive projects; projects that produce staple goods for consumers or capital goods for other industries. Paper or metal currency is useful only for citizens' daily purchases of normal provisions, non-capital goods and services. They are only used to make the barter system more efficient. True wealth being the *creative* potential of men is the only rational definition for anyone who uses the Holy Bible and Christianity as philosophical references; the reference sources provided by God the *Creator*.

It is through the development of great projects in energy, water supply, infrastructure, agriculture, and heavy industry that western nations will be able to pull themselves and the rest of the world out of an otherwise New Dark Age.

Lyndon H. LaRouche is the only present-day statesman who is actively pushing to have the United States and the rest of the world implement the American System of Political Economy. He is now in jail in the United States on erroneous charges, railroaded by the political heirs of the same U.S. bluebloods who organized the assassination of Alexander Hamilton by Aaron Burr.

Thomas Jefferson, the real traitor

In his book *The Great Betrayal*, Mullins states that Nicholas Biddle (another Hamiltonian statesman) was acting as an agent of the Rothschilds when he chartered the Second Bank of the United States in 1823. Where is your evidence or your references for this statement, Mullins? These sorts of statements are typical of Mullins's book, totally vacant of bibliography; typical of writings based on opinion and not fact (unless, of course, we are to believe that Mullins was an eyewitness to the events of 200 years ago).

The real traitor of the American republic was Thomas Jefferson. As Donald Phau wrote in the March 1980 issue of *Campaigner* magazine in an article titled, "The Treachery of Thomas Jefferson":

"Jefferson joined forces with a group of Southern oligarchs who were collaborating with England's Lord Shelburne to destroy the Constitution. . . . Jefferson rejected the idea of an American republic, and instead favored a loose alliance of states through which the absolute hegemony of the British dominated Southern aristocracy would be maintained . . . the Jeffersonians called for a second Constitutional Convention to amend the original."

Jefferson in 1797 wrote the Kentucky Resolutions, which were effectively the Constitution of the Southern Confederacy. Thus Jefferson can properly be called "the founding father of the Southern Confederacy and of the Civil War."

Jefferson was, in fact, unable to comprehend the republi-

can philosophy upon which the U.S. Constitution was formulated. In a July 5, 1814 letter to John Adams, Jefferson wrote: "I amused myself with reading seriously Plato's *Republic*. I am wrong, however, in calling it amusement, for it was the heaviest task I ever went through."

He expressly hated Plato, and Plato's great work, *The Republic*. To quote again from the *Campaigner* article:

"In the letter, Jefferson revealed that his hatred of Plato stemmed from Plato's ability to explicate the creative side of human mentation as the lawful process of reason; in other words, the recognition that man is unique from the beasts because he can act creatively to advance the development of mankind as a whole, and that this contribution to humanity is what defines the individual's immortality, his soul. Jefferson, embracing the mechanistic credo of Aristotle, Plato's mortal enemy, and his followers Locke, Francis Bacon, Newton, and Rousseau, was committed to stamping out the *creative* side of man" (emphasis added).

Another proof of President Jefferson's allegiance to the European oligarchy is his choice of treasury secretary, Albert Gallatin, Swiss aristocrat and protégé of Jacques Necker, the man who destroyed France with his economic policies. And again, Jefferson's vice president was Aaron Burr, who was later tried for treason after leading a mercenary army against the United States. Gallatin and Burr represent the quality of the crowd around Jefferson and mirrored his own treasonous tendencies.

Jefferson's one and only book, *Notes on the State of Virginia*, echoes Adam Smith's *Wealth of Nations* in its vicious polemic against the industrialization of America and in its glorification of rural backwardness.

A "great betrayal" is committed by Eustace Mullins for writing a book that further embeds falsehoods in the minds of many of its readers who are gullible enough to believe Mullins's populism.

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NAFTA and the All-Star game

With the North American Free Trade Agreement, Mexico is destined to become a new "star" on the American flag.

Despite suffering the humiliating slings and arrows of a hyperactive George Bush, Mexican President Carlos Salinas de Gortari got what he wanted during his July 14 meeting in San Diego, California with his U.S. counterpart: a definitive declaration that the trilateral North American Free Trade Agreement (NAFTA) would be signed this year, and that the U.S. electoral process would not be allowed to interfere in negotiating the pact. This, of course, is the fundamental requirement for keeping that illusion known as the "Mexican miracle" from going to hell.

Throughout the San Diego meet, Bush ignored all protocol and behaved like a bull in a china shop, anxious only to clinch the deal and get back to the campaign reelection trail. Thus, in response to protests from the Mexican government (presented however reluctantly by Salinas) regarding the U.S. Supreme Court ruling authorizing kidnaping of foreign nationals—and particularly of Mexicans—Bush responded with a cynical "we won't do it again."

Bush's hyperactivity was such that during the press conference following his interview with Salinas, he told reporters that he had to run to the Jack Murphy stadium, where he was going to watch the first pitch at the All-Stars game by legendary player Ted Williams. Bush insisted on limiting the reporters to two questions to each President and was so obnoxious that Salinas had to interrupt him to reiterate that the U.S. Supreme Court ruling was "invalid and unacceptable [and] contrary to tests of law." Salinas's

protests came off like a pathetic slow grounder to the pitcher.

Resentful at not being treated like a major leaguer, a miffed Salinas told the Spanish news agency EFE a couple of days later that "it is the negotiations themselves which will determine the pace [of NAFTA], and not any fixed date that we never established." The president of the Mexican Senate's trade commission, Carlos Sales Gutiérrez, officially responded to Bush that "there could be extra innings in case there is a tie at the end of the ninth inning."

And yet, the next day, U.S. Trade Representative Carla Hills declared in San Antonio, Texas that NAFTA "will be signed this year, but because of the congressional calendar won't go into effect until 1993."

There is little question that the electoral process in the United States will intervene in the NAFTA talks—to push it along and to demonstrate in all its crudity what it really is: the annexation of strategic sectors of the Mexican economy by certain powerful U.S. economic interests.

On the day of the San Diego meeting, Washington announced that the Mexican government had agreed to permit foreign companies to participate in the exploration and exploitation of crude oil, under the rubric of the so-called "performance contract."

Only days earlier, on July 8, Francisco Rojas, the director of the state oil company Pemex, told the Mexican Chamber of Deputies that "no form of this kind of contract will be accepted, no matter how it is gift wrapped." Rojas nonetheless acknowledged that the

Mexican government and Pemex itself had been subject to "pressures of every kind to gain access to that immense source of wealth and profit." Salinas handed over Mexico's oil virtually from the Jack Murphy "dug-out."

At the same time, Mexico announced that it will reclassify six of the remaining 19 petrochemical products still under Pemex's control—the third reclassification in six years. In 1986, some 36 products were affected, and 14 in 1989. Now, the products still handled by Pemex are reduced to 13.

Also on July 14, U.S. Agriculture Secretary Edward Madigan announced that his country and Mexico had agreed "to eliminate tariff and non-tariff barriers on all products of bilateral trade. . . . Not only in agriculture, but in all U.S.-Mexican trade." All that remained, he emphasized, was to set the specific timetable for this "total liberalization."

One day later, several U.S. newspapers published that Mexico "has agreed to open its banks and its insurance, finance, and real estate agencies to U.S. and Canadian companies as part of a drive to complete" NAFTA. Liberalization of the Mexican financial sector would be achieved gradually over the next seven years, and would be so generous that U.S. institutions would be permitted to do in Mexico what they are prohibited from doing in the U.S. by the Glass-Steagall Act, which expressly forbids the creation of monopolies within the financial sector.

The argument is that the reprivatized Mexican banking system urgently needs fresh capital, but the truth is that this "opening" is the condition agreed to by Mexico's bankers to acquire the more than \$5 billion in foreign credit used to buy back their banks.

FDA okays biotech for wonder foods

The decision serves the interests of the food cartel, not of scientific agriculture.

The U.S. Food and Drug Administration on May 26 issued a regulatory decision approving marketing of new food products that result from genetic engineering of plants. Since that announcement, the FDA and the Bush administration have repeatedly defended the action as furthering science and technology in agriculture.

In opposition, spokesmen for the environmentalist camp, for example the National Wildlife Federation, attacked the FDA action on grounds that it threatens the public with exposure to dangerous foods. Over this summer, the government has decreed that a public comment period take place to address the issues.

Both sides in this controversy are wrong. The foods from gene-spliced plants are not themselves a menace; the interests behind today's biotechnology research are the menace. The FDA decision serves an elite group of cartel food companies that want biotechnology patents for their own profits and food control purposes.

First, consider the question of science in agriculture. The biotechnology referred to in the FDA decision has a limited merit, but it is not at the frontiers of science, nor is it focused on the urgent task of improving the food supply.

The breakthrough areas of agricultural research today lie along the path of understanding mechanisms of photosynthesis by means of electromagnetic scanning and analysis, fine-tuning ways to "farm by the square foot," with controlled-environment agriculture and other forms of hydroponics, aeroponics, and similar approaches.

These investigations were the featured theme at this year's international conference of the American Institute of Biological Sciences, which considered how to increase food yields in such controlled environments as lunar capsules for space travel.

In contrast to this, the U.S. agribiotechnology "industry" consists of laboratories focusing their research on achieving various particular characteristics in fruits, vegetables, grains, oil crops, etc., that are desired for use as "wonder foods," in a U.S. and international food chain that is increasingly dominated by a small group of cartel commodity and chemical companies, such as Cargill, Continental, ADM, Monsanto, and DuPont. Much of the agri-biotechnology research is funded by these companies, which in turn own many of the labs.

What kind of "designer" foods are they seeking? The premium is on quick-growing bio-mass crops that can fuel ethanol production; rot-resistant fruits and vegetables that can withstand long-distance warehousing and stock the new mega-supermarkets run by Wal-Mart and other chains; and other "wonder crops" that can be grown by factory farms, not family farms.

U.S. biotech research today typically involves various gene-splicing methods, including transfers from one species to another—for example, introducing a trait from a fish into a fruit that may impede frost damage.

Much of the knowledge gained and the techniques refined are very valuable. However, the work has focused on the objective of giving the

select few cartel companies sweeping patent rights that will be upheld internationally by the U.N.

The FDA said that its May 26 decision is in line with the views of all the international agencies. The *Wall Street Journal* praised this and said that the FDA decision sent a "bullish signal" to the biotech stocks.

Consider these examples:

● **Wheat.** In June, Monsanto applied for a patent on a new type of wheat achieved through genetic engineering. The new wheat strain was engineered to resist certain weedkillers, allowing the plant to flourish while herbicide destroys the weeds. Monsanto-funded scientists worked for 10 years on this project.

Monsanto is demanding sweeping patent protection for the wheat, including for the means used to produce it, and including rights to penalize any farmer for attempting to grow it himself.

● **Tomatoes.** Calgene, Inc. of Davis, California is ready to rush to market its new rot-resistant strain of tomato, the Flavr Savr, which will last for 20 days on the shelf. Calgene has been in the forefront of the national campaign for "alternative agriculture"—the code name for low-income farming.

A top Calgene executive, Robert M. Goodman, served on the board of the National Research Council, which in 1989 released the book *Alternative Agriculture*, whose purpose was to rationalize low-input farming and "wonder foods." The book was a hodge-podge of excuses for why agricultural chemicals should not be used, why modern water projects should not be developed, etc. The arguments were so unfounded that the executive director of the team that produced the study, Charles M. Benbrook, was forced to resign in disgrace.

Bush's 'December Surprise'

The FDIC is expecting a rash of bank closings to hit right after the November elections.

The Bush administration is preparing a "December Surprise" for the U.S. population, by attempting to postpone the next wave of big bank failures until after the November elections. The Federal Deposit Insurance Corp. (FDIC), the banks, and the savings and loans (S&Ls) are all bankrupt, and the S&L bailout is again out of funds. Better a nasty surprise in December than before the election, the administration figures.

"Whoever the next U.S. President is, he will confront a 'December Surprise,'" a European banking source told *EIR*. "Just as Bush was hit by the postponed S&L crisis in the first weeks after his election in 1988, this time the next President will be forced to grapple with the far more serious issue of the entire commercial banking system. Don't be misled by recent quarterly profit improvements from Chase Manhattan, etc. This is being politically massaged as part of the Bush administration's 'cease-fire' on regulation. Regulators are being told to lay off forcing banks to write off the bad real estate on their books. It's simply being ignored until after November. Then the dam will start to break. U.K. and other European investment managers are getting out of the United States as quickly as they are able."

There is no question that the FDIC has slowed the pace of bank closings in this election year. For 1992, the FDIC has projected that banks with \$80 billion in assets would be closed; thus far, it has closed banks with only \$22 billion in assets, meaning that three-quarters of all bank failures, by

assets, are expected to occur during the rest of the year. One can safely assume that the bulk of those closures will occur after Nov. 3.

FDIC chairman William Taylor, in a speech to the Iowa Independent Bankers July 17, denied that the FDIC has slowed the pace of closings due to the election, even while admitting that a rash of bank failures is expected at the end of the year.

The major factor slowing the pace of bank failures, Taylor said, has been the rapid dropping of interest rates by the Federal Reserve, which most recently dropped the discount rate to 3%. "Low interest rates may make things look better, but they will not sustain unsound institutions," Taylor said. "There a number of banks that won't survive.

"I'm here to tell you that bank failures have indeed been delayed and perhaps a few avoided by low interest rates and other factors. But there is indeed been no effort by the agencies I know to delay the closure of insolvent banks."

Under the terms of the FDIC Improvement Act of 1991, federal banking regulators have until Dec. 19 to put a rule on the books authorizing regulators to close any bank whose core capital-to-assets ratio falls below 2%. Once a bank is found to be in violation of the 2% standard, it will be closed within 90 days unless it finds additional capital.

Taylor said that about 80 banks, representing \$25-30 billion in assets, already fail to meet the new standards, and estimated that banks with an additional \$15 billion in deposits will slip

below that threshold by December. "The December Surprise is like the surprise that comes down the chimney at the end of the year. It may be a surprise to some, but not to those who have been around," Taylor said.

As of March 31, according to the FDIC *Quarterly Banking Profile*, there were 981 commercial banks with assets of \$535 billion on the agency's "problem list." That compares to 1,016 banks with assets of \$528 billion at the end of 1991.

While the number of problem banks on the list peaked at 1,559 at the end of 1987, the assets of the troubled banks is on the rise. In 1985, the 1,098 banks on the list had \$174 billion in assets. The 1,457 problem list banks in 1986 had \$286 billion in assets, and the 1,559 banks on the list in 1987 had assets of \$329 billion.

Both figures decreased in 1988, with 1,394 problem banks and \$304 billion in assets, and in 1989, with 1,092 banks and \$188 billion in assets. These decreases marked the end of the tidal wave of failures which struck Texas, but did not indicate that the crisis was over.

By the end of 1990, the problem list contained 1,012 banks—the smallest number in more than five years—but the assets of those banks were \$342 billion. The number of problem banks grew by only four in 1991, but the assets of the banks on the list jumped by \$186 billion. During the first quarter of 1992, the number of banks on the problem list declined by 35, but the assets rose by over \$7 billion.

With larger banks failing, even Taylor was forced to concede that the \$70 billion authorized last year for the bank bailout may not be enough. Asked what the FDIC needed to survive, he replied, "We need tenants to fill vacant office buildings." But in the current depression, that's not going to happen.

Business Briefs

Trade

Ontario official urges an end to NAFTA talks

Ontario Prime Minister Bob Rae called Canadian Prime Minister Brian Mulroney recently to urge him to take Canada out of the Mexico-U.S.-Canada free trade talks, and keep Canada out of a North American Free Trade Agreement (NAFTA).

The July 15 Toronto *Globe and Mail* quoted Rae on Mulroney, "He wasn't going to react on the phone" to the proposal.

Rae made the same proposal to the Ontario Provincial Legislature. Making note of trade harassment from the U.S. side, he said, "Canada cannot stay at the NAFTA negotiating table while these American actions continue."

Meanwhile, columnist Jeffrey Simpson wrote in Quebec's *Le Devoir* on July 15, "Very soon, Mulroney will suffer another headache. . . . The source won't be the constitutional crisis but the free-trade accords between Canada, the U.S., and Mexico." Canadian polls (excluding Quebec) show that two out of three Canadians are against free trade.

According to sources in Ottawa, reported *Le Devoir*, George Bush wants signing ceremonies in Mexico City and Niagara Falls before the U.S. election. But for Mulroney, it wouldn't be a plus. The constitutional crisis, the recession, the unpopular Goods and Services Tax—7% on almost everything—the already low popularity of his Conservative Party, and now NAFTA, make any ostentatious show around the accord very bad politics for the Canadian prime minister.

Food

Astronauts to enjoy irradiated steaks

Irradiated steaks will be back on the astronauts' menu soon, after 50 pounds of rib-eye steaks, irradiation-sterilized at the Vindicator plant in Mulberry, Florida, are tested for microbial content and then sent to NASA's Johnson Space Center. The steaks are cooked, sealed

in laminated silver pouches, and then irradiated to sterilize them, giving them an indefinite shelf life without refrigeration.

The Apollo astronauts ate irradiated food, and preferred irradiated steaks because they could be cooked to suit the individual astronaut's taste, and then processed without killing the taste. According to a NASA dietician, other ways of processing meat to ensure that it is not contaminated—heat processing, for example—made the meat taste like "dog food."

"If it's safe for people up there, how about now here on Earth?" Sam Whitney, president of Vindicator, asked.

Space Technology

A 400-meter optical telescope planned

An astonishing plan for an Earth-based optical imaging interferometer has been supported by a National Science Foundation statement of intent to provide half of the needed \$10.5 million funding. The planned telescope is called the CHARA Array, taking its name from the Center for High Angular Resolution Astronomy at Georgia State University in Atlanta, which reported the plans and an NSF award of initial funding (about \$0.5 million) on July 6.

The CHARA Array is projected to have the light-gathering power of a single mirror with a diameter of 400 meters. For comparison, the largest telescope planned heretofore, using four eight-meter mirrors in combination, is the equivalent of a single 16-meter telescope. This is the Very Large Telescope planned by the European Southern Observatory to be complete in 1998 at a much higher price. The Palomar telescope has a four-meter mirror.

The resolving power of CHARA is projected to be 150 times that of an ideally functioning Hubble Space Telescope. It is supposed to be operational at a remote site in the southwestern United States by late 1995.

It will be the most powerful interferometric array operating in the civilian sector—powerful enough to detect planets around other stars and monitor the progress of baseball games on the Moon. Today, a lunar crater has to be a mile in diameter before the best tele-

scope can see it.

The design calls for: 1) seven optical-infrared telescopes arrayed in a "Y" to permit interferometry; 2) adaptive optics—the mirrors are deformable and high-speed sensors change their shape as the diffraction of the atmosphere changes, a technological spin-off of Strategic Defense Initiative program; and 3) reconstructive imaging to make images from the interferometric information.

Energy

Iranian minister hits European 'greenhouse' tax

Iranian Petroleum Minister Gholamreza Aghazadeh blasted the European Community's proposed "greenhouse" tax on carbon products and oil, warning that it would seriously affect expansion plans of the oil-producing countries, in an address to the Organization of Petroleum Exporting Countries (OPEC) ministerial energy seminar in Solstrand, Norway on July 1-2.

If implemented, and the environmental lobby is in a full-scale mobilization to make sure it is, he said, the measure will impose a \$3 "greenhouse" tax on a barrel of oil in 1993, with that rising to \$10 by the year 2000. According to the Opecna news agency, Aghazadeh said that this tax would endanger "our economic development and that of our future generations."

He pointed out that the tax placed the greatest part of the burden on oil and gas producers and ignored the differences in carbon dioxide reduction costs for different countries.

He also said that there was no scientific certainty as to whether CO² or water vapor was the cause of global warming. He said that the extent of such warming over the next 100 years, or its impact on various parts of the world, also remained in doubt. "Making specific policy decisions on the basis of such incomplete information, demonstrates overriding political considerations and pressures on certain states versus its scientific aspects," he warned.

Demographics

Africa entering an 'era of depopulation'

"Africa is definitely entering an era of depopulation," an African medical doctor who works in Nigeria told *EIR* July 16. "From Zaire to the East African coast down to Tanzania, AIDS is everywhere. It is common knowledge." According to the World Health Organization, AIDS is mostly confined to cities in Africa, but this source corroborated other first-hand reports that AIDS has long been rampant in rural areas. "AIDS has wiped out entire towns, entire villages, throughout Uganda and Zaire. And nothing is being done about it at all."

Since Nigeria implemented an International Monetary Fund "structural adjustment program" in 1986, health services in rural areas have collapsed, the African doctor told *EIR*. Some 65% of the Nigerian population lives in the countryside. The services "have been withdrawn," he said. Clinics have simply closed down.

The biggest killers in Nigeria remain yellow fever, drug-resistant types of malaria, and cholera, he said. Yellow fever and cholera wipe out entire villages at a time, with a village averaging about 1,000 people.

If health services are disappearing in Nigeria, it is worse for the rest of Africa, he added. Nigeria has 60% of the doctors on the continent.

Environmentalism

Indian writer charges 'ozone hole' is a hoax

Environmentalist hoaxes like that around chlorofluorocarbons (CFCs) and the "ozone hole" are part of a program of "technological apartheid" against the developing world, argued Indian writer N.C. Menon in a *Hindustan Times* feature on July 15.

"It has been argued that the environmental movement was created and financed to this day by some of the leading families in America and Europe that control many of the giant corpora-

tions." The motivation of the big corporations in supporting "aggressive environmentalism" is seen in "the campaign that was launched to ban CFCs on the specious ground that they destroyed the ozone layer. Horrendous stories were spread about the thousands of deaths by skin cancer resulting from the destruction of the ozone layer." This is all a fraud: "The villain in CFCs is known to be chlorine. But evaporating seawater contains 600 million tons of chlorine per year. . . . In comparison, the chlorine in CFCs is only 0.75 tons a year."

But "the determined and well-financed campaign" is pushed, Menon wrote, with the aim of banning CFCs, and thereby driving Third World chemical producers "out of business, since they do not have the resources and resource capabilities to produce alternatives to CFCs."

Development Policy

Science and technology are the most powerful tools

Science and technology are the most powerful tools to solve the problems of economic deprivation and deteriorating environment, Dr. Subroto, secretary general of the Organization of Petroleum Exporting Countries (OPEC), told the 1992 Hania World Dialogue conference in Crete on July 17.

Subroto maintained that aid through loans had resulted in a reversed flow of resources from the South to the North. "Only through the development of a strong indigenous base for science and technology will the South be able to solve its development and environmental problems," he said, the OPEC news agency Opecna reported.

Subroto emphasized that "it is time to revise our entrenched tolerance of the economic imbalance between the rich and the poor, which has dominated life through much of this violent century. Indeed, such imbalances seem increasingly untenable in a borderless world." He warned that the end of the Cold War should not be allowed to give way to a form of class war which would be more ferocious and prolonged.

● **SEN. CONNIE MACK** (R-Fla.) wrote a commentary in the July 16 *Wall Street Journal* suggesting that "the veil of secrecy" over International Monetary Fund programs "be lifted to allow for greater accountability. . . . When the IMF agrees to fund a given country, the country must sign a letter of intent outlining the economic policies it must follow to receive the aid. Letters of intent . . . are, in effect, secret economic treaties, not subject to review even by the legislatures of the major IMF donors."

● **LITHUANIA** is facing drought conditions, Minister of Agriculture Rimvydas Survila reported at a cabinet meeting July 8. The harvest of most crops is expected to be 40-60% below last year. Rainfall is only 5-20% the normal rate.

● **IRAQ** has announced that it is filing suit against the Swiss-based Bank for International Settlements for refusing to release \$350 million in Iraqi assets.

● **THE CONCORDE** aircraft reached 250,000 hours of supersonic flight time in early July, more supersonic hours than all western air forces combined. The plane was built by British Aerospace and Aérospatiale of France, and first entered service 15 years ago. But it is starting to show its age: Since 1989, the top section of the aircraft's rudder has disintegrated three times during supersonic flight. In each case, the aircraft was able to land safely.

● **SANCTIONS** against South Korea are likely after talks with the United States on shipping broke up without progress on "the key issues" of "liberalizing the Korean trucking and rail industries and ending Korean restrictions on transportation middlemen," according to the *Journal of Commerce*. The Federal Maritime Commission has moved "a step closer to retaliating against South Korea for prohibiting foreign freight forwarders and consolidators from doing business in that country."

Southern fried fascists seize Democratic Party

by Kathleen Klenetsky

The Democratic Party took a giant step closer to becoming an outright fascist entity at its national convention in July. Taken together with a platform that reads like an Americanized version of Mussolini idolizer Giovanni Gentile's blueprint for a corporate state, the nomination of two Southern yuppies, Bill Clinton and Al Gore, signals a phase change in the Democratic Party. No longer does the party even pretend to represent the interests of its former primary constituencies—labor, farmers, minorities, and urban ethnic groups.

Instead, the party has goosestepped right back to its origins as the vehicle for the slave-owning, anti-industrial faction of the early U.S. elite, whose commitment to British-style free trade and antipathy toward the Union ("states' rights") plunged the country into the Civil War.

'New covenant' equals new fascism

Democrat Lyndon LaRouche, who is shortly expected to announce an independent campaign for the presidency, characterized the Democratic convention as akin to Hitler's Nuremberg rallies, as orchestrated by Barnum and Bailey, and described the Clinton-Gore ticket as "a pair of Southern fried fascists who are focusing on the worst element in society and putting people [first] who might be individually salvageable, but who as a group are fairly described as guppies, that is, greedy yuppies." All other significant constituencies "are being essentially ignored by this ticket," LaRouche said.

LaRouche's comments are right on the mark. From former Texas Rep. Barbara Jordan's keynote on the opening night of the carefully staged proceedings, through Al Gore and Slick Willie's acceptance speeches at the end, the entire convention was dominated by demands for austerity, thinly disguised with such euphemisms as "equality of sacrifice."

Clinton, in a rather blasphemous borrowing from the New Testament, centered his acceptance address on what he called a "new covenant." But what Clinton and



Virginia's Attorney General Mary Sue Terry, campaigning with Al Gore, who is now the Democratic vice presidential nominee. Terry likes the death penalty so much that she carried out her 11th execution on July 24, and plans four more in the next two months. This is the Democratic Party's "new breed" of Confederates, wooing the suburban yuppie vote, and modeling their policies on those of Mussolini.

his handlers mean by the term is light years away from what Christ promised his followers.

Devised by that nest of Bush Democrats, the Democratic Leadership Council (DLC, a.k.a. Democrats Longing for the Confederacy or Democratic Leisure Class), Clinton's "new covenant," with its talk of "rights and responsibilities" and a "revolution in government," bears a striking similarity to British liberal John Locke's social contract, which formed the philosophical basis for the Confederate Constitution.

In effect, the new covenant outlines a plan for governing the United States under depression conditions, by mobilizing some parts of the population against others, in a classic divide-and-rule tactic, and by using such devices as "community self-help" (the Democratic variation of George Bush's "thousand points of light") to con people into accepting ever-deeper austerity.

Free trade and an end to welfare

As expressed in several recent Clinton statements, and in the grotesque platform adopted at the convention, the "new covenant" includes these key components:

- A U.S. economic system held hostage to the same British "free trade" arrangements against which the American Revolution was fought. Clinton and Gore are both defenders of the North American Free Trade Agreement (NAFTA) and General Agreement on Tariffs and Trade (GATT), and the party platform explicitly endorses these agreements, albeit with a few rhetorical sops about retraining U.S. work-

ers who lose their jobs.

- Draconian cuts in health care. Clinton's watchword is medical "cost containment," as he insists that reducing health care expenditures on a national level is the *sine qua non* of both deficit reduction and infrastructure investment. In this, Clinton reflects the thinking of such Wall Street luminaries as Peter Peterson, chairman of the Council on Foreign Relations, investment banker Felix Rohatyn, and "industrial policy" proponent Clyde Prestowitz, who maintain that unless huge chunks of the monies now spent on keeping people alive and healthy are diverted into "investment," the economy is doomed.

- Cuts in entitlement programs, with Medicare the first target, to be followed by an assault on Social Security. The Democratic platform calls for balancing the federal budget through "fair and shared sacrifice of all Americans," which means "putting everything on the table, eliminat[ing] non-productive programs," and "reform[ing] entitlement programs to control soaring health-care costs. . . ."

- The "end of welfare as we know it," as Slick Willie bluntly puts it. This is a particularly cynical gambit, given that the country is gripped by depression and unemployment, which are forcing millions of working people onto the welfare rolls. It is a crass, Willie Horton-style appeal to yuppies and hard-pressed working-class families alike, which is meant both to appeal to, and mobilize, popular sentiment for cutting welfare and other social service programs, throwing the poor and handicapped onto the garbage heap.

- A severely limited infrastructure development pro-

gram, based primarily on some meager investment in the transportation grid, combined with building up U.S. environmental and communications technology—hardly a program for what the United States desperately needs, an industrial renaissance.

The Clinton-Democrat proposals borrow heavily from Felix Rohatyn's "Rebuild America" plan. Like Rohatyn's, financing would come through a combination of hiking taxes and looting pension plans. Although Clinton claims he will raise taxes only on those earning over \$200,000 a year, he has made it plain that his version of the Rohatyn plan also depends for the bulk of its financing on public and private pension funds. However, as LaRouche has recently pointed out, most U.S. pension funds exist only on paper; they were bled dry in the 1980s by investing in junk bonds, leveraged buyouts, etc. Thus, even Clinton's pallid infrastructure development plan is a non-starter.

- A foreign policy which contains no truly substantive differences from the Bush administration's, except, perhaps, its overt pandering to the Israeli lobby, expressed in the platform's recognition of Jerusalem as the capital of Israel.

Regarding U.S. military policy, the platform reads like a script for Bush's "Pox Americana." It says the United States should beef up its "rapid deployment capabilities to deal with new threats to our security posed by renegade dictators, terrorists, international drug traffickers, and the local armed conflicts that can threaten the peace of entire regions." It further states that the U.S. "must lead a renewed international effort to get tough with companies that peddle nuclear and chemical warfare technologies, strengthen the International Atomic Energy Agency, and enforce strong sanctions against governments that violate international restraints."

- Embrace of the radical environmentalist agenda. As the Democratic platform puts it, the United States must "become a leader . . . in the fight against global warming" and agree to "limit carbon dioxide emissions to 1990 levels by the year 2000." The U.S. must also engage in an aggressive campaign to bring the "explosive population growth" under control.

- A "newspeak" version of "family values": The Democrats, having become notorious (and to some extent unelectable) during the past 20 years by embracing every perversion under the sun, decided to recast themselves this year as the party of "family values." Even Hillary Clinton has got into the act, distributing chocolate chip cookies to reporters.

Family values? From Clinton, who spent much of the primary season courting the "gay" lobby, garnering the enthusiastic backing of the leading homosexual political organization? And from Gore, who—despite his wife Tipper's highly publicized crusade against pornographic rock lyrics—is a devotee of the pagan goddess Gaia?

What the Democrats mean by "family values" was summed up by Clinton's discussion of abortion in his speech to the convention. I'm not pro-abortion, Clinton told the delegates; I'm merely "pro-choice."

The DLC and the new feudalism

by Kathleen Klenetsky

When Bill Clinton extolled the virtues of his fascist "new covenant" in his acceptance speech to the Democratic Party, he was sounding a theme closely identified with the Democratic Leadership Council. Founded in early 1985 after Walter Mondale's trouncing by Ronald Reagan in the 1984 presidential elections, the DLC was the brainchild of a group of Southern Democrats, who claimed to want to steer the party into a more "mainstream" direction.

The initiators of the DLC included Sens. Sam Nunn (D-Ga.) and Chuck Robb (D-Va.), and Reps. Richard Gephardt (D-Mo.) and John Breaux (D-La.). Both Clinton and Gore joined the group; Clinton eventually became the DLC's chairman, and only resigned last year, when he formally declared for the presidency.

It hasn't taken long for what the DLCers meant by "mainstream" to become apparent—and it certainly isn't a return to the pre-McGovern reform period in which the party tended, more or less, to represent legitimate constituency groups, such as labor, urban ethnic machines, farmers, and civil rights layers, and fought to some extent, as John F. Kennedy did, for economic development and scientific progress.

Instead, the DLC, along with its think tank, the Progressive Policy Institute, has established itself as the leading exponent of the view that the Democratic Party can only succeed politically if it abandons these constituencies, and reorients toward the yuppie suburban vote, the lawyers, accountants, stockbrokers, and other parasites who have proliferated as the productive base of the U.S. economy has collapsed.

The Democratic Party's just-completed convention in New York bears witness to the DLC's success. Not only did the party nominate two of the DLC's leading members, but the platform it adopted, with its talk of "rights and responsibilities" and a new social contract, was lifted straight from the DLC's policy pronouncements.

Indeed, the transformation of the Democratic Party into the party of yuppie post-industrialism, can be credited in large measure to the efforts of the DLC.

Writing in the July 1992 issue of the group's magazine *New Democrat*, DLC president Al From calls on the Democratic Party to recognize that "America is going through a political transformation as power shifts from the central cities to the suburbs." "If the Democrats cast their lot with the cities," From warns, "they sharply diminish their chance of winning."

The July issue's theme, proclaimed on the cover, is

“Forging a New Social Contract,” while articles deal with various aspects of Clinton’s “new covenant.” In “The Politics of Reciprocity,” PPI President Will Marshall writes that “America’s now predominantly suburban electorate . . . does not pine for massive public works spending or urban bailouts”; thus, pragmatic Democrats should tailor their policies to appeal to suburban biases, such as antipathy to “welfare cheats.”

One of the most succinct summaries of the DLC’s outlook is a recent comment made by Richard Lamm, the former governor of Colorado, who created a furor in 1984 when he called on the elderly to “die and get out of the way.” In his *New Democrat* piece, Marshall approvingly quotes Lamm’s remark: “The essence of this new world is that the economy of the 1990s cannot support the dreams of the 1960s. The public policy of the world’s largest debtor nation, which has among the lowest rate of productivity growth in the industrialized world, must be dramatically different than when it was the world’s largest creditor nation with the highest rate of productivity growth.”

The new feudal paradigm

The DLC has been derided by some Democrats for attempting to “Republicanize” the party. But in fact the DLC has teamed up with the “new paradigm” Republicans (Jack Kemp, Newt Gingrich, et al.) and the “new right” Heritage Foundation to forge a “new covenant” that represents a return to Confederate-style feudalism.

For two years now, DLC leaders have been meeting privately with key members of the Heritage network. Earlier this year, the PPI joined with Heritage to sponsor a conference on “beyond left and right,” where discussion centered on how to reduce government services of all kinds, while convincing the population that being freed of such nasty government interventionism as municipally run garbage service will bring them “empowerment.”

The point of these meetings, Marshall explains, was to arrive at a “third way, a new choice that combines the valid insights of the left and the right in a progressive governing philosophy for the 1990s,” one which “rejects the old choice between conservative neglect and liberal entitlements in favor of a new politics of reciprocity.”

“The outlines of this new policy of reciprocity,” Marshall says, “can be seen in the ‘New Covenant’ reforms of Gov. Bill Clinton,” in the “revival of communitarian thinking,” as reflected in sociologist Amitai Etzioni’s “new communitarian” movement, “and even in the conservative empowerment movement led by Jack Kemp and the Heritage Foundation’s Stuart Butler.”

It should be noted that Kemp proposes to “empower” people by selling the country’s rotting public housing stock to tenants, while Butler, a member of the British Fabian Society, wants to “empower” inner-city residents by building “enterprise zones,” in which regulations on working condi-

tions, benefits, and wages would be suspended.

Ironically, the DLC-Heritage combine has converged on the community control approach favored by the 1960s New Left—which, in turn, was engineered by the Ford Foundation, the late Robert Hutchins’s Center for the Study of Democratic Institutions, and other establishment entities, for the explicit purpose of softening up the U.S. population to a form of fascist economics based on “communitarianism” or “fascism with a democratic face.”

Since the DLC has jettisoned the idea of economic progress, it is hardly surprising that its policy prescriptions call for austerity in various guises. For example, the PPI’s first policy statement, issued in 1989, opposed an increase in the minimum wage. Author Robert Shapiro, the institute’s vice president for economic studies, currently advises the Clinton campaign.

Welfare has become a DLC-PPI *bête noire*, reflected in Clinton’s vow to “end welfare as we know it,” and the DLC and PPI have lobbied for various “workfare” programs. Other pet DLC-PPI projects include national service—under which a college student could not qualify for a government loan, unless he agreed to either serving in the armed forces or work for the government in a community service job, at below the prevailing wage; and community policing.

The DLC and PPI call their policies “entrepreneurial government.” According to the best-known exponent of this concept, David Osborne, a DLC fellow and Clinton adviser, entrepreneurial government means putting government on a business footing, by contracting out government services to private companies, instituting a system of school vouchers, streamlining bureaucracies, tenant management of public housing, etc.

Although Osborne, in his latest book, *Reinventing Government*, protests that entrepreneurial government is not specifically aimed at facilitating austerity, that is clearly the object. As he and other DLCers admit, government costs can only be reduced if wages and benefits are cut and entitlements slashed—in other words, if the standard of living is driven down.

The power of the DLC should not be underestimated. The group claims hundreds of members, many of them government officials, all over the country. The organization maintains chapters in nearly 30 states, has an annual budget of \$2.5 million, and retains 19 full-time staff members.

President Al From formerly worked for Democrats for the Eighties, the influential political action committee founded by Pamela Churchill Harriman, widow of the late Democratic Party *éminence grise*, Averell Harriman. Its trustees includes representatives of some of the leading Wall Street and related firms which played instrumental roles in the post-industrial destruction of the U.S. economy, such as Barrie Wigmore, a limited partner at Goldman Sachs; Michael Steinhardt of Steinhardt Partners; and Linda Peek, a vice president with RJR Nabisco.

'A new covenant' for austerity and zero growth

Here are excerpts from the 1992 Democratic Platform, "A New Covenant with the American People."

Preamble

. . . [W]e call for a *revolution in government*—to take power away from entrenched bureaucracies and narrow interests in Washington and put it back in the hands of ordinary people. . . .

The Revolution of 1992 is about facing up to tough choices. . . .

To make this revolution, we seek a *New Covenant* to repair the damaged bond between the American people and their government, that will expand *opportunity*, insist upon greater individual *responsibility* in return, restore *community*, and ensure *national security* in a profoundly new era.

I. Opportunity

. . . We reject both the do-nothing government of the last twelve years and the big government theory that says we can hamstring business and tax and spend our way to prosperity. Instead we offer a third way. Just as we have always viewed working men and women as the bedrock of our economy, we honor business as a noble endeavor, and vow to create a far better climate for firms and independent contractors of all sizes that empower their workers, revolutionize their workplaces, respect the environment, and serve their communities well. . . .

The deficit. Addressing the deficit requires fair and shared sacrifice of all Americans for the common good. . . . We must also tackle spending, by putting everything on the table; eliminate nonproductive programs; achieve defense savings; reform entitlement programs to control soaring health care costs; cut federal administrative costs by 3% annually for four years; limit increases in the "present budget" to the rate of growth in the average American's paycheck; apply a strict "pay as you go" rule to new non-investment spending; and make the rich pay their fair share in taxes. . . .

The cities. . . . We will encourage the flow of investment to inner city development and housing through targeted enterprise zones and incentives for private and public pension funds to invest in urban and rural projects. . . .

II. Responsibility

. . . **Welfare reform.** Welfare should be a second chance, not a way of life. We want to break the cycle of welfare by adhering to two simple principles: No one who is able to work can stay on welfare forever, and no one who works should live in poverty. We will continue to help those who cannot help themselves. We will offer people on welfare a new social contract. We'll invest in education and job training, and provide the child care and health care they need to go to work and achieve long-term self-sufficiency. We will give them the help they need to make the transition from welfare to work, and require people who can work to go to work within two years in available jobs either in the private sector or in community service to meet unmet needs. This will restore the covenant that welfare was meant to be: a promise of temporary help for people who have fallen on hard times.

Choice. Democrats stand behind the right of every woman to choose, consistent with *Roe v. Wade*, regardless of ability to pay, and support a national law to protect that right. It is a fundamental constitutional liberty that individual Americans—not government—can best take responsibility for making the most difficult and intensely personal decisions regarding reproduction. . . .

Labor-management responsibilities. . . . Workers must also accept added responsibilities in the new economy. In return for an increased voice and a greater stake in the success of their enterprises, workers should be prepared to join in cooperative efforts to increase productivity, flexibility, and quality. . . .

Responsibility for the environment. For ourselves and future generations, we must protect our environment. We will protect our old growth forests, preserve critical habitats, provide a genuine "no net loss" policy on wetlands, reduce our dependence on toxic chemicals, conserve the critical resources of soil, water and air, oppose new offshore oil drilling and mineral exploration, and production in our nation's many environmentally critical areas, and address ocean pollution by reducing oil and toxic waste spills at sea. We believe America's youth can serve its country well through a civilian conservation corps. To protect the public health, we will clean up the environmental horrors at federal facilities, insist that private polluters clean up their toxic and hazardous wastes, and vigorously prosecute environmental criminals. We will oppose Republican efforts to gut the Clean Air Act in the guise of competitiveness. We will reduce the volume of solid waste and encourage the use of recycled materials while discouraging excess packaging. To avoid the mistakes of the past, we will actively support energy-efficiency, recycling, and pollution prevention strategies. . . .

III. Restoring community

The success of our democracy in America depends substantially on the strength of our community institutions: fami-

lies and neighborhoods, public schools, religious institutions, charitable organizations, civil groups and other voluntary associations. . . .

Our communities form a vital “third sector” that lies between government and the marketplace. The wisdom, energy, and resources required to solve our problems are not concentrated in Washington, but can be found throughout our communities, including America’s non-profit sector, which has grown rapidly over the last decade. Government’s best role is to enable people and communities to solve their own problems. . . .

National service. We will create new opportunities for citizens to serve each other, their communities, and their country. By mobilizing hundreds of thousands of volunteers, national service will enhance the role of ordinary citizens in solving unresolved community problems. . . .

IV. Preserving our national security

Military strength. America is the world’s strongest military power and we must remain so. A post-Cold War restructuring of American forces will produce a substantial savings beyond those promised by the Bush administration, but that restructuring must be achieved without undermining our ability to meet future threats to our security. A military structure for the 1990s and beyond must be built on four pillars: *First*, a survivable nuclear force to deter any conceivable threat, as we reduce our nuclear arsenals through arms control negotiations and other reciprocal action. *Second*, conventional forces shifted toward projecting power wherever our vital national interests are threatened. This means reducing the size of our forces in Europe, while meeting obligations to NATO, and strengthening our rapid deployment capabilities to deal with new threats to our security posed by renegade dictators, terrorists, international drug traffickers, and the local armed conflicts that can threaten the peace of entire regions. *Third*, maintenance of the two qualities that make America’s military the best in the world—the superiority of our military personnel and of our technology. These qualities are vital to shortening any conflict and saving American lives. *Fourth*, intelligence capabilities redirected to develop far more sophisticated, timely, and accurate analyses of the economic and political conditions that can fuel new conflicts.

Use of force. The United States must be prepared to use military force decisively when necessary to defend our vital interests. The burdens of collective security in a new era must be shared fairly, and we should encourage multilateral peacekeeping through the United Nations and other international efforts.

Preventing and containing conflict. American policy must be focused on averting military threats as well as meeting them. To halt the spread of nuclear and other weapons of mass destruction, we must lead a renewed international effort to get tough with companies that peddle nuclear and chemical warfare technologies, strengthen the International Atomic

Energy Agency, and enforce strong sanctions against governments that violate international restraints. . . .

Trade agreements. Multinational trade agreements can advance our economic interests by expanding the global economy. Whether negotiating the North American Free Trade Area [sic] (NAFTA) or completing the GATT negotiations, our government must assure that our legitimate concerns about environmental, health and safety, and labor standards are included. Those American workers whose jobs are affected must have the benefit of effective adjustment assistance. . . .

Democracy Corps. Promoting democratic institutions by creating a Democracy Corps to send American volunteers to countries that seek legal, financial, and political expertise to build democratic institutions, and support groups like the National Endowment for Democracy, the Asia Foundation, and others.

Middle East peace. . . . The end of the Cold War does not alter America’s deep interest in our longstanding special relationship with Israel, based on shared values, a mutual commitment to democracy, and a strategic alliance that benefits both nations. The United States must act effectively as an honest broker in the peace process. It must not, as has been the case with this administration, encourage one side to believe that it will deliver unilateral concessions from the other. Jerusalem is the capital of the state of Israel and should remain an undivided city accessible to people of all faiths.

Preserving the global environment. As the threat of nuclear holocaust recedes, the future of the earth is challenged by gathering environmental crises. As governments around the world have sought the path to concerted action, the Bush administration—despite its alleged foreign policy expertise—has been more of an obstacle to progress than a leader for change, practicing isolationism on an issue that affects us all. Democrats know we must act now to save the health of the earth, and the health of our children, for generations to come.

Addressing global warming. The United States must become a leader, not an impediment, in the fight against global warming. We should join our European allies in agreeing to limit carbon dioxide emissions to 1990 levels by the year 2000.

Ozone depletion. The United States must be a world leader in finding replacements for CFCs and other ozone depleting substances.

Biodiversity. We must work actively to protect the planet’s biodiversity and preserve its forests. At the Rio Earth Summit, the Bush administration’s failure to negotiate a biodiversity treaty it could sign was an abdication of international leadership. . . .

Population growth. Explosive population growth must be controlled by working closely with other industrialized and developing nations and private organizations to fund greater family planning efforts. . . .

Clinton's economic policy

From "Putting People First: A National Economic Strategy for America," by Bill Clinton:

... My strategy puts people first by investing more than \$50 billion each year over the next four years to put America back to work—the most dramatic economic growth program since World War II. . . .

To pay for these investments and reduce our national deficit, I will save nearly \$300 billion by cutting spending, closing corporate tax loopholes, requiring the very wealthy to pay their fair share of taxes, and implementing rigorous health care cost controls. My plan will cut the deficit in half within four years, and assure that the deficit continues to fall each year after that. . . .

To create millions of high-wage jobs and smooth our transition from a defense- to a commercial-based economy, we will rebuild America and develop the world's best communication, transportation and environmental systems. As a prominent part of our commitment to put people first, we will create a Rebuild America Fund, with a \$20 billion federal investment in each year for four years, leveraged with state, local, private sector and pension fund contributions. User fees such as road tolls and solid waste disposal charges will help guarantee these investments. . . .

We will focus on four critical areas:

- Transportation, including renovation of our country's roads, bridges, and railroads; creation of a high-speed rail network linking our major cities and commercial hubs. . . .

- A national information network to link every home, business, lab, classroom, and library by the year 2015. . . .

- Environmental technology to create the world's most advanced systems to recycle, treat toxic waste, and clean our air and water. Funds will be directed to the development of new, clean, efficient energy sources.

- Defense conversion to ensure that the communities and millions of talented workers that won the Cold War don't get left out in the cold. Many of the skills and technologies required to rebuild America are similar to those now used in our defense industries. We will encourage companies that bid on projects to rebuild America to contract work to, or purchase, existing defense facilities; order the Pentagon to conduct a national defense jobs inventory to assist displace workers; and provide special conversion loans and grants to small business contractors.

Investing in communities

While America's great cities fall into disrepair, the Republicans in Washington continue to ignore their fate. Private enterprise has abandoned our cities, leaving our young people with few job prospects and declining hopes. To restore urban economic vitality and bring back high-paying jobs to our cities, I will: . . .

- Fight crime by putting 100,000 new police officers on the streets. We will create a National Police Corps and offer unemployed veterans and active military personnel a chance to become law enforcement officers here at home. We will also expand community policing, fund more drug treatment, and establish community boot camps to discipline first-time non-violent offenders.

- Create urban enterprise zones in stagnant inner cities, but only for companies willing to take responsibility. Business taxes and federal regulations will be minimized to provide incentives to set up shop. In return, companies will have to make jobs for local residents a top priority. . . .

Opening up world markets

... We will move aggressively to open foreign markets to quality American goods and services. We will urge our trading partners in Europe and the Pacific Rim to abandon unfair trade subsidies in key sectors like shipbuilding and aerospace—and act swiftly if they fail to respond. We will:

- Pass a stronger, sharper "Super 301" trade bill. If other nations refuse to play by our trade rules, we'll play by theirs.

- Seek more open markets for American products by negotiating a free trade agreement with Mexico that ensures a more level playing field and protects basic worker rights and environmental standards.

- Create an Economic Security Council, similar in status to the National Security Council, with responsibility for coordinating America's international economic policy. . . .

Rewarding work and families

Putting our people first means honoring and rewarding those who work hard and play by the rules. It means recognizing that government doesn't raise children—people do. It means that we must reward work, demand responsibility, and end welfare as we know it. . . .

In the 1980s the Republicans once again used welfare as a wedge to divide Americans against each other. . . .

My national economic strategy will strengthen families and empower all Americans to work. It will break the cycle of dependency and end welfare as we know it. It includes: . . .

- **Welfare-to-work.** We will scrap the current welfare system and make welfare a second chance, not a way of life. We will empower people on welfare with the education, training, and child care they need for up to two years so they can break the cycle of dependency. After that, those who can work will have to go to work, either by taking a job in the private sector or through community service.

Quality, affordable health care

The American health care system costs too much and does not work. . . .

My health care plan is simple in concept but revolutionary in scope. . . . The main elements include:

- **National spending caps.** The cost of health care must not be allowed to rise faster than the average American's income. I will scrap the Health Care Financing Administration and replace it with a health standards board—made up of consumers, providers, business, labor, and government—that will establish annual health budget targets and outline a core benefits package. . . .

- **Universal coverage.** Affordable, quality health care will be a right, not a privilege. Under my plan, employers and employees will either purchase private insurance or opt to buy into a high-quality public program. Every American not covered by an employer will receive the core benefits program set by the health standards board.

- **Managed care networks.** Consumers will be able to select from among a variety of local health networks, made up of insurers, hospitals, clinics, and doctors. The networks will receive a fixed amount of money for each consumer, giving them the necessary incentive to control costs.

A revolution in government

. . . I will take the following steps: . . .

- **Cuts in administrative waste.** I will require federal managers and workers to achieve 3% across-the-board administrative savings in every federal agency.

- **Cut wasteful government spending programs.** To get rid of spending programs that no longer serve their purpose, I will eliminate taxpayer subsidies for narrow special interests, reform defense procurement and foreign aid, and slash boondoggle projects.

- **Line item veto.** To eliminate pork-barrel projects and cut government waste, I will ask Congress to give me the line item veto. . . .

'Equity in sacrifice'

From former Texas Rep. Barbara Jordan's keynote speech to the Democratic Convention on July 13:

The idea that America today will be better tomorrow has become destabilized. It has become destabilized because of the recession and the sluggishness of the economy. Jobs lost have become permanent unemployment rather than cyclical unemployment. Public policymakers are held in low regard. Mistrust abounds.

In this kind of environment, is it understandable that

change would become the watchword of this time. What is the catalyst which will bring about the change we are all talking about? I say that catalyst is the Democratic Party and our nominee for President.

We are not strangers to change. Twenty years ago we changed the whole tone of the nation after Watergate abuses. We did that, 20 years ago. We know how to change. We have been the instrument of change in the past. We know what needs to be done. We know how to do it. We know that we can impact policies which affect education, human rights, civil rights, economic and social opportunity, and the environment. These are policies which are embedded in the soul of the Democratic Party. And embedded in our soul. They will not disappear easily.

We as a party will do nothing to erode our essence. We will not. But there are some things which ought to change. We need to change them. But the fact that we are going to change things, should not cause any apprehension in our minds, because the Democratic Party is alive and well. It is alive and well. We will change in order to satisfy the present, in order to satisfy the future, but we will not die. We will change, but we will not die.

From what to what? Why not change from a party with a reputation of "tax and spend" to one with a reputation of investment and growth? Change. Change. A growth economy is a must. We can grow the economy and sustain an improved environment at the same time. . . . Change. We can change the direction of America's economic engine and become competitive again. We can make that change and become proud of the country that we are. . . .

We must change that deleterious environment of the '80s, that environment which was characterized by greed and hatred and selfishness and mega-mergers and debt overhang, change it to what? Change that environment of the '80s to an environment which is characterized by a devotion to the public interest, public service, tolerance, and love.

We must frankly acknowledge our complicity in the creation of the unconscionable budget deficit—acknowledge our complicity—and recognize, painful though it may be, that in order to seriously address the budget deficit, we must address the question of entitlements also. That's not easy. That's not easy. But we have to do it. We have to do it because the idea of justice between generations, that idea mandates that the baby boomers—that's our ticket—are entitled to a secure future. They are.

However, if we are going to ask those who receive benefits to sacrifice, there must be equity in sacrifice. Equity in sacrifice. That idea says that we will sacrifice for growth, but that everybody must join in the sacrifice, not just a few. Equity in sacrifice means that all will sacrifice equally. Equally. Equally. That is, the person who is retired on a fixed income, the day laborer, the corporate executive, the college professor, the member of Congress—all must sacrifice for equity. . . .

Shining Path readies final offensive in Peru

by Andrea Olivieri

The Shining Path terrorists in Peru have launched what could well constitute their “final offensive” to destroy the remnants of civilization in that beleaguered nation. Since the middle of July, their commando units have exploded dozens of car-bombs against primarily civilian targets in the city of Lima, slaughtering men, women, and children and causing enormous damage. On July 22 and 23, Shining Path (Sendero Luminoso) imposed an “armed general strike” in the capital city. On the first day, they bombed schools and supermarkets, torched buses and taxis, and succeeded in emptying the streets of Lima. On the second day, they were less successful, as many courageous residents risked their lives to find ways to get to work.

Nonetheless, the violence continues to escalate and on-the-ground evaluations are that Shining Path is able to strike at will, both inside and outside the city. The central railroad linking Lima with the interior of Peru has been cut by the terrorists, and the Armed Forces are reporting a desperate shortage of both financial resources and the logistical capability to wage effective warfare against the enemy. Determined to drench the nation in blood, the terrorist gang shows no sign of retreat.

A satanic force

Following the July 16 car-bombing in Lima which destroyed four city blocks, killing more than a score of innocents and injuring another 250, President Alberto Fujimori canceled a trip abroad to “take personal charge of the anti-terrorist fight.” He is now demanding that the international community face up to “the true nature” of Shining Path’s demonic insurgency.

Shining Path identifies itself as a radical Maoist group, whose ideology is Mother Earth cultism based on the alleged

superiority of the “indigenous” races, at one with nature and naturally “communistic.” Celebration of the magical death cult of the Wari culture, which preceded the Inca civilization in Peru, is part of the group’s belief structure. The consequences of Shining Path’s strategy of razing the cities and “collapsing the bourgeois state” are brutally evident from the Khmer Rouge reign of terror in Cambodia, where nearly half that nation’s population was slaughtered in the name of stamping out the bourgeoisie. This, *but on a much larger scale*, is what is now poised to seize power in the Western Hemisphere.

Instead of receiving a flood of political, financial and logistical support from the international community to eradicate this cancer before it metastasizes across the continent, Fujimori’s administration has been subjected to a crippling diplomatic, commercial, and financial embargo since April 5, when he took the bold action of suspending Congress—a hotbed of Shining Path protectors—and assuming special powers to enable him to confront the terrorists. Under Bush administration prompting, the Organization of American States (OAS) and nations in Europe and elsewhere answered the crisis in Peru by condemning Fujimori’s “anti-democratic” actions, and demanding that he begin negotiations with the very pro-terrorist forces he had just ousted from office.

In a statement released July 24, U.S. presidential candidate Lyndon H. LaRouche described the implications of this diplomatic isolation of Peru. Shining Path “is not endemic to the Andean Spine,” he said, “but is rather something which has been created in the Andean Spine by many foreign influences, including the old Communist International, including the French Synarchists, including the French ethnologists who are, in some cases, the same thing as the Synarchists—by the same circles in France which educated and created Pol

Pot, the genocidalist of Kampuchea.

"It is also clear, that this Sendero Luminoso has support from many strange quarters, including high-level diplomatic and related circles inside the United States. Sendero Luminoso may not be joined by members of the State Department, but is being used by certain State Department circles as an instrument for 1) population control—collapse of the economy of Peru, and mass extermination genocidally of the population of Peru, through the consequences of this kind of insurrection; 2) Sendero Luminoso is a pawn of those associated, for example, with Luigi Einaudi of the U.S. State Department, who are determined to destroy the military institutions of all of Central and South America.

"In this situation, it is time to put aside all double-talk, all diplomatic lying for the sake of good relations of various states, and to state plainly the truth: that this Andean Spine operation . . . is being employed by persons in the so-called western industrialized powers for the twofold purpose of genocide against the peoples of the Andean Spine, and for the destruction of the military and other sovereign institutions of those countries."

A two-front assault

Fujimori is well aware that he is up against a two-front war, the one internal and the other external. In a statement following the July 16 assault, Fujimori took direct aim at the Shining Path support networks abroad—and by implication at the governments which harbor them—when he promised that "the victims of the attack would weigh upon the consciences of all those, at home and abroad, who give their support [to Shining Path]. What do those students and workers who collect money [for Shining Path] in London or Paris, in Mexico or in Washington, think as they become anonymous messengers of death, sponsors of genocide?"

However, as LaRouche points out, the "Sendero International" goes far beyond students and workers. One of the most ardent defenders of Shining Path's "vision" is former State Department official David Scott Palmer, who wrote in the preface to his just-published book on the Peruvian terrorists, "I am forced to respect the dedication and zeal of the Shining Path leadership as it tries to forge a new and more meaningful reality for peripheral Peru's long-suffering citizenry."

In a July 20 interview in the Peruvian magazine *Caretas*, Palmer insisted that Fujimori's April 5 action "really helped Sendero in its long-term goals of taking power." Palmer, who reportedly still does consulting work for the Bush administration, is clearly speaking for his "former" State Department employees when he demands that Fujimori submit to an OAS timetable for restoration of "democracy": "Until there is some guarantee of a return to a democratic regime . . . there will be no resumption of military aid." Palmer draws the obvious conclusion: "To the degree that Peru has no funds, and doesn't reinsert [itself into the international financial community], it has a ferocious problem, similar to

what happened to [President] Alan García in 1988." (A profile of Palmer was published in *EIR* on June 12.)

Palmer's allies inside Peru include terrorist apologist and journalist Gustavo Gorriti, who argues that Shining Path cannot be fought with guns: "The best weapon against the insurgency is democratic legitimacy, and the active exercise of democratic life. I firmly believe the coup on April 5 was the biggest sabotage of efforts to defend the state and of Peruvian society since the start of the war on subversion." Gorriti has been in the forefront of attacking the Peruvian military for "human rights violations" against the nation's terrorists and their support network.

Gorriti and his ilk provide the "democratic" façade for arguments already circulating in Washington and elsewhere which suggest that war-ravaged countries like Peru and Colombia are incapable of confronting the narco-terrorist enemy, especially now that their defense forces are weakened by the combination of International Monetary Fund (IMF) austerity dictates and the human-rights lobby's battering ram. It is precisely such arguments which are being used to justify the deployment of U.S. special forces to the Bolivian Amazon and elsewhere.

Defending national sovereignty

Not one of the critics of Fujimori's war against the terrorists has dared to address the real issue behind the crisis in Peru, which is not one of civilian versus military rule, but of preservation of the nation state and its sovereign institutions. This poverty-stricken, disease-plagued nation at war currently spends 42% of its annual budget on debt repayment, while its military expenses are only 13%, comparable to the amount spent on health and education. According to knowledgeable sources, Shining Path receives an estimated \$720 million a year in profits from the narcotics trade, while the annual budget of the Peruvian military is less than \$500 million!

The issue of the military's survival was at the center of a seminar given by *EIR* in Lima on July 17, entitled "Who Is Trying to Destroy the Armed Forces, and Why?" The conference was attended by 45 people, the majority of them high-level active and retired military personnel, despite the fact that the conference hotel was in the "battle zone" which had been hit by a Shining Path car-bomb the evening before.

At the seminar, *EIR*'s Luis Vásquez described the blackmail campaigns of former World Bank head Robert McNamara, Trilateral Commission ideologue Samuel Huntington, and former Peru presidential candidate Mario Vargas Llosa, among others, to force the reduction and eventual elimination of the continent's armed forces. Vásquez challenged Vargas Llosa, whose recent call for "the disappearance of the armies" enraged the Peruvian military, to a debate "anytime, anywhere." Other speakers, who included two retired generals and one retired colonel from the Peruvian Army, attacked the IMF's free-market prescriptions as an "imperialist offensive" against the continent's military budgets.

Foreign apologists back Shining Path war

by Gretchen Small

As Shining Path terrorists launched their “Tet offensive” inside Peru, a network of foreign apologists of Shining Path (Sendero Luminoso) opened an international front in the war against the Peruvian state. A group of so-called “Senderologists”—social scientists, anthropologists, journalists—have set themselves up as Shining Path’s international “fifth column,” turning their academic posts and news outlets into propaganda outlets designed to build legitimacy for Shining Path’s hideous war.

A flood of newsletters and books dedicated to Shining Path have hit the market. In June alone, two major books promoting Shining Path as a legitimate political force were published, with several more scheduled for publication before 1992 is over. The first, edited by former State Department official David Scott Palmer (see preceding article), was the first book-length treatment of the Peruvian killers, but it was still directed to a specialized audience of policymakers and academics.

The second book, written by the former correspondent for London’s *Independent* in Peru, Simon Strong, targets the mass media and the broader public. Promoted May 24 even before publication in the *New York Times* Sunday magazine section, Strong’s book is now being heralded in reviews worldwide as a “must read” for non-specialists, “a very good introduction to a dramatic subject that is at the heart of the dilemma in not only Latin America but all Third World countries,” in the words of Peru’s pornographer and Nobel Literature Prize candidate Mario Vargas Llosa.

Strong’s title, *Shining Path: The World’s Deadliest Revolutionary Force* (London: HarperCollins), is misleading. The book attacks the very culture, institutions, and civilization which Shining Path seeks to eradicate from Peru: everything western and anything Christian. Peru’s military is painted as genocidal maniacs; the Catholic Church, as violent oppressors of a preferred Indian culture; the government, as vile because it “was founded on European civilization.” Shining Path exists because “Spanish conquistadors ripped apart the Inca empire and with it one of the world’s great civilizations,” Strong writes. Peru’s business and political elite is declared to be genocidal, because “they feel they are fighting for a superior culture.”

The book is a 274-page *racist* diatribe against everything which Peru has ever achieved as a nation. “Peru is not a nation, anyway. It is a country wracked by a political and economic infrastructure that is rooted in prejudices inherited

from colonial times and which, in effect, discriminates against the vast, Indian-blooded majority in favor of European descendants,” Strong raves. He adds that, through Shining Path’s war, “slowly, but surely, after 500 years the whites are being pushed out.”

If the book reads like Shining Path propaganda, it is no accident. In his acknowledgments, Strong expresses his “great thanks” to five top Senderistas, among others, for their help in preparing the book.

Preparing the next wave

A review in the London *Guardian* July 18 of Palmer and Strong’s books, by the *Guardian*’s Richard Gott, identified the goal of this propaganda: “Quite suddenly, it has become permissible to discuss seriously the aims and ambitions and methods of Sendero Luminoso,” wrote Gott. “For years, such discussion has been deemed inadmissible. The combined forces of both left and right have assembled to dismiss this revolutionary organization as the Andean equivalent of the Khmer Rouge—the Hitlerian image of the late 20th century—and further debate has been effectively ruled out.”

No longer is this to be the case. He hailed the recent showing by British television Channel 4 of “an extraordinarily brilliant film” as the first sign of this change. The film showed Shining Path to be a “disciplined, highly motivated military organization, imbued with a near-fanatical zeal, with more than a sporting chance of taking power before the end of the century,” a movement which exhibits “unquestioning devotion to a cause,” and is “apparently successful and well-supported . . . devoted to promoting a Chinese-style Maoist revolution.” He praises Palmer’s book as “useful,” and Strong’s for demonstrating that Shining Path is only “the latest in a long line of legitimate, millenarian struggles” in South America.

Gott advances the new line: Shining Path can, and perhaps should, win in Peru. “The guerrillas will not *seize* power in any meaningful sense,” he writes. “They will *assume* power at the moment that the old society disintegrates. Peru is undoubtedly now near that point, undermined by violence and terror, certainly, but also by the drug trade and endemic corruption, by the racism of the ruling elite. . . . I have heard wealthy Peruvians, living in exile because of the security situation in Lima, throwing up their hands in despair and asking aloud whether—everything else having failed—Sendero shouldn’t be given its turn.”

Lest these ravings be dismissed, the most recent study on Shining Path published by the RAND Corp. should be consulted. Prepared for a Defense Department project on “Andean Futures: A Comparative Political, Economic, and Security Assessment,” author Gordon McCormick justifies Shining Path as an Indian uprising against the heritage of the Spanish conquest and argues that because the Peruvian government doesn’t “understand” it, they will soon cut Lima off from the interior, and collapse the old order.

Zepp-LaRouche: Stop the genocide in the Balkans

Helga Zepp-LaRouche, the president of the Schiller Institute in Germany, on July 22 issued the statement excerpted here, "Appeal to the Governments and Parliaments of Europe: Stop the Genocide in the Balkans!" The statement is being circulated for endorsements throughout Europe.

All illusions aside, Europe's inability to react appropriately to the bestial genocide now under way in former Yugoslavia, is the symptom of a dying civilization.

This war has already claimed approximately 100,000 dead and countless more maimed and wounded. The miserable plight of 3 million refugees who have lost everything, cries out to heaven for some remedy. A catastrophe of hunger and epidemic disease is now rolling forward, while the capacity of Croatia, itself ravaged by war, to harbor these people has been absolutely exhausted; yet it is impossible to simply cold-heartedly turn these refugees away when they arrive at the border. . . .

The Serbs under Milosevic's leadership would never have dared to commit the war crimes they have committed—crimes unparalleled in their gruesomeness—had they not been absolutely assured of support by representatives of the collapsed Yalta order of Baker and Yazov, Eagleburger and Carrington. . . .

We, the undersigned . . . call upon Europe's governments and parliaments to immediately make possible the following measures:

- Unequivocal condemnation of the role of representatives of the collapsed Yalta order in promoting the spread of war.
- Effective neutralization of the Serbian Air Force.
- Effective buildup of the defense capability of Croatia, and of the Croats and Muslims in Bosnia.
- Recognition of the Republic of Macedonia by its legal name.
- Extension of the embargo to Greece, Romania, and all others who are evading the embargo against Serbia.
- Banning of ship transport on the Danube into Serbia.
- Opening of the borders for refugees, whose suffering must be blamed in part on Europe's failure to act.
- Immediate implementation of an economic reconstruction program for the entire Balkans region, as part of the Eurasian infrastructure program proposed by Lyndon LaRouche, as the basis of a peace plan.

Profile: Milan Panic

Serbian leader and the Hollywood mafia

The new prime minister of Serbia ("Yugoslavia"), American citizen Milan Panic, took office in mid-July, amid widespread predictions in the international press that his regime is intended to ease out the communist dictator Slobodan Milosevic, and possibly to pave the way for the restoration of the monarchy, under Crown Prince Alexander II Karageorgevic, who is touring the countryside to rally support for his cause. The Vienna daily *Die Presse* on July 15 reported that Milosevic's demise is a foregone conclusion—which only he himself does not recognize.

Who is this unusual person, who has seemingly emerged out of nowhere, to take a seat in the cockpit of a region that is exploding into World War III?

Panic, who came to the United States at the age of 14, takes care to play up his friendly ties to the U.S. State Department—which gave the green light for his appointment. Asked at a press conference on July 10 in Helsinki, Finland, whether he had any disagreements with Secretary of State James Baker, Panic replied: "Mr. Baker is my secretary of state. How could I disagree with my secretary of state? . . . I think it is fair to tell you that everything that Mr. Baker wanted me to do, I would do without Mr. Baker. . . . We are both Americans."

As to Milosevic: "God help him if he gets in my way."

Ties to Clinton, Brown

As chief executive of the California firm ICN Pharmaceuticals, Panic maintains extensive ties to the pro-drug Hollywood "mafia," including the circles associated with Bill Clinton's campaign manager Mickey Kantor and Stanley Sheinbaum. Panic works closely with Nathan Gardels, editor of *New Perspectives Quarterly*, the journal of the late Robert Hutchins's Center for the Study of Democratic Institutions. In addition to Kantor and Sheinbaum, the publication's board includes Richard Dennis, who is not only the moneybags behind the Drug Policy Foundation, a leading propaganda outfit on behalf of drug decriminalization, but is also the second largest contributor to the Democratic National Committee.

'Colombia has become Endara's jailer'

by Javier Almario

Panamanian Maj. Edgardo López Grimaldo was interviewed by EIR correspondent Javier Almario in the La Picota jail in Bogotá, Colombia on July 20. A former spokesman for the Panamanian Defense Forces and aide to Gen. Manuel Noriega, he has been imprisoned in Colombia with the aim of extraditing him to Panama on political charges. He is gravely ill and requires medical treatment by a specialist. His attorneys are demanding his release and that Colombia grant him political asylum.

"The Colombian government, surely without wishing to, has become the jailer, the policeman that imprisons the political enemies of the illegal Panamanian government of Guillermo Endara," stated Edgardo López Grimaldo, a major in the extinct Panamanian Defense Forces, who is now imprisoned in the maximum security wing of the La Picota jail in Bogotá. There, he is waiting for the government of César Gaviria Trujillo to either extradite him to Panama, or else to grant him political asylum.

López Grimaldo was the head of press and public information for the Panamanian Defense Forces when the United States on Dec. 20, 1989 invaded Panama with 30,000 soldiers—"half of them drugged," he says—60 Blackhawk helicopters, laser-guided weapons, and Stealth bombers invisible to radar. At least 4,000 persons died in the invasion.

"They even killed 12,000 chickens and 600 head of cattle that the Panamanian soldiers were raising in a self-sufficiency plan to feed the troops," said López. "It was that invasion which imposed the Endara government. It is an illegal government which now pursues its political enemies inside and outside of Panama.

"The great fear of Endara and his masters, the Americans led by George Bush, is that in the next elections we can retake control of the country, that is, if they allow more or less free elections." They want me in prison because I am a powerful enemy, because I could be elected to the Legislative Assembly and in the future become a nationalist President that defends Panamanian sovereignty," said López Grimaldo. Endara's lack of independence from Bush is so severe that "the government itself and Endara's own supporters, call the U.S. ambassador in Panama, Dean Hinton, 'the Proconsul.'

"They have been persecuting me since the invasion. First,

Panic has a longstanding political and business relationship with Jerry Brown, whose family's links to the California mob are legion. Brown served on the board of Panic's ICN Pharmaceuticals, whose Serbian subsidiary, Galenika, is run by a former U.S. ambassador to Yugoslavia. Deputy Secretary of State Lawrence Eagleburger, a protégé of Henry Kissinger and former president of Kissinger Associates, who served as U.S. ambassador to Yugoslavia, was on the board of ICN, as is Robert Abboud, formerly of the First National Bank of Chicago and Occidental Petroleum Corp.

Panic has been the main contributor to the political action committee which financed Brown's political activities after he stepped down as California governor. Brown served on ICN's board from 1988 through 1991, for which he was paid \$20,000 a year. During the presidential primaries, charges surfaced in the media that Brown had tried to peddle his political influence in Congress on ICN's behalf.

Questioned about Panic during an interview on John McLaughlin's "One-on-One" television broadcast July 4-5, Brown said that Panic has been a political supporter of his for 20 years, and said he hoped that his "friend" could help bring peace to the Balkans. "I imagine the State Department must be giving him some kind of a green light," Brown said.

His policies

New Perspectives Quarterly recently distributed a column which Panic wrote on the Balkans crisis, which was also published in the *Washington Times*. In it, Panic vowed to disband and disarm all the "irregular" forces in Bosnia-Herzegovina. Concerning economic policy, he emphasized the priority of rapid privatization and payment of the foreign debt of former Yugoslavia. He wrote: "I will pursue a rapid policy of privatization modeled on the highly successful example of Galenika, which is now the subsidiary of . . . ICN Pharmaceuticals. . . ."

"In the months ahead, my government also will pursue an initiative to bring all the newly independent states of the former Yugoslavia back into an economic union. Collectively, all the states owe \$14 billion in foreign debt. Six billion dollars is owed by Serbia and the other \$8 billion by the rest.

"After Serbia reviews its assets and eliminates its debt, as a gesture of good will, I intend to propose that we also pay off the debt of the others—Croatia, Slovenia, and Bosnia."

While this blithe promise to pay off the debt will undoubtedly make former Yugoslavia's foreign creditors happy, Panic may not find it as easy as he makes it sound. Why, back in the United States, the Resolution Trust Corp., the federal authority mandated to bail out the bankrupt savings and loan industry, is suing Panic for defaulting on an \$8.4 million loan he assumed when he brought a motel in Mission Valley, California, in December 1985. According to the July 11 *Los Angeles Times*, Panic also owns another California motel on which he has not paid his real estate taxes since 1990.

U.S. troops raided my house three times. One of my sons was thrown in a concentration camp run by U.S. troops. I sought asylum in the Peruvian embassy. While I was there, charges were brought to prevent my being granted political asylum. The man who brought the charges is the supposed owner of La Exitosa radio station. He alleged that I sent some soldiers to destroy the station.

"The prosecutor in the case asked that the charges be dropped, because there is no proof of this false accusation. But, now that I am held prisoner in Colombia, the judge, instead of ruling, returned the papers to the prosecutor and asked that I be called in for questioning, to get my statements for the record. Am I going to testify against myself? Couldn't an affidavit be submitted to the prosecutor through a consulate?"

"This is clearly a political persecution," stated López Grimaldo. "What am I doing in a Colombian jail, when I have committed no crime in this country?" he asked.

Warrant prepared long before

The arrest warrant with the goal of extradition was signed April 27, 1992 by former Foreign Minister Fernando Carillo, under a 1928 extradition treaty that was only valid for five years. The warrant was signed long before López Grimaldo came to Colombia.

At the beginning of 1990, López Grimaldo was granted a safe conduct by the Endara government, so that he could leave Panama for Peru, where the government of Alan García had agreed to give him political asylum. When Alberto Fujimori came to power, the Endara government requested López Grimaldo's extradition. Fearing that the new Peruvian government would revoke his political asylum, López Grimaldo left Peru. He went to Chile, and finally he relocated to Ecuador, where he was living with his wife. Since his wife is Ecuadoran, he requested a resident visa.

"They told me that I would have to request the the visa in my country, but since that was not possible, I could ask for it in a country that was friendly to both Panama and to Ecuador." That's why he came to Colombia. He crossed the border at Ipiales, a Colombian town bordering Ecuador, and sought and obtained the visa he needed. As he was returning to Ecuador, he was arrested by Colombian DAS security agents attached to Interpol.

"In Ecuador, I was living very peacefully and no one knew that I was there, until one day Harmodio Arias, Endara's ambassador, saw me and raised a great hue and cry. He immediately contacted Panama, and the Panamanian government requested my extradition. The Ecuadorans ignored the request, but the Colombian government took it up," said Major López.

"Now Endara is much more anxious to put me in jail. He wants to eliminate the opposition, especially after what happened to Bush, who had the fantasy that he would be received as the hero who liberated Panama from the terrible dictator, Manuel Antonio Noriega. Bush does not understand that if

his invasion produced 4,000 victims, each of those 4,000 persons has at least five family members opposing him.

"Endara and Bush know that the Panamanian situation is explosive. Panama, which under [Omar] Torrijos was a prosperous nation, now has 28-30% unemployment, the most of any Latin American country. That's why they they want us nationalists either behind bars, fleeing, or dead.

"The invasion of Panama was not to capture Noriega to put him on trial. It was to destroy the Defense Forces, whose very existence is a requirement of the Torrijos-Carter treaty. The canal treaty calls for Panama to be capable of protecting the canal in the year 2000. Now that there is no Defense Force, but only police with whistles and nightsticks, the United States is going to say that Panama is not ready to protect the canal and that the gringo troops will have to remain."

Our last question to López Grimaldo was: "Why do you think Manuel Antonio Noriega entered the Nunciatura instead of organizing a guerrilla resistance movement?"

Major López Grimaldo replied: "Because Noriega had enough sense of responsibility to his people and his country to stop the massacre. The gringo soldiers there were drugged, and they were shooting everything that moved, and they were going to continue doing that until they found Noriega. Noriega acted responsibly."

López Grimaldo in a grave state of health

"While Edgardo López Grimaldo was in the prison cells of the DAS secret service in Bogotá, he had two severe attacks of high blood pressure," a businessman who was jailed for seven days along with him told *EIR*. "López turned purple and his arms got red, and we had to urgently ask that a doctor see him. We thought that he was going to die."

"My blood pressure was up to 210/120 when I had those attacks," commented López Grimaldo. "Now, my pressure is 160/90 and the doctor ordered me to take a double dose of the medicine that I was taking to lower my blood pressure."

Physicians consulted by *EIR* agreed that such extremely high blood pressure would put López Grimaldo in a high-risk category for a heart attack or cerebral hemorrhage.

His attorneys have sought to have him moved to a hospital for immediate attention. Nevertheless, he has been in La Picota jail more than 15 days since his attack, and the Colombian Justice Ministry has not responded to the request.

Escobar escapes, war returns to Colombia

by Andrea Olivieri

The well-planned escape of Medellín Cartel kingpin Pablo Escobar from his customized Colombian prison has signaled the demise of President César Gaviria's carefully constructed "narco-democracy," and the return of full-scale war to Colombia. As former Justice Minister Enrique Parejo González, one of the country's few surviving heroes of the country's war during the 1980s against narco-terrorism, commented on the new crisis facing the country, "The President has demonstrated that he lacks the moral authority to continue ruling the country. . . . He should be asked to resign."

The bloody escapade in Medellín on July 21, during which at least six people were killed when a botched attempt to transfer Escobar to a military base triggered a hostage-taking and shootout with military commandos, is the lawful consequence of an unholy pact that was struck between the César Gaviria government and the billionaire drug trafficker and his cohorts over a year ago.

After blackmailing the government and bribing the illegally convoked National Constituent Assembly into approving a constitutional ban on extradition (see p. 41), Escobar agreed to end his reign of narco-terror and to "surrender" to Colombian authorities in exchange for a U.S.-modeled "plea-bargain." The deal worked out with the government in effect constituted the legalization of Escobar's dirty billions, following a short rest and relaxation stint in his personal five-star prison.

Gaviria was able to boast of being "the President of peace," and the Bush administration, which had backed Gaviria's appeasement policy toward narco-terrorism every step of the way, now had a new world order "democracy" to promote globally.

Warned in advance

But things went awry. Escobar's continued day-to-day management of his vast cocaine empire—including regular business meetings with his henchmen and trials of potential rivals *inside* his five-star jail—could no longer be ignored when at least a dozen mutilated bodies of those rivals began appearing on the outskirts of Medellín. The public clamor for

action finally forced President Gaviria to order a "temporary" transfer of Escobar to a military base while security at the drug lord's jail was "tightened up." The three *unarmed* government officials sent to inform Escobar of the transfer served effectively as a warning to the drug traffickers, who broke out their arsenal, employed their hostages as a time-buying device, and used pre-designed escape hatches to elude a military dragnet.

As Gen. Farouk Yanine, who was in charge of the belated military assault on the prison, was to bitterly point out, "They only told us to surround the prison and increase security; later we were told to try to free the hostages."

Escobar's dramatic escape is but the latest blow to the already severely diminished credibility of President Gaviria's administration. Attempts to negotiate the amnesty and return to civilian life of thousands of heavily armed narco-terrorists under the umbrella Simón Bolívar Guerrilla Coordinating Group were finally abandoned in July, after more than a year of on-again, off-again "peace talks" with terrorist chieftains who responded to each concession by the government with a fresh escalation of terrorist assaults and assassinations against both military and civil targets.

President Gaviria's sole "success story," the amnesty and incorporation into the government of the M-19 narco-terrorists best known for their bloody November 1985 siege of the Colombian Justice Palace which left 100 dead, was nearly overturned in June when a courageous judge ordered the arrest of more than a dozen M-19 leaders for the commission of "atrocious crimes" during that siege. Only a last-minute intervention by Gaviria's presidential office contravening the judiciary prevented the warrants from being enforced.

'The war is on'

The Medellín Cartel's one-year suspension of indiscriminate and large-scale acts of terrorism—a hiatus more than filled by the bloody actions of the FARC and ELN narco-guerrillas—is ended. According to phone calls to the Colombian media from self-proclaimed spokesmen for Escobar in the 24-hour period immediately after the prison break, "The war is back on." One hostage at the prison claimed to have heard Escobar promise to "make it rain car-bombs."

President Gaviria's only chance for political survival at this point is to give the Colombian Armed Forces both the mandate, and the means, to wage total and absolute war against the narco-terrorist enemy. In 1990, the Colombian leader devoted \$350 million to the military budget, one-third of what it is was spending in payments on the public debt. The demilitarization strategists who played a major role in drafting the country's new and "ignominious" Constitution, and who have been working hand-in-glove with the narco-terrorists to pave the way for the easy ascent to power for these guerrillas, should be well advised as to the punishment for treason under conditions of war.

Colombia: the genesis of the world's first narco-democracy

by Javier Almario

July 4, 1992 was the first anniversary of Colombia's new Constitution, written by 70 delegates chosen by less than one-fourth of that country's voting population. "It could be dubbed the Constitution of ignominy, or of surrender," pronounced former Justice Minister Enrique Parejo González, one of Colombia's few surviving heroes of the years of warfare against narco-terrorism. Or, as one international narcotics expert quoted by the *Washington Post* of July 20 put it, "What you are seeing now is the birth of the first narco-democracy in the world."

The Bush administration was instrumental in creating the conditions which led to the adoption of Colombia's "ignominious" Constitution. Not only has Washington denied Colombia the financial resources, the military equipment, and the political backing for a serious war on drugs, but it is also behind the criminal appeasement policy of "peace negotiations" and plea-bargains that fed into the Constitution as it currently stands. The Bush administration is now seeking to impose similar "constitutional reform" around the globe, but especially in such countries as El Salvador, Peru, Guatemala, and Brazil. The effect, of course, would be a proliferation of such narco-terrorist "democracies" around the globe.

Mafia blackmail

In his commentary on the one-year-old Constitution, Parejo noted that on the express demand of the drug cartels, it prohibits, for the first time in Colombian history, the extradition of nationals. "We cannot be proud of the fact that one of our fundamental constitutional statutes is, at least in part, the fruit of criminal blackmail and of a lack of moral courage on the part of those who, charged with carrying out a task of such transcendental importance for the future of the country, turned out to be inferior to their historic task," declared the former minister and current Bogotá city councilman. "The shadow of the drug trade, or rather, of bloody terrorism unleashed by criminal organizations dedicated to that illegal activity," is a "shadow which was present at all times" in the deliberations of the Constituent Assembly.

Nonetheless, the Gaviria government celebrated the first anniversary of its surrender to the drug mob with a gathering

of former Constituent Assembly delegates and other notables. Everyone attended, except Marcos Chalita, the "former" M-19 narco-terrorist who was arrested on July 1 in possession of fragmentation bombs and other weapons exclusively provided to the Colombian Armed Forces. Chalita, who was known as the bloodiest of all the M-19 "commanders," was given legal status as an M-19 "leader" as a result of the M-19 amnesty and pardon, approved in 1989 and applauded by Washington. He went on to help write the Constitution.

All other members of the M-19, led by Antonio Navarro Wolf—one of the three co-chairs of the Constituent Assembly—attended the government's celebration, despite the existence of a judge's order for Wolf's arrest stemming from the commission of "atrocious crimes" during the bloody siege of Colombia's Justice Palace in 1985. By the good graces of President César Gaviria and the Colombian Congress, a special law blocking enforcement of the arrest warrant was decreed, overriding the judiciary and allowing Navarro and company to arrive at the Government Palace and partake in the festivities unhampered by their terrorist past.

The oligarchic 'consensus'

At the celebration, President Gaviria pledged to defend the new Constitution, whose fundamental thesis is the replacement of natural law and the concept of the common weal with an ever-shifting consensus among political forces. This consensus became, at the moment of truth, a consensus among the country's oligarchic elites. "I cannot allow the greatest collective work of pluralist participation in Colombian history to be scorned," said Gaviria in his July 4 address, which was intended to refute Parejo and the many others who have criticized the new Constitution. Gaviria congratulated the several groups of "former" guerrillas who participated in drawing up the 1991 Constitution: "From rebels against the Constitution of 1886, they became co-authors of the Constitution of 1991."

Nonetheless, the Colombian population has already made known its rejection of the new Constitution, and of the Constituent Assembly which wrote it. In the first place, fewer

than 25% of the Colombian electorate even bothered to vote for the Assembly delegates. Further, according to a July 5 poll published by the daily *El Tiempo*, a full 58.8% of those who did vote for the delegates said they felt tricked, and would not vote for another such Assembly. And 72% of those who voted declared themselves dissatisfied with the final results of the Assembly's work.

The government, which deployed all of its power to force the Supreme Court to accept the legality of the Constituent Assembly (the 1886 Constitution forbade its own reform, except by the vote of two consecutive Congresses), argued that the new Constitution would serve to guarantee the national peace, strengthen justice, improve the economy and public services, strengthen the institutions, and eliminate the vice of corruption in the Congress.

None of these promises have been met, nor are they likely to be met. Gaviria insists that the Constitution needs time to adjust, since Colombia is in "a period of transition." But the key problem is the "consensual" vision of César Gaviria and the Harvard "whiz kids" with which he has stocked his administration, whose ideology does not match the Catholic matrix of this country, a matrix which assumes that natural law and the common good must be the guiding forces of good government. Within Gaviria's consensus view of government, fall the political parties, the guerrillas, and the drug traffickers. The Constitution of 1991 was the direct result of such a consensus, in which the real Colombia plays no part.

Neither peace nor justice

Peace has not been won. The FARC and ELN terrorists have seen their M-19 colleagues receive a cabinet post and 17 of 70 Assembly seats by the mere act of disarming, and they are convinced that more terrorism and bloodshed will win them that much greater concessions. More fundamental is the fact that the government's monetarist and free market economic policies prevent any solution to the country's devastating infrastructure collapse and rising poverty levels, all of which feed directly into escalating terrorism.

Justice has not been strengthened. On the contrary, the new Constitution has broken the justice system into pieces, weakening the already moribund institution even further. A Constitutional Court has been created to rule on the constitutionality of laws, once the purview of the Supreme Court. A General Prosecutor's Office has been created, a sort of caricature of the U.S. Attorney General's office which, at its whim, deploys prosecutors against anyone who displeases the U.S. establishment. A General Inspector's Office now exists, a kind of judge charged with trying crimes against the national budget, and so forth. There are clashes among these different judicial bodies on an almost daily basis.

And as if that weren't enough, the Gaviria government and the national congress regularly intervene to create laws in their own name favoring the traffickers and their terrorist allies, even as these continue to threaten the judges

assigned to try their cases.

On the economic front, national life has gone from bad to worse. The new Constitution stripped the central bank of all the functions it exercised as a development bank; today, the central bank is limited to issuing currency to back up dollars coming into the country. And, to cut back on money in circulation, the central bank's open-market operations will be paid with budget allocations, since any new currency printed is considered inflationary. Worst of all, the Bank of the Republic is now operating as an absolutely independent entity over which the Colombian people cannot exercise their sovereign will, not even through the President whom they elect.

Loss of economic sovereignty

Every sector of the economy has been affected by this dictatorship over the credit system. Industry and agriculture are being strangled for lack of capital. Public services are in dramatic decline. The government wants to shirk all responsibility for the nation's basic infrastructure; thus the new Constitution favors privatization. The result is that there is no electricity in most of the country except for a few hours each day, and there are whole sectors of the country which are already experiencing water rationing as well.

At the same time, the Gaviria government has rammed two separate tax reforms through Congress. The most recent one is premised on the argument that the country must recover income lost when customs tariffs on imports were lowered to accommodate the so-called *apertura*, or free-market opening of the economy dictated by President George Bush. Thus, new taxes are required to finance the cost of the new institutions created by the 1991 Constitution.

To win congressional approval for said reform, President Gaviria resorted to all the old vices characteristic of the corrupt Congress itself: He promised everything from public appointments and congressional salary increases to presidential authorization to collect privileges prohibited by the new Constitution—all in exchange for the most absolute "fidelity" of the ruling party congressional bloc. A genuinely independent Congress would never have approved the reform. Indeed, immediately following passage of the reform, Gaviria proceeded to revamp his cabinet to better reflect the constellation of political forces that stood with him on the tax reform.

Of course, when all is said and done, the new Constitution is a matter of political convenience, to be ignored when it gets in the way. Thus, when Attorney General Carlos Gustavo Arrieta demanded to know why the Gaviria government had suspended military operations against the FARC and ELN leaders to permit their safe passage back into the country in late June, Gaviria's "peace adviser" Horacio Serpa Uribe answered that the peace negotiations the government had been holding with the terrorists in Mexico corresponded to an "extra-constitutional" process, within the realm of presidential discretion.

Cultural relativism pushed in Chile

Advocates of the "pluralistic" state want to redefine the role of education and the Armed Forces.

Like the rest of Ibero-America's erstwhile "democracies," the government of Chilean President Patricio Aylwin is attempting to undermine the principles of western, Christian culture which underlie the country's most important institutions, and still represent a moral reserve for a population subjected to almost 20 years of "flea market" economics. One of the vehicles through which this is being promoted is the government's educational reform, which requires altering the Constitution; another is the attempt to eliminate obligatory service in the Armed Forces.

The two issues are related. The 1990 book *The Military and Democracy: The Future of Civil-Military Relations in Latin America*, which *EIR* has made famous as the "Bush manual" for destroying the continent's armed forces, warns that the militaries of the Southern Cone of Ibero-America in particular have a "dangerous" commitment to defending the values of the "Christian West . . . honor, dignity, loyalty" (see *EIR*, Jan. 11, 1991). The book argues that such an outlook is "messianic" and "ethicist," and must be replaced with a more "pragmatic" view.

Education Minister Ricardo Lagos, a member of the Chilean Socialist Party, recently presented the government's educational reform bill to Congress. Its basic axiom is that "the state has no precise conception of man, because it is a non-confessional state."

Representatives of the Chilean Catholic Church immediately re-

sponded to this assault on natural law. In statements published in *El Mercurio* July 7, Msgr. Felipe Bacarezza, of the church's Doctrinal Commission, stated, "I think it is a fraud to say that no conception of man exists, and at the same time, to try to educate."

In an interview with *El Mercurio* June 28, Monsignor Bacarezza had spoken at greater length on this topic. "To say that an educational document has no conception of man is impossible, because then it is not education. . . . The problem with this document is that it is relativistic." Bacarezza, who belongs to the Vatican's Congregation for Education, added that "relativism argues that all conceptions are equally good, and that is not true—it's impossible. It cannot be true that man is—and simultaneously is not—a creation of God; or that man's ultimate purpose is to take pleasure in God and at the same time that he has no purpose."

Msgr. Antonio Moreno, the archbishop of Concepción, who is a member of the same commission, charged that the educational reform's purpose "is to teach values and culture; but it's not clear exactly *what* principles government agencies will use to develop this new culture."

On June 23, another bishop, Msgr. Javier Prado addressed the church's concern with education and culture when he called on the Aylwin government to ban a performance by the Iron Maiden rock group, which he characterized as a "psychological microbe" threatening the nation's youth. He charged that the group's

songs deliver subliminal "demonic" messages, and warned that the group's presence in Chile would encourage the proliferation of sects and rites harmful to human beings.

In refuting the bishops, Education Minister Lagos simply confirmed the church's worst fears: "The state cannot be, or express, a monopoly over only one truth," he said, "because then the pluralistic and democratic state cannot exist. We are promoting values based on the human person and these are the values concentrated in Chilean society."

Military leaders have responded sharply to attempts by some parliamentarians to eliminate obligatory military service, seeing these as related to the assault on western culture. During this year's ceremony swearing in new Army recruits held July 9, Brig. Gen. Arturo Silva Soupe, vice commander of the Army's Second Division, stated that "obligatory military service is nothing more than the unalterable extension of the national will to remain united in the search for the general common good."

That is why, the general said, "when we note with concern that in some sectors of modern society, there is a tendency to make everything relative—for example, discussing the usefulness or the justice of military service—this only reinforces our absolute conviction that the correct path is that indicated by the law and faith in . . . the spiritual, the values and traditions of our Fatherland."

General Silva Souper called on the new recruits not to allow themselves to be "dragged down by the agnostic materialistic current which appears to be overpowering the new generation's youth," and he urged them not to fear "fighting the negation of those values which allow us to clearly identify that which is on the side of the good, and that which is not."

Germany sets 18-year transportation plan

by Rainer Apel

With the release by the German government, after a long delay, of the new federal transport plan, mandating investment of nearly DM 500 billion (\$330 billion) by the year 2010, the coast is finally clear for a real program of infrastructure building to begin. For the first time in 30 years, the state's expenditure for rail construction will be higher than that for highways. The DM 108 billion for new railroads, compared to DM 99 billion allocated for highways, is still too little to be called a change in priorities; but the project that the Bonn government has adopted will be able, by the year 2010, to shift 10% of the expected volume of transports from road to rail, as the volume of rail transport itself doubles. Railroads will again play an important role in the transport of people and goods.

The prerequisite for this, since transport needs are continuing to expand, is that the project be implemented in such a way—including the construction of state and interstate highways—that traffic jams will not become a permanent phenomenon in the coming years. For rail as well as highway transport, a great deal will depend on whether the central East-West axis between the Ruhr region and eastern Germany's industrial regions is ready by the end of this century, as has been mandated by law. Only when these lines are built from Dortmund to Dresden via Kassel, Erfurt, and Leipzig—both for ICE high-speed rail transport and four- to six-lane highways—will it be possible to talk about a breakthrough in transport policy. Without such a central transportation axis, the eastern German production of Saxony-Anhalt, Thuringia, and Saxony, plus that of the neighboring eastern European industrial regions, will not be accessible. The previously existing transport axes simply do not allow the transport of the large quantities of goods that such a construction plan requires.

The most important rail lines are the Hanover-Berlin, Leipzig-Dresden, and Hanau-Erfurt lines, and the whole network of tracks for the ICE high-speed rail operation will have to be expanded to a length of 1,300-3,200 kilometers by the year 2010.

Unfortunately, while the new federal transport plan includes the revolutionary magnetically levitated (mag-lev)



Transrapid "bullet train" and the track to link Hamburg and Berlin, Germany's two biggest cities, in the list of projects to be developed, these projects are to be privately financed. Five projects for highway construction which would build new links in the Saarland between Germany and France, are also supposed to be carried out privately.

Happily, a private industry-banking group, including Thyssen, Siemens, AEG, and Deutsche Bank, announced on July 21 that it will build Germany's first mag-lev train, provided the license is given this fall, when the transportation plan is expected to be approved by parliament.

The promotion of domestic shipping lags behind the original plans. It is good that the relinking and modernization of waterways between western Germany and Berlin is given priority, but the development of the Elbe and Oder rivers for heavy-duty transport is to be delayed until ecological measures are taken on both rivers.

In total, the new federal transport plan mandates investments in new construction projects of DM 222 billion, DM 192 billion for maintenance, and another DM 79 billion for improvement of local and regional transport structures. The effect of the plan on the labor market, according to experts, is that it will create about 2 million jobs over the next 18 years.

Pop-front tactics and black propaganda

Communists and opponents of united Germany see their chance to make a comeback in the eastern economic depression.

Socialism is alive in the minds of former communists who survived the collapse of the regimes in the former East bloc. They harbor the idea that the economic depression in the West may offer a second chance for a return to power.

They have money, which they managed to smuggle into the West, and political backing: In the case of the former East German communists of the SED party, among their backers are enemies of united Germany such as the World Jewish Congress, the Anti-Defamation League, and policymaking circles in the U.S., U.K., Israel, and in the East, where KGB networks are still running penetration, disinformation, and espionage operations into Germany.

Gregor Gysi, the chairman of the PDS, the successor party to the SED, has been meeting political leaders of the anti-German faction during trips to Moscow, London, and Jerusalem.

On July 11, Gysi and other party officials of the SED (now members of the PDS) announced the formation of a so-called Committee for Justice. The list of 69 signers of the pamphlet included leading exponents of the SED cultural warfare against West Germany: Stefan Heym, Stephan Hermlin, and Heiner Müller.

The list also included notorious persons like Heinrich Albertz, the Protestant minister who has been a spokesman since the early 1970s for the alleged "political aims" of terrorists, and Eugen Drewermann, the would-be Martin Luther of today and a left-wing cultist who is a rallying point for anti-Vatican sentiments.

Leaders of the committee, which

aims to establish local subcommittees throughout Germany that would be a catalyst for a "broad protest movement of citizens" against Bonn, said the time was favorable because "public discontent" with Chancellor Helmut Kohl's economic policy in the East was growing to an extent that a "real mouthpiece" was needed to increase the pressure on Bonn.

Indeed, labor discontent is building in the five eastern states of Germany, where 70% of the pre-1989 industrial capacity and labor force have been "phased out." There have been protest marches, strikes, and other labor actions in the past months, and 26,000 shipbuilders in the five Baltic ports launched a strike earlier this year protesting Bonn and European Commission plans to close the shipyards.

Shipyards workers in Rostock on July 19 announced plans for an "autumn of protest" which would feature a rally of workers from 250-300 eastern industrial plants in front of the chancellor's office in Bonn Sept. 7. Several hundred labor leaders in the eastern states will meet for a demonstrative congress on Oct. 3, the national "German unity day," debating alternatives to Kohl's policy of "phased" foreclosure of east German industries.

This is not a labor initiative originating in the PDS-led "committee," but with the former communists who, in the mid-1980s, had 2.3 million card-carrying members. In the most recent municipal elections, they have been able to consolidate about 20% of the vote in the bigger cities of east Germany. The PDS ranks third in most precincts and second in numer-

ous urban areas. The "committee" is an attempt to employ classic popular-front tactics to rally other political currents behind the PDS.

On paper, the potential is there: Polls show that opposition to Bonn is growing in all parties, and discontent with the "western way of making politics" has led to developments such as the decision in late April of 63 eastern deputies of the Christian Democrats in the German Parliament to form their own lobbying group inside the party.

"The east Germans have to speak up on behalf of and realize their own interests," said the "committee" founding pamphlet. It remains to be seen, though, whether the former communists benefit from the anti-Bonn sentiment, as the memory of the SED regime that ran East Germany into economic and political collapse in the summer of 1989, is still fresh.

The chief beneficiaries of the black propaganda will be among anti-German circles abroad, for the time being. The founding pamphlet pointed in this direction, when it said: "In the Federal Republic of Germany and beyond that throughout Europe, fears of the European process of integration are increasing, because the unification of Germany is seen as a worrisome example. . . . Extreme right-wing and racist sentiments are dangerously gaining ground in this situation."

Such drivel is printed daily in the British press, but the fact that the PDS made it an important issue leads us back to the talks between the SED and Edgar Bronfman's Zionist group, the World Jewish Congress, in the 1980s, and even beyond the fall of the Berlin Wall. The agenda then included prospects of joint steps to block or at least slow down, defame, and sabotage the unification of Germany. Klaus Gysi, a ranking SED official and the father of PDS chairman Gregor Gysi, played a role in these talks.

International Intelligence

U.N. is an advertiser for U.S., says Saddam

Iraqi President Saddam Hussein denounced the U.N. as "America's advertising agency," in a defiant speech commemorating the 1968 coup which brought the Ba'ath Party to power in Iraq. Hussein attacked the leaders of Saudi Arabia and Kuwait, declaring, "What is needed is a jihad to purge the Arab nation of these treacherous leaders who have become a shameful burden on our region." He called Great Britain a "partner in crime" with the United States in trying to recolonize Iraq.

Oman and Bahrain, two members of the coalition in the war against Iraq, and Jordan, sent messages of congratulations to Hussein.

Despite increasing threats from U.S. officials, Iraq indicated on July 18 that it will not give in to demands from the U.N. Security Council that U.N. weapons inspectors be allowed to search the Ministry of Agriculture. "We will not back down and let the stray dogs desecrate the ministry building," said Agriculture Minister Abdul-Wahab Mahmoud al-Sabbagh, according to Reuters.

Iraq insists that the ministry is a civilian installation and dismisses the inspection as an insult, an infringement of sovereignty, and a U.S.-inspired attempt to prevent any lifting of the trade sanctions imposed after its August 1990 invasion of Kuwait.

Mitterrand feeling the heat on Maastricht Treaty

French President François Mitterrand defended the Maastricht Treaty for European Union with "passion" in comments on Bastille Day on July 14, which indicates the "rising political temperatures in France," the London *Financial Times* reported. While polls are showing majority support for the treaty, French opinion is "very volatile," and there is concern in pro-Maastricht circles that the referendum, set for Sept. 20, could be "misused" to vote against the unpopular Mitterrand, the paper warned.

Former French Defense Minister Jean-

Pierre Chevènement, meanwhile, has resigned from the French Socialist Party executive bureau, and has created his own movement against Maastricht, which will be launched in August. Maastricht represents "the triumph of the bankers, high interest rates, and recession," he charged. He warned that the French Socialist Party was being converted into a "local version of the U.S. Democratic Party," and that, from here on, "I am going to express myself as a citizen and not as a leader of the Socialist Party."

Mitterrand, who recently was met with a wave of protest actions by truckers and farmers, admitted that "the likelihood of an explosion is increasing little by little" in France's big-city suburbs. The latest outbreak of rioting occurred in Epinay-sous-Severt, southeast of Paris. Mitterrand described the reality in such suburbs as "a world akin to a concentration camp." The government is taking measures to deal with the situation, he said, but it would take "years to see the results."

Rabin peace deal aimed at Jordan

A "deal is being cooked up between Israel, the Palestinians, and Jordan whereby Jordan is brought into the security orbit of Israel," a Middle East specialist recently told *EIR*.

The deal would reportedly designate Jordan's borders with other Arab states as the security borders of Israel. The deal would mandate Jordan to agree not to allow its territory or airspace to be used for attacks on Israel, and restrict the types of weapons Jordan can possess.

"The deal would require a lot of money, like the Camp David agreement that cost the U.S. taxpayer \$4 billion of aid to Israel a year as well as \$2 billion for Egypt," the specialist said. Israel would only give up land in an autonomy agreement in return for financial compensation which "could cost billions." The deal would not include a Palestinian state or any right of return. Palestinians living in camps outside the Occupied Territories, such as in Lebanon or Jordan, would be given Jordanian passports and fi-

ancial compensation and told to live somewhere else.

The deal would freeze out Syria, putting the "territorial question over the horizon."

PLO Chairman Yasser Arafat told a scientific gathering in Cairo on July 11 that he saw no reason for optimism despite Israeli Prime Minister Yitzhak Rabin's efforts to speed up the so-called peace process. Arafat noted that Rabin's language has changed since his election. "I say to Rabin, your political language has changed after the elections from that before the polls. Rabin [has now] said he would not withdraw from occupied lands without holding a public referendum. . . . I don't see Rabin as different from [former Prime Minister Yitzhak] Shamir. Unfortunately, some of our Arab brothers have slipped and welcomed him."

Rabin has suspended new construction contracts for housing in the Occupied Territories in preparation for the arrival in Israel of U.S. Secretary of State James Baker on July 20.

U.S. economy too weak for superpower role

The morose state of the U.S. economy provides no basis for any "new world order" as proposed by President Bush, former German Chancellor Helmut Schmidt said in a lecture at the European Chairmen's Symposium held in Rottach-Egern, Germany July 11.

Schmidt said that the project of a new world order cannot be taken that seriously outside the United States, as it has been designed by Bush mainly for domestic purposes. The main obstacle to a stable world economy and political order, next to the "floating constellation of forces" that has emerged from the collapse of the East bloc, is the bad condition of the U.S. economy.

"America is not in the situation to lead the world. . . . The United States is highly vulnerable, without the Americans themselves noticing it," Schmidt said.

Schmidt's assessment was echoed by the Swiss daily *Tagesanzeiger* on July 14, which said that the U.S. economy is too weak to provide any muscle to United States foreign policy.

Briefly

Bosnian officials say 'Jihad' a myth

The "Jihad" in Bosnia is a myth, according to Bosnian leaders interviewed by the Madrid, Spain daily *El País* on July 18.

Tarik Haberic, an Islamic scholar who is a member of the leadership of the Bosnian Liberal Party, said, "To be a Muslim in Bosnia does not correspond to any real category. It is a pretext to justify aggression against an entire people. . . . There is no chance that fundamentalism could take off here. I expect the same help from the Muslim countries that Sudan, Mauritania, or Palestine have gotten: nothing. The only help I hope for, is the conscience of western Europe."

Prof. Mohamed Filipovic, president of the Muslim Bosnian Party, said, "The word Muslim is false, as it does not correspond to historical reality; it recognizes a false nationality. I do not believe in fundamentalism. What we inherited from the Ottoman Empire boils down to material culture: architecture and art. We Muslims never identified with other states, Turkey for example, and never wanted to create a state alone. When the nationalist movement arose in the 1830s, for example, the Muslims expressed their wish to live together with the Serbs and Croats in Bosnia."

Egypt announces harsh measures against radicals

Egyptian authorities have announced a series of harsh measures in response to an offensive of the radical Islamic "Gamaat" party in Upper Egypt, the French daily *Libération* reported on July 17. The measures include extension of the death penalty to such crimes as attacks on churches, resisting police by force, and establishing contacts with foreign powers to foment attacks. Harsh punitive measures have also been decreed for other criminal acts, and the Interior Ministry has said it will build four new prisons in the desert.

There is controversy over the means now being adopted, *Libération* wrote, but there is a broad consensus on the necessity for the eradication of extremism, especially

after the recent murder of Egyptian writer Faruq Foda.

Also critical, is the magnitude of the conflicts in the region of Assiout, Upper Egypt. According to official statistics, 25 people have died in the past two months in clashes, and several dozen have been wounded. Four thousand anti-riot police have been moved into the region but, despite 1,000 arrests and detentions and a cease-fire in certain villages, order has still not been reestablished. The authorities have found large amounts of arms, grenades, assault rifles, and other weaponry.

Meanwhile, Gamaat has also taken effective control of entire suburban areas in Egypt's capital city of Cairo. Fears of an "Algeria-like" situation are growing in Egypt, the paper reported.

Freemasonry targets Russia for expansion

Jean-Robert Ragache, head of the French "Grand Orient" lodge of Freemasonry, and Jacques Orifes, a top French Freemason, recently traveled to Russia to discuss how Freemasonry could expand in post-communist Russia, the Italian daily *Corriere della Sera* reported on July 14. "Will we have a Russian P-2? It's not to be excluded," the paper asked, referring to the P-2 freemasonic lodge in Italy which has been involved in the destabilization of several Italian governments.

The two Freemasons were invited, the paper revealed, by Pavel Voshchanov, a friend of Russian President Boris Yeltsin, who took them to a secret location at a dacha outside Moscow where they met with intellectuals and journalists from *Komsomolskaya Pravda* newspaper, and with the editors of the "Vjesti" television show.

Corriere reported that the requests from Russians to become members of Freemasonry are growing. The names of the so-called "first level" recruits are being kept secret, in pursuance of the traditional practice of Freemasonry, but one prominent "second level" member is Georgi Arbatov of the U.S.A.-Canada Institute, who played a central role in concocting the "LaRouche ordered the killing of Olof Palme" big lie in 1986.

● **JAPAN** has launched a quiet diplomatic effort to limit Moscow's arms sales to Beijing, the July 14 *Washington Post* reported. Japan is said to be telling Moscow that upsetting the military balance in Asia by strengthening China with high-tech conventional weaponry will damage its chances for economic aid.

● **AN IRANIAN** crackdown on dissidents was condemned by 230 British Members of Parliament from all parties, who signed a statement protesting an Iranian air raid in April on a resistance base inside Iraq and called for a U.N. oil and arms embargo on Iran, Reuters reported July 15. The regime is even more brutal "than the Khomeini regime," Win Griffiths, one of the petition organizers, said.

● **PERSIAN GULF** nations should form a defense alliance on the model of NATO, Adm. Raynor Taylor, commander of U.S. naval forces in the Gulf, has urged, newspapers in Abu Dhabi reported July 13. He suggested naming the alliance GULFO. Taylor said the U.S. wanted to avoid scaling back forces too fast: "We don't want to leave a vacuum."

● **KUWAIT** and the U.S. backed a failed coup attempt in Sudan on July 2, *Africa Analysis*, a London-based bulletin, reported. The attempt involved former President Ja'afar Nimeiri. Azhari Mustafa Banaga, an intelligence officer in the Sudanese Army, was reported killed, and Gen. Ahmed Al Mehena, a former military attaché, and Abbas Madani, interior minister under Nimeiri, were arrested.

● **THE BRITISH** Labour Party yesterday selected John Smith, a Highland Scot, as its leader, to replace Neil Kinnock, who resigned after losing the general elections to Prime Minister John Major's Tory Party this past April. Smith was the shadow chancellor of the exchequer (finance minister) and drafted Labour's economic program, which is more neo-liberal and less pro-labor than it has been in the past.

Mexico's true heritage of Classical music

by Alfredo Mendoza

Maestro Mendoza directed the Schola Cantorum of Mexico City in a concert of choral music, at the founding conference of the Ibero-American Solidarity Movement on May 19, 1992 in Tlaxcala, Mexico. The Schola Cantorum, a choir of children (boys and girls ages 8-14) and teenaged boys, was founded by Maestro Mendoza in 1988. It grew out of his decade-long experience as director of the famed Boys Choir of the National School of Music at the National Autonomous University of Mexico. They sang a two-part concert: Spanish Renaissance works, and colonial music from 1599 to the early 19th century. What follows is a much-abridged version of a talk he presented afterward.

I would like you to hear a companion piece to what you heard a little while ago. It is one of the first manuscripts which has been discovered written in the local language, Nahuatl in this case. It was the result of the instruction which was given in the early years by the missionaries to the members of the indigenous nobility, who were trained at the Tlatelolco School in the humanistic disciplines, along with religion. The example you will hear is by Don Hernando Franco; the date on the manuscript is 1599. It is a "Santa Maria," the second part of the prayer "Ave Maria," in Nahuatl, with some extra words. This was recorded here in Mexico in 1989.

The music transmitted by the missionaries was suffused with the polyphonic tradition on the one hand, called "organum," and on the other, with the old custom of plainchant, which went back to Byzantium. After only a few years those who had learned to sing polyphonically and to play European instruments were already composing. And within 12-15 years, they were competing with Spaniards for musical jobs in the churches.

Remember, at the outset of the 16th century Spain was

under Charles V. One of his virtues—perhaps he did not have many—was that he loved music and encouraged the development of Spanish music. Spain had an ancient school of composition which had arisen in relation to the form of the villancico. In secular music, the villancico is not just what we now know as Spanish Christmas songs, but a form adapted to many kinds of texts, both narrative and lyrical, such as the religious type suited to the various feasts from Christmas to Easter, Corpus Christi, and so forth. Juan del Encina, who figures at the end of the 15th century as the initiator of many forms of written lyrics, is also a musician and set his own poems, generally in a very simple four-part structure which keeps its freshness right down to today.

The Spanish musicians of the time of Charles V were concentrated in the Spanish Chapel led by Antonio de Cabezón. Spanish classical literature, exemplified by St. Teresa, and painters like Zurbarán and El Greco, had an influence on this school. There is a religious inspiration which is different from Italy's. This is translated into music; although it conforms to the same polyphonic forms, such as the mass with its parts—the Kyrie, Gloria, Credo, and so forth, following certain canons of counterpoint common to all of Europe—it had a special imprint; certain melodic and harmonic influences had been left in the peninsula by the long contact with Arabic and Jewish civilization. The melodies and the harmonic cadences give a special quality to Spanish music which distinguishes it from French and Italian music of that period and from the most brilliant school of the day, the Franco-Flemish school of counterpoint.

Charles V was educated in the Low Countries. He set up two chapels in the court: the Spanish Chapel that followed the Castilian tradition, and the Franco-Flemish Chapel which he brought with him. Through mutual contact, Spain then

adopted the new techniques of a more brilliant counterpoint which abounded in imitation, and which had harmonic progressions. Spanish music benefited from this contact with the great Flemish polyphonists.

In the Spanish school three great figures stand out: Cristóbal de Morales, who lived between 1500 and 1553; his pupil Francisco Guerrero, another great polyphonist whose “Prado verde y florido,” a very simple madrigal, we heard in today’s concert; and the crowning figure of this period in sacred polyphony, Tomás Luis de Victoria. These three were widely performed at a very high level all over America. Together with other composers, their works have been found in the archives of Bogotá, Sucre, Lima, Mexico City, and Puebla. These were the common property of many cathedrals, many schools, and many choirs.

These figures in vocal music defined the style which was adopted in our Hispano-American countries and formed an environment in which talents developed abundantly, in a way unexpected by even the Spanish. Thus in the mid-16th century, decrees went out saying that there should not be so many music students—that some people should go to work, that everybody wants to play or sing!

This happened in Mexico and the other colonies, because there was a natural willingness to assimilate what the natives viewed as a miracle because it was different. The missionaries realized that when they sang a prayer to the natives, they would pay attention to the music, and that sometimes people would later stay for three or four hours in a house studying the song until everyone knew it.

This was an important vehicle of the Evangelization. It also led to the development of music itself, because people had an immediate interest in assimilating what they saw: They saw a violin, they started to play it, then they started to build them. Under the viceroys all the orchestral instruments were built here in Mexico: violins, violas, flutes, oboes, bassoons. In contrast, today, if someone wants to study, find out what it costs to buy a bassoon and where you have to go to buy it. The only thing made in Mexico is guitars for parties and students; a few luthiers make fine concert guitars and violins, and that’s it. We don’t make any orchestra instruments here. All the orchestral instruments have to be bought in the United States or in Europe, Japan, and China. But in the past all those instruments, including organs, were manufactured by natives—supervised by artisan-entrepreneurs who took the economic responsibility for building the big organs, but the craftsmen who worked on them were natives.

Archival work has just begun

Real interest in the colonial music of Latin America is only a few decades old. Prof. Robert Stevenson of California first drew our attention to the treasures which we had piled up and rotting in our cathedrals, in the archives, and which have been saved from destruction. The old custom was that when they had some piece of music from the 16th or 17th

century and they were in the 18th, they would say it was obsolete and burn it. In the Cathedral of Mexico there was a kind of cleanout during the 17th century, where they burned all the old stuff, and incredible treasures were lost. For example, here in Mexico the first opera written in North America was produced, the “Partenope” by Manuel de Zumaya. We know that it was very famous and very good; but no one knows where the notes are. No one preserved it.

So archival research has just barely begun. What we have been talking about is the little which has been salvaged, and it involves just a few specific archives. In South America, these are the Cathedral of Santa Fe in Bogotá [Colombia]; the Archbishop’s Archive in Lima [Peru]; the Seminary of St. Anthony Abbot in Cuzco [Peru]; the Cathedral of Sucre [Bolivia]; the monastery of St. Clare in Cochabamba [Bolivia]; Santiago in Chile; Montevideo [Uruguay], and La Paz [Bolivia]. In addition, everything is there waiting for a very specialized work of transcription into modern notation, and sometimes the work of joining the parts, because they did not have the habit of making full scores. The score appears only at the end of the 18th century or at the start of the 19th, when you begin to have the part of every instrument and every voice written out together. Previously, the composer had it all in his head and he would write out parts—the soprano part, the violin part, the bass part. If you have lost one of them, it is an impossible job to reconstruct.

Besides, if you don’t know the work you have to really puzzle over it to make it fit together. This is very laborious, and since in our countries there is hardly ever a budget for anything, what this all implies is that very little has been published of what there is.

What is sure, though, is that visitors, including very distinguished, well-traveled persons, listened with delight to the musical level which the principal cities—such as Lima, Bogotá, Cuzco—enjoyed. This was not just in the viceregal seats and provincial capitals. In Mexico for example not just Mexico City, but Puebla, Guadalajara, and Oaxaca were major centers. Puebla directly competed with Mexico City for teachers and directors.

There was great zeal to cultivate music as a discipline, and original compositions were in demand for special occasions. The chapel master was thus obliged to compose as a matter of routine, while special compositions were required of him to mark certain occasions with novelties for the people. There was a great audience. Remember, there was no television; so, the brain still worked.

I am speaking mainly of sacred music because it was what has been best preserved, thanks to the internal rules of convent and cathedral archives. But secular music had a tremendous development as well. When the bowed instruments developed in the 17th and 18th century with the Italian Baroque, here too they were composing with the same techniques, works which can be said to rival composers like Handel and Corelli.

Some would have us believe that our national music began in the 20th century when a few ideologues like Diego Rivera created their own brand of nationalist modernism. Almost everyone swallowed this story because we did not know that we had a past, that there was something of our own which had a respectable production, good composers, a legacy of written music—that there was a certain pride in the level which was attained. This music is waiting for its audience. It is just starting to be recorded, in the last 30 years, and it is just starting to be published. This heritage is well worth researching and reviving, so that this music is heard again. We are going to find examples from the Renaissance, i.e. *a cappella* polyphony in the imitative style, down to the Baroque with the homophonic forms with instrumental accompaniment, and the real splendor which is found in the 18th century with various masters.

The Ibero-American colonial composers

There are great names which must be mentioned:

In Peru, there is Juan de Araujo, who was not born there but lived there from the age of 15 and was trained in Lima. He was a great master in music, both strictly vocal, and instrumentally accompanied. Araujo was born in 1646 and died in 1702. He arrived with the Count of Lemus, the Viceroy of Peru, who brought him as a protégé, and arranged opportunities for his professional development.

Next came Maestro Tomás de Torrejón y Velasco, another Spaniard who was a great figure in Peru. He was in Bolivia for some time too, and his works were very widespread. Torrejón y Velasco is a follower of the Spanish school and left behind a school of students.

There is the special case of José de Orejón y Aparicio who was born in Peru, a representative of the new style, which is Neapolitan music, which reached the colonies with the advent of the Bourbons, especially when Charles III came to power. This marks a definite Italian influence, especially from Naples, because Naples was a Spanish dominion. These masters adopted the Baroque instrumental style, the forms of the cantata and opera, with the combination of recitative and aria as we know them in Bach.

In Mexico, there is also splendid music. First, the era of the Spanish style goes down to Zumaya and his teacher, Antonio de Salazar, and other forerunners like Aburto and Loaiza, at the end of the 17th and the early 18th century. Zumaya, for unknown reasons, leaves Mexico City and goes to Oaxaca to a lesser position, perhaps out of friendship for the bishop who invites him there. With his withdrawal a purely Italianate master comes into the Mexico City post, indeed of Italian origin, Ignacio Jerusalem. He was a very inventive composer, with a very good style, and he succeeded in making the Italian forms totally at home in Mexico.

Let us summarize the advances in instrumental music. First, in the 16th century, the instruments most built and played were wind instruments (metal and wood). In the 17th

the plucked stringed instruments appeared (vihuelas, lutes, guitars). In the 18th century comes the apogee of the bowed instruments like violins, violas, cellos, and all the typical ensembles of the Italian Baroque which were found here as well.

The challenge today

I would like to end with a reflection. The works you have just heard are ones which were written one day and sung the next. That is, there was a level comparable to Germany or any other place. There were people who read music, who had vocal and instrumental technique, had string instruments, keyboards, and so forth. Then look around at the “great masters” we have today. These are the educators of our children, if you leave them a free hand to play records, watch television, or read magazines.

It is our challenge to save, among others, the Church from musical decadence. Out of a desire for gate receipts, have we not seen how the music of the level I have described is no longer known to anyone? And what do we hear? Rock and salsa in the churches.

I propose that we get back to giving this music its rightful place. Let us create the environment so that those teachers who are around and who are going crazy working all alone, find an echo in the population; that they find students who want to work, parents who want to give their children a moral future and to procure for them a harmonic development of their abilities.

The great music of the past flourished because there was an environment, there was official support, there was an audience, there were families who said, “Here is my child to be trained.” That is what we need now. It is easy for us to stay at home and switch on the television and let the kids fend for themselves.

But we need to get them out of this. Let the youth, the adults, everyone take part in some kind of activity like this. Only in this environment can the kind of talents that once existed arise again. They read music, they sang solfege, they played instruments, or they at least sang in a chorus. This has to be revived. The ordinary citizen has to get back to knowing music as it was known in the Renaissance, when a person who did not write poems and compose music was a nobody. We have to go back to this, so that our schools, our churches, and our surroundings are full of music.

In my personal experience in teaching, I have always bucked the environment. When people have the choice, they will naturally choose the best. I hope that all of you, having heard the concert and this little talk, will be concerned enough to surround those who have the ability, with the support they need to be teachers and artists. This will give a new environment to what is now considered as Latin American. What most people think is “Latin American,” is a very poor form of art. I think we can make our art equal to the best in the world.

Scotland needs to recover its lost soul: music

by James MacMillan

Scotland's Music

by John Purser

Mainstream, Edinburgh, 1992, £25

The following book review first appeared this spring in the Edinburgh weekend supplement to The Scotsman. It is republished here with the kind permission of the author, a conductor and composer whose works have been performed in many European countries as well as in his native land. It has been slightly abbreviated and subheads have been added.

In times of political turmoil and change, the arts tend to regenerate themselves, being influenced and inspired by the wider social issues.

The Scots have always had more of a problem with music than with the other arts—it is not seen to be as important in the fiber of Scottish life. The Reformation's cultural holocaust may have something to do with this, or perhaps it is more to do with the class values of our educational system which siphoned off "classical" music for the middle classes and left the rest of us to discover a love of music in the more "egalitarian" trends of folk, jazz, or rock.

When an artist's perspective is sought on any issue, the poet, the writer, the film-maker can offer an insight which is illuminating and incisive. But for a musical point of view, we are usually left with a self-publicizing, self-preening pop star who has mastered the art of the sound-byte and the American accent (necessary for this borrowed culture) and not much else. The sad fact is that Scotland's music remains an unknown or ignored quantity for most Scots, but a universal knowledge of it *must* be acquired if our present quest for self-awareness and self-determination is to be anything like complete.

Purser's writing style is florid but entertaining, scholarly but undaunting, committed without lapsing into groundless propaganda.

What is made painfully clear in the first half of this book is that Scotland had a rich and civilized musical culture, on a par with any thriving country in Europe, which was subsequently and systematically devastated by the barbarism of John Knox and his Calvinist zealots. Scotland has been

trying to recover from this trauma for the last 400 years.

Since a significant amount of this music was generated by the Roman Church in Scotland, one can understand why it became one of the major casualties of the Reformers' attentions. What they vandalized was a long and rich tradition of beautiful sacred music dating back to the ancient Celtic plain chants that were probably in use as early as the eighth century A.D. We are lucky that some of the manuscripts of that music have survived, notably the Inchcolm Antiphone, which dates from the end of the 13th century.

These early chants have a character of their own, certainly similar to the Gregorian plainsong current in mainland Europe, but different in structural detail, reflecting the Celtic love of formal patterning (as seen in the *The Book of Kells*).

The unique and independent nature of the early Celtic Church did not mean that it sought distance from mainland European culture. However, John Purser seems to reinforce a major historical self-delusion that the Columban tradition was an early example of the spiritual rejection of Rome, and thus an early precursor (and excuse) for later schismatic excesses. No retrospective self-justification should hide the fact that religious traditions brought to Scotland via Iona were fully Celtic *and* fully Roman.

Indeed, the most abiding perception of John Purser's book is the blossoming of a musical treasury, which, in its pre-Reformation days, was a successful cohesion of indigenous Scottish elements with absorbed influences from continental Europe. This can be seen in the early stages of part-writing where the techniques of *organum*, pioneered at Notre Dame in Paris, assumed a Scottish flavor with the use of interval types which seem peculiar to this country. The balance of Scottish cosmopolitanism with a national cultural confidence was at its height in the Renaissance golden age at the courts of James IV and James V. From this background emerged Scotland's greatest composer, Robert Carver, an Augustinian canon who trained at Scone. Purser's claim that Carver's music was on a par with anything in mainland Europe is provocative, but seems secure when one makes comparisons.

Carver was probably educated at the University of Louvain, today in Belgium, where he encountered and absorbed the music of Ockeghem, Dufay, and Josquin. His mass, based on the ribald crusading song, "L'Homme Armé," is the only British mass to use this tune. Being Scottish, Carver

had better access to continental developments than his English contemporaries, whose monarchs were continually at war with the French.

The Union of the Crowns

The next body-blow to Scotland's music was the Union of the Crowns and the disappearance of the Scottish court and all its musicians to London. The traumatic repercussions of this event have universal significance in Scottish life, and are only now being put to rights. In music, the result was the spread of a fatalism and the self-destructive belief that Scotland's barren musical landscape was somehow endemic to the Scottish character and that we really were a nation without music in our souls.

The historical and political consequences of this event have meant that Scotland became peripheral to the development of European classical music throughout the 17th, 18th, and 19th centuries. John Purser's book is, however, a history of the traditional music as well as the classical music of Scotland, and these "lost" centuries were indeed a golden time for Gaelic music and for the repertoire of the pipes, fiddle, harp, and voice—in fact, that huge wealth of music which most successfully captures the true essence of Scotland's cultural character.

When the book reaches the 19th century, I find Purser's advocacy of Scottish composers less discerning. His outrage at the neglect of figures such as MacKenzie, MacCunn, and Wallace is understandable, considering how little they are performed in their own country. However, the honest musician in Purser is irrepresible, and if one delves into the text, one can discover Purser's true opinions. Alexander MacKenzie, admired by Liszt and friend of Grieg and Paderewski, is first described as "one of the most important . . . and inexcusably neglected British composers of his age." But later we read that "his was not a searching style . . . he not only enjoyed being part of the Establishment [in London] but saw it as his business to perpetuate it." Enough said!

Scottish music today

His final chapter on Scottish contemporary music is a brief taster and a starting point for the research of others, but it does raise some important unspoken questions. Is the new Scotland to be an enlightened, civilized place where music takes a more central cultural role than before? If so, we need to nurture a young, educated, and unprejudiced audience to replace the middle-aged conservatives whose very presence in the concert halls stifles the innovation and boldness required to continue the tradition.

In a few decades' time these people will have died out, and classical music could be left without an audience. The necessary activism to counteract this disaster is already under way. It is an activism which should take great pride in our musical heritage and which has received a tremendous shot in the arm from John Purser's scholarship and this inspiring book.

Church music debate hides deeper issues

by Nora Hamerman

Why Catholics Can't Sing: The Culture of Catholicism and the Triumph of Bad Taste

by Thomas Day

Crossroad, New York, 1991.

177 pages, hardbound, \$19.95

The name of Archbishop Rembert Weakland of Milwaukee came back into the public limelight again in mid-July, when the notorious Benedictine abbot was quoted in the *Washington Post* criticizing a recent Vatican intervention into the American Catholic Church. The issue was a letter to the American bishops, which stated that pastors should actively oppose legislative initiatives which attribute civil rights protections to homosexuality, and upheld the right of society to restrict the right of homosexuals to be teachers, scout leaders, and serve in the military forces.

Once again, Weakland made himself the spokesman for the "gay rights" lobby in rejecting an explicit intervention from Rome. It is hardly surprising; the archbishop has long been the rallying-point for those who choose to cavil with the pope's defense of the sanctity of marriage and of human life, including adding "qualifiers" to undermine the absolute prohibition on abortion, the murder of the unborn. One anti-Weakland group of Catholics claims to have assembled a dossier proving that his Milwaukee archdiocese is a hotbed of homosexual child abuse and other perversions, and even went so far as to link such corruption to the sickening case of Jeffrey Dahmer, the "gay" mass murderer who rampaged in an apparent atmosphere of societal and police negligence in Milwaukee.

But there is another angle. Weakland is the pivotal figure in the so-called liturgical reform which has been going on in the U.S. Catholic Church since the late 1960s, a reform which has resulted in what are called "folk masses" in most parishes, for which the widely used "revolutionary" hymnal is *Glory and Praise*. The composer of the title song, "Glory and Praise," Dan Schutte, S.J., a defrocked, former priest, is reported by one conservative Catholic newspaper to be an activist in "Dignity," the curiously named homosexual-lesbian lobby against the church's teaching on sexual morality.

The results of Archbishop Weakland's innovations in church music are the subject of this recent volume by Thomas Day, which has become popular with some traditionalists because it attacks the imposition of a liturgical music which, as Day says, resembles the theme song from "Gone with the Wind" or the waltz played over loudspeakers at an ice skating rink. The book is hilarious and to a degree, informative, but it ultimately misses the point.

'Communal sensitivity'

As Day recounts, the revolution was spearheaded by Bishop Weakland, who wrote an influential article in 1967, which is quoted by almost all the musical Modernists, attacking the whole tradition of old liturgical music as irrelevant, and incomprehensible to "the people." Weakland, among others, was selling the bill of goods according to which Vatican Council II (1962-65) directed the faithful to win souls by descending to the level of popular culture. As quoted by Day, Weakland pronounced in that article:

"If . . . the liturgical experience is to be primarily the communal sensitivity that I am one with my brother next to me and that our song is our common 20th-century response to God's word here and now and coming to us in our 20th-century situation, it will be something quite different. We will not expect to find the holy in music by archaism, but in our own 20th-century idiom."

Day notices about this:

"At the rhetorical climax of the article we do not find words like 'Christ' or 'worship' or 'sacrifice' or 'thanksgiving for redemption.' Instead, the highpoint is the expression 'communal sensitivity.' The liturgy becomes the community sensing itself. . . . Some readers may have come to a screeching halt at the archbishop's use of the words 'our own 20th century idiom' of music. Exactly what does this mean? Rock? Jazz? Stravinsky? Lawrence Welk? Messiaen? Country and Western? Rap? The author does not say. He gives no examples."

Since 1967, of course, all of those forms of the 20th-century "idiom" have invaded the churches. And they are not so distinct from one another as Day implies. For instance: The depressing, atonal meandering of the modern "serious" liturgical compositions which dominate the repertoire of the professional choir and organists at the National Shrine of the Immaculate Conception in Washington, D.C., sets the conceptual framework for the maudlin ditties of the "folk mass," exactly as traditional hymnody both inspired, and echoed, the sublimely ordered compositions of the Classical composers.

'Ego renewal'

The infantile emotional state manifests itself on the parish level in the form Thomas Day describes in a chapter entitled "Ego Renewal." He lists a series of current favorites in the "folk mass" repertoire which "ooze with indecent narcis-

sism." Among them, some churchgoers may recognize "All That I Am," (wherein the word I appears 15 times on two small printed pages), "Make Me a Channel of Your Peace," which turns St. Francis's very private prayer into "an obnoxious form of boasting"; "We Are the Light of the World," "On Eagle's Wings," and "Be Not Afraid." Day says that the music seems to say, "Have a nice day, God." Sometimes it sounds like the "sound track of a three-hanky romantic film starring Greta Garbo or Bette Davis."

Moreover, it cannot be sung! except by the "folk group" leading the liturgy or by the cantor, "Mr. Caruso," whose throbbing voice is plugged into a giant amplification system blasting out feedback.

Day's best insight is that some manifestations of the new liturgical music pose a problem that goes far beyond bad taste. This occurs where the "composer sets the text so that the congregation sings God's words, usually without quotation marks, in a somewhat bored, relaxed, almost casual style. This is startling and unprecedented in the history of Christianity." Thus, he underlines: "Through the miracle of 'contemporary' music, the congregation (and each individual in it) becomes the Voice of God." In some songs, the congregation is the loving God *and* the loved individual! God is turned into "the endearing mascot of the believers at the folk liturgy." Needless to say, this wipes out the distinction between God and man, and dissolves Christ into a pantheistic mush.

The 1984 edition of the hymnal *Glory and Praise*, except for "Amazing Grace" and a few Christmas carols, does not include a single hymn, piece of church music, or liturgical response written before 1970. That is because, as Day asserts, the mere momentary intrusion of an old-fashioned Kyrie Eleison or standard hymn, will expose the pieces in *Glory and Praise* as adolescent trash.

Only one solution

Yet how odd that Mr. Day avoids connecting Weakland's liturgical "reforms" and his liberal sexual platform, just as he avoids promoting the alternative to both ills, which requires a vigorous, joyful, and uncompromising revival of the music composed for the Catholic liturgy by the giants of western music: from Leonardo da Vinci's contemporary Josquin des Prez; to Palestrina and Byrd in the later Renaissance; to Vivaldi and Scarlatti in the era of the Baroque; to Haydn and Mozart at the time of the American Revolution; to Schubert and Beethoven in the last century, and including the many fine, less-known composers who worked in the respective orbits of these towering figures. Not to mention the great "Protestants" Bach and Handel, whose universal music could not be excluded from Christian worship without leaving a terrible void.

Of course the sung masses of these great musicians may still be performed in the concert hall, and should be; but to fail to perform them also as they were intended, within the

liturgy of the church, is a cultural crime which can only be compared to stripping the beautiful old churches of the world of all their religious art and hanging it in museums. Or turning these beautiful churches into museums and sending the faithful to worship in a structure that looks like a cross between a drive-in movie theater and a parking-ramp.

Here, the link between the sexual agenda of the Rembert Weakland crowd and their cultural agenda becomes devastatingly relevant, not a mere matter of clever gossip. Christianity distinguishes two opposite kinds of love: *eros*, the selfish love which seeks to possess a desired individual; and *agapē*, God's love for mankind, in which human beings may strive to participate. In between, theologians speak of *philia*, a third Greek word, brotherly love toward mankind as a whole, moving in the direction of the divine. On this ladder of love, the pursuit of *eros* leads to hell and that of *agapē* toward heaven. Great music, such as the sublime masses of Mozart, Haydn, and Beethoven, is essentially *agapic* in character; the "ego renewal" music which has washed over the churches is pure *eroticism*. There is no Aristotelian "golden mean" of the sort Thomas Day seems to seek, where one can be "anti-*eros*" but not "pro-*agapē*."

The author defends himself against the charge of cynicism, remarking, "True cynicism is to be found among those who have taken a religious act (or interaction between God and humanity) and turned it into group therapy; the music always seems to be assuring everybody that the good news of the New Testament goes something like this: 'I'm okay, you're okay, God's okay'—in that order."

True; and yet, Day *is* cynical. On the dust jacket, we can read approving comments of his book by two of the biggest cynics in American Catholicism—William F. Buckley, the right-wing Anglophile liberal, and Andrew Greeley, the left-wing Anglophile liberal. Why?

After complaining about the inescapable presence of rock music in daily life, Day writes in a footnote, "I should confess that I like rock, but I despise it whenever it becomes totalitarian." To "like" rock music in any context is to admit that one has been bestialized; comprehensible in our media-brainwashed youth, but hardly excusable in a Thomas Day, who is, after all, chairman of the music department at Salve Regina College in Rhode Island. Rock music is always totalitarian. Essentially *erotic*, it embodies the worst tyranny of all—the spirit's enslavement by animal appetites.

The blackout of Cardinal Ratzinger

In the summer of 1985, Pope John Paul II sponsored the performance of Mozart's Mass in C ("Coronation") at St. Peter's Basilica, not merely as a concert, but as the music of the liturgy. This event is well known, even in the American church. In some parishes—such as one near Washington D.C. which recently used Haydn's "Timpani Mass," performed by its own choir, professional soloists, and a small orchestra, as the music for its Pentecost liturgy—it has been

emulated. Yet Thomas Day chooses to not mention it. Nor does his book include a single reference to the great Roman Catholic prelate who has intervened on the profoundest level into the issues of liturgical music for nearly 25 years: Cardinal Ratzinger.

It was on Nov. 17, 1985, that Joseph Ratzinger, the Prefect of the Congregation for the Doctrine of the Faith, German-born but now living in Rome, delivered a landmark address on "Liturgy and Church Music" to an audience in Sicily. He emphatically restored the value of the poetic principle in liturgy, against an over-emphasis on literal intelligibility of the text, which goes all the way back to the 16th century in church debates. Thus he gave the conceptual basis for making Mozart, Haydn, and Beethoven's masses the touchstone of a true reform of liturgical music. Not long after, Beethoven's *Missa Solemnis* was sung at the Vatican.

In that speech—reprinted in extended excerpts in *EIR* of April 11, 1986 after it had appeared in *Osservatore Romano* in March 1986—Cardinal Ratzinger stated that "word" in the Biblical sense is more than "text." It is "a living reality: a God who is meaning communicating itself and who communicates himself by becoming man." He added, "Liturgical music is a result of the demands and of the dynamism of the Incarnation of the Word, for music means that even among us, the word cannot be mere speech." He denounced rock music (in which, as everyone knows, every single word of the text is fully enunciated and clear) as "Dionysiac," i.e., satanic.

Thomas Day's book was copyrighted in 1990—five years after that intervention. Nowhere, even in the concluding chapter where he offers practical advice, does he cite Cardinal Ratzinger. Can this be ignorance? Or does the author believe that the Roman example is somehow irrelevant to the American experience?

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The great voices of the early 20th century

Nimbus Records "Prima Voce" NI 7832, Maria Ivogün; NI 7836, Conchita Supervia; NI 7813, Tito Schipa; NI 7815, Giuseppe de Luca; List price \$10.99 each

Nimbus Record's "Prima Voce" series is re-issuing the recordings of the great singers of the early 20th century. Musical selections range from wonderful Italian arias to Wagner, but if you want to hear what was meant by "bel canto," listen to these discs. While no recorded evidence has escaped the ravages to classical singing caused by the post-1860 rise in pitch, these are among the best available.

In September, Nimbus will release 10 Prima Voce artists on audio cassette, including Enrico Caruso, Jussi Björling, and Rosa Ponselle.

Among the re-issues appearing, Nimbus's sound is particularly warm, because of a unique recording technique. Instead of cold electronic transfers, Nimbus plays old 78s on an original grammophone in the superb acoustics of a ballroom in an 18th-century Welsh castle, simulating a live performance.

Rather than just buying Caruso because he's famous, better hear a quartet of voice types: soprano, mezzosoprano, tenor, and baritone or bass. As the Schiller Institute's forthcoming *Manual on Tuning and Registration* notes, the way composers use these different *species* of singing voices, each with its own distinct *registers*, shows how a musical composition is constructed.

Soprano and mezzo

German light soprano Maria Ivogün (1891-1987) is frankly my favorite, best described as "Galli-Curci with

brains." Amelita Galli-Curci (1882-1963) was the high soprano so justifiably famous in the 1920s for her elevated tone, which sustained a very long musical line. Nimbus's "Amelita Galli-Curci" (NI 7806) is also lovely, as is NI 7802, "Divas, Volume 1," with Luisa Tetrazzini, Galli-Curci, and more. ("Elevation" is the Italian practice of "singing in the mask," i.e., in the head sinuses, the area covered by the Greek drama mask, which makes older recordings sound slightly "nasal" to the modern ear, which is accustomed to the inferior practice of belting from the diaphragm.)

Maria Ivogün not only sang with as much elevation as did Galli-Curci, who called Ivogün her main competitor, but where Galli-Curci begins to sound the same after a while, Ivogün never does. She sang not only opera, but German Lieder with supreme intelligence. Her singing is happy proof that Italian "bel canto" was held to be an international scientific principle by the best German singers.

Tribute to Ivogün is the fame of her student Elisabeth Schwartzkopf. Ivogün was a genius as a teacher, training a generation of German singers in the 1930-40s. Ivogün helped her husband, pianist Michael Raucheisen (1889-1984), achieve his "Lied der Welt" project, in which he recorded the complete Lieder of Beethoven, Brahms, and dozens of other composers for posterity during World War II.

Spanish mezzosoprano Conchita Supervia (1895-1936) sang with the same elevation yet with the distinct register shifts and deeper vocal color of the mezzo. She championed Rossini's bel canto mezzo roles in "The Italian Girl in Algiers" and "La Cenerentola," which had been forgotten, and her recordings from the 1920s show she brought their coloratura alive with humor.

Dramatic mezzo-soprano Ernestine Schumann-Heink (NI 7811) is

also a phenomenon worth hearing, just to know how low a woman's voice can go and remain elevated.

Tenor and baritone

Caruso is wonderful, but for musical artistry even better is tenor Tito Schipa (1889-1965). It is not just that Schipa had the grandfather of all vibrati, of which Jussi Björling would have been proud. What is striking is that although it is far more difficult for a tenor to soar as effortlessly as a soprano does, there is precisely that graceful freedom of the soul in every aria.

Verdi's "Rigoletto" tenor arias and the beautiful "Quando le sere al placido" from Verdi's "Luisa Miller" are perfect, as are five favorite, but difficult, Donizetti arias from "Lucia di Lamermoor" and other operas. Normally one expects to cringe occasionally hearing these, but with Schipa they just flow out with long line. Most astonishing is the ease with which he tosses off the almost impossible Count's serenade from Rossini's "Barber of Seville."

Baritone Giuseppe de Luca (1876-1950) was another such intelligent singer. As Nimbus's excellent liner booklet notes, he didn't have a big voice, but "compensated by mastering the technicalities of his art in a manner that has rarely been surpassed." No shouting and dramatic hysteria here for Verdi's "Rigoletto." De Luca's version, which has the more passion for being carried by the legato line, has always been the only one to make me cry, and you will hear why in three selections here, with Galli-Curci as Gilda. His King's aria from Verdi's "Ernani," "O! de' verd' anni miei," is very moving in portraying the soul at the turning point of realizing its responsibility to shape history.

DOJ: 'Hang Demjanjuk even if he's innocent'

by Jeffrey Steinberg

The U.S. Department of Justice has once again been caught in bed with the dope lobby's Anti-Defamation League (ADL). This time, the DOJ has filed a viciously worded attack against the U.S. Sixth Circuit Court of Appeals in Cincinnati, Ohio for daring to intercede in the department's Office of Special Investigations' (OSI) judicial lynching of John Demjanjuk.

Between 1986-88, Demjanjuk, a Ukrainian-born naturalized American, was stripped of his U.S. citizenship, extradited to Israel, tried, and convicted on fraudulent charges that he was the World War II Treblinka concentration camp guard known as "Ivan the Terrible."

One critical piece of evidence used in the frameup of Demjanjuk was a forged World War II identification card that was provided to the OSI by the Soviet KGB. Department of Justice (DOJ) attorneys relied heavily on the KGB-manufactured document in pressing their case for Demjanjuk's denaturalization and eventual extradition to Israel, a country he had never even visited. Collusion with the KGB and private agencies, like the staunchly Zionist organized crime-linked ADL, has been a hallmark of the OSI since its establishment by an act of Congress in 1979.

In 1988, an Israeli court sentenced John Demjanjuk to death by hanging. He has been sitting in an Israeli maximum security prison ever since. In early June, Demjanjuk's Israeli attorney completed his appeal argument before the Israeli Supreme Court.

Also in June, the Sixth Circuit Court of Appeals reopened the Demjanjuk case on the grounds that massive amounts of new evidence had been uncovered by Demjanjuk's attorneys and family showing that the DOJ had withheld critical documents proving Demjanjuk's innocence. Some of those documents were in the DOJ's files since 1978, i.e., before the OSI moved to strip the retired Cleveland auto worker of his

citizenship and extradite him to Israel.

The Sixth Circuit took the extraordinary step of reopening the case on June 3, after senior DOJ officials, led by Assistant Attorney General John Mueller III, stonewalled for six months in answering the court's simple requests for a status report on the DOJ's internal probe of the case.

On June 5, the court issued an order which stated in part that the DOJ "on or before July 15, 1992, shall file with the court a brief describing any items of evidence of any kind of which it has knowledge, tending to show that the petitioner-appellant, Demjanjuk, is not the 'Ivan the Terrible' who committed war crimes at the Treblinka death camp . . . together with a statement of approximately when agents of the United States first learned of each such item of evidence."

The Justice Department document submitted to the court on July 15 is a telling indictment of the Nazi-like doctrine of law practiced by the Bush administration, in league with outfits like the ADL, which has played a prominent role in every facet of the Demjanjuk frameup.

The basic thrust of the DOJ response was that the court had no business interfering in the case since Demjanjuk had been stripped of his U.S. citizenship back in 1986 and, therefore, he had no standing before an American court: "Because Demjanjuk is in Israeli custody and is no longer a United States citizen, it is the government's position that this court lacks jurisdiction to reconsider the validity of the extradition warrant, to reopen the extradition proceedings, or to enforce the rule of specialty."

The argument that Demjanjuk was technically ineligible for a day in court regardless of the substantive evidence of his innocence, is Nazi law. The idea that technicalities take precedence over the truth has become a battle cry of prosecutors in the United States. Virginia State Attorney General Mary Sue Terry used the same argument to insist that Roger

Keith Coleman be executed for a murder that he may not have committed, because his attorneys were one day late in filing a notice of appeal. Coleman died in the electric chair in May.

For good measure, the DOJ added that even if the court rejected its argument that it had no business interfering in the case on the basis of the “procedural” logic stated above, the court should not reverse its decision, since the OSI only had to show probable cause to ship Demjanjuk off to Israel stripped of his citizenship.

Nowhere in the 63-page legal brief or the 700-plus pages of appended documents did the DOJ provide the court with the exculpatory evidence it was ordered to produce.

Hard-line defense

The Demjanjuk defense was to present a brief before the court on July 25, itemizing the documentation in its possession that proves that Demjanjuk was not the Treblinka guard known as “Ivan the Terrible.” Affidavits by 21 Treblinka guards given at the close of World War II identified another man, Ivan Marchenko, as the mass murderer at Treblinka.

One of the key witnesses at the Demjanjuk show trial in Israel, Treblinka survivor Elijah Rosenberg, had signed a sworn affidavit in the late 1940s, identifying Marchenko as “Ivan” and claiming that he and another inmate had killed Marchenko before the liberation of the camp. Rosenberg recanted that testimony 40 years later and helped secure the frameup conviction of Demjanjuk. The DOJ brief to the Sixth Circuit, while citing Rosenberg as one of the OSI’s prime witnesses, failed to even mention the postwar affidavit, even though it was exculpatory.

DOJ brief echoes ADL line

On July 6, Elliot Welles, the director of the ADL Task Force on Nazi War Criminals, in a letter to the editor of the *Washington Post*, demanded that the appeals court refrain from even reconsidering Demjanjuk’s extradition. Welles, who formerly ran the ADL office in Israel, is the ADL’s liaison to the OSI. The ADL has been a pivotal ally of the OSI attorneys, often providing the Justice Department with “witnesses” and even occasionally with so-called documents. The ADL also played an important role in building the links between the OSI and Soviet bloc secret police agencies. Top ADL official Edgar Bronfman, an heir to the Prohibition-era gangster fortune, was an important contact point to the now defunct communist regime in East Germany. It was East Germany’s Stasi (state security service) which surfaced the original list of “Nazi war criminals” who have been targeted by the OSI since the 1970s.

The ADL has a big stake in defending the OSI. That vested interest was evident in Welles’s letter to the *Washington Post*. Ignoring the new evidence presented before the Israeli Supreme Court, Welles ranted:

“Regardless of the final outcome of the Demjanjuk case, there is little doubt [sic] that John Demjanjuk engaged in the

persecution of Jews while serving as a concentration camp guard during World War II. There is also little doubt that he lied about his wartime activities when he entered the United States and that evidence of his deception warranted his denaturalization and deportation. . . . Therefore, under no circumstances should he be allowed to return to Cleveland.”

On the same day of Welles’s letter, OSI officials delivered the same warning in a feature story in the *New York Times*.

Neal Sher, the current director of the OSI, arrogantly told *New York Times* reporter Tamar Lewin: “There’s never been a case in which we had the wrong person, Demjanjuk included.”

Eli Rosenbaum, a long-time ADL ally and the current vice director of the OSI, sounded more like a Nazi than a Nazi-hunter when he told the *New York Times*: “Our biggest accomplishment is probably changing the perception in what we might call the community of Nazi criminals who have found refuge here. A decade ago, to a man, they thought they had gotten away with it, and were looking forward to a peaceful retirement. That’s not true now. They all live in fear of receiving word from our office that we are on to them. They fear the knock on the door.”

But Elan Steinberg, the executive director of Edgar Bronfman’s World Jewish Congress, betrayed the fear now beginning to surface in ADL ranks that the Demjanjuk case could expose the criminal misconduct of the Department of Justice and the Zionist lobby. He told Lewin: “Anybody who has said Demjanjuk should be released at this point is being reckless and irresponsible. We are talking about someone that both documentation and eyewitnesses placed at death camps, places where Jews were taken solely to be killed. There has been a widespread campaign to put a stop to the prosecution of Nazis by the nuts who say there was no Holocaust and by the emigré groups. A central concern of mine is that some individuals are seizing on this case to try to shut down the OSI.”

Indeed, Steinberg has good reason to fear that the OSI’s days may be numbered. Already, two members of Congress, Reps. James Traficant (D-Ohio) and Mary Rose O’Kear (D-Ohio), have called for the House Judiciary Committee to open a full investigation of the OSI. Traficant has called for Neal Sher and former OSI director Alan Ryan to be jailed for their criminal conduct in the frameup of Demjanjuk. And sources close to the Demjanjuk defense team say that there are many prominent attorneys preparing to file *amicus curiae* briefs against the government with the Sixth Circuit. Even *New Republic* magazine, a bulkwark of Zionist lobby political influence, recently featured a prominent advertisement for a new Harvard University Press book, *Identifying Ivan*, which tears apart the government’s evidence against Demjanjuk.

On Aug. 11, the Sixth Circuit will hear oral arguments on whether to grant a *habeas corpus* motion to reverse John Demjanjuk’s extradition.

'Never fear, I shall never give up,' states Lyndon LaRouche

U.S. statesman and economist Lyndon H. LaRouche, Jr. made the following remarks on July 20 in anticipation of a forthcoming announcement of an independent campaign for President of the United States. He made his remarks from Rochester, Minnesota, where he has been imprisoned on trumped-up charges since Jan. 27, 1989.

On two forthcoming institutional occasions in the near future, I shall make more definitive and comprehensive statements concerning my independent candidacy for the November 1992 elections. However, at this time there are a number of observations which cannot wait, I think; people are looking for some answers.

First of all, two things are obvious. George Bush is still the disaster he was up to this point. He has not improved lately. I would not be surprised if he were to resign for health reasons, but knowing George's health a little bit, I wouldn't be surprised if he refused to resign and just stubbornly clung to the position, at least for a while, despite the fact that what is obvious about his health condition, even at a distance observing him in his few public appearances, the man is sick.

On the other side, it is not at all unfair to describe the Clinton-Gore ticket as a pair of Southern fried fascists who are focusing on the worst element in society and putting people who might be individually salvageable, but who as a group are fairly described as guppies (that is, greedy yuppies), that all other significant constituencies in society are being essentially ignored by this ticket.

Clinton-Gore an anti-industrial ticket

One's alarm on this concern is increased in several ways. First of all, that the Clinton-Gore ticket is an anti-industrial ticket; it's a post-industrial society ticket in the extreme, which is the worst possible thing in terms of policy that could happen to the United States at this time. The attempt to implement the kind of policy that Clinton-Gore represent could only become a fascist state in the full or medium term. The appeal to the guppies, that is, the greedy yuppies of suburbia, gives the sociological basis for fascism matching the fascism of the kind of policy which Clinton and Gore so

far represent.

There is another aspect of which the public is insufficiently aware, which more must look at before they really try to understand these fellows. That is the Democratic Leadership Council, the group that initially sponsored Clinton's nomination from within the party, and look at the fascist program, including transactional sacrifice policies—social contract policies—which is the policy of the Clinton campaign. This is the worst possible thing that could happen to the United States!

In speaking of Bush versus Clinton-Gore, we're not speaking about a choice of whatever one might perceive to be the lesser evil. We are speaking about the worst evil. There is actually no lesser evil; if you vote for a lesser evil and win, you get evil. And in this case, it's clearly a choice of worse evils, not lesser evils.

There is nothing else on the horizon at present, except my candidacy. As to whether I can win or not, even with the greatest good luck, of course, I am not going to argue on that point. The question is what will my candidacy do to tilt the situation.

Industrial recovery policy needed

Bush has shown no sign of thinking about an industrial program. Ross Perot talked about one, but he didn't know what an industrial policy is. He is a good salesman, I understand, but from what he said publicly, he has not the slightest conception of what a true industrial policy is, how to make industry work. That he doesn't understand. He understands how, as a supersalesman, to hire people and get them to do the job. But what it takes to do the job, he himself does not understand, at least clearly so, from the things he has said and not said thus far.

Therefore, the leading feature of my campaign, in terms of policy, will be to present a genuine industrial recovery policy.

This is going to be a period of the worst depression crisis in the 20th century. It has begun in the immediate aftermath of the Democratic convention—that's not particularly surprising. It is going to become the primary concern of voters

and citizens generally, not only in the United States, but around the world. Therefore, I shall present a genuine, workable industrial policy, a recovery program along the lines I indicated in the nomination campaign, but with somewhat more detail as is required at this point.

So, as people's concerns turn to recovery, those who are sane will be looking for an industrial recovery policy; those who are not sane will obviously be looking for something else. But those who are sane, will be concerned primarily with an economic industrial recovery program for the United States, and there's no sense talking to the rest of them, they're just not in the real world.

With the hope that by presenting a policy and securing a base, at least in some major states, for support for this policy, and significant voter turnout for my candidacy and my friends, we will leverage this policy onto the national stage, where as the crisis deepens, this policy will be forced upon whoever were elected in November.

World War III is in progress

That's the general nature of things. The world is a disaster now. We actually have World War III in progress. Most Americans are so concerned about things at home and believe so many legends and myths that they read from their newspapers or receive from television, that they don't know what's going on in the world in general. But I can assure you that from the Balkans through Southeast Asia, and into South America and into Africa, *World War III is presently in progress*.

We have the Balkan wars, we have the Transcaucasus wars, we have the imminent outbreak of wars in various parts of Asia; we have disintegration occurring in Africa—all parts, both Northern Arabic-speaking Africa and sub-Saharan Africa. Absolute hell. We have ungovernability developing in Central and South America as a result of these nations' submission to International Monetary Fund and related programs. The world is falling apart; and we Americans, who no longer produce enough to meet our own needs but survive on the margin of what we're able to extract by various kinds of blackmail from other nations, are going to find ourselves without the means to continue to extract from nations that don't have anything to give.

I'm aware of this. I understand this. I think the White House does not understand it presently; and certainly the Clinton-Gore ticket doesn't understand it at all. I shall try to make that clear to Americans who are prepared to listen, and be concerned about what's happened to the world at large, with World War III actually in progress, and I shall say a great deal about it.

So never fear, I'm there. I'm fighting. Unlike Perot, I shall never give up; I'm fighting for this nation. There seems to be nobody else with a glimmer of understanding of what's needed. I shall stand. I shall present what is needed—and I shall fight to the end. I shall never give up. On that you may depend.

World leaders to U.S.: Revoke death penalty!

by Marianna Wertz

The recent Democratic Party convention battle over the issue of the death penalty was joined, in an unprecedented manner, by dozens of political and religious leaders from Europe and Ibero-America. These leaders, who oppose the use of capital punishment in their own nations, viewed this fight as a good opportunity to stop its use in the United States, one of the few so-called civilized nations in the world that still employs this barbaric practice.

The convention fight was spearheaded by supporters of political prisoner Lyndon H. LaRouche, the jailed candidate for the Democratic presidential nomination who is now expected to campaign for the presidency as an independent. More than 300 Democratic convention delegates signed a petition calling for the party to reject the death penalty (see *EIR*, July 24, p. 56). Though the Democratic National Committee, under candidate Bill Clinton's control, squashed it (and every other minority plank), the issue had already drawn significant outside support, which will continue to build, particularly if America continues its current descent into barbarism.

In the weeks leading up to the convention, as the LaRouche campaign was calling on Americans to take a stand against the death penalty, dozens of leaders from abroad responded to a similar call by the Commission to Investigate Human Rights Violations in Europe, and by the Movement for Ibero-American Solidarity.

Former prime ministers of Argentina and of Italy lead the list of elected officials, religious leaders, and legal scholars who added their names to the resolution.

Many of the European signers are members of the European Parliament, which on June 11 passed its own resolution condemning capital punishment in the United States and calling for its abolition here and everywhere else around the world. The European Parliament's statement "calls upon the legislative bodies, the governors, and the appeals authorities of the various U.S. states, as well as the President and the Congress of the United States of America, to prevent executions from being carried out."

In Ibero-America, dozens of Mexican parliamentarians, from the ruling PRI party to the socialists, have signed the resolution. A senator and three respected journalists have signed from Colombia. In Venezuela, the head of the Human Rights Commission of the Chamber of Representatives has endorsed it, as well as 10 members of the Chamber of Deputies (the equivalent of the U.S. Congress).

Prominent among the many endorsers are the following individuals (titles for identification only):

Argentina

Dr. Arturo Frondizi, former President of Argentina

Colombia

Msgr. Carlos Sánchez, Episcopal Vicar of the Sacred Host of the Archdiocese of Bogotá

Dr. Jorge Mario Eastman, president of the Andean Parliament

Jorge Carrillo, former labor minister, former president CUT (national labor federation)

Sen. Hernán Mota Mota (UP)

Mexico

Congressman Ricardo Valero, former deputy foreign minister, member of the Chamber of Deputies (PRD)

Dr. Alfredo Jalife, secretary, World Maronite Catholic Union (Reformed)

Venezuela

Congressman Rafael Guerra Ramos, chairman, Human Rights Committee, Chamber of Deputies (MAS)

Fr. Jesús María Olazo, director of Human Rights, Office of the Attorney General

Members of the European Parliament

The Hon. Emilio Colombo, Italy, former prime minister of Italy (DC)

The Hon. Roberto Barzanti, Italy, vice president of the European Parliament (PDS)

The Hon. Claude Cheysson, France, former foreign minister (PS)

The Hon. Carlos María Bru-Puron, Spain, president of the Spanish Council of the European Movement; vice president of the European Parliament's Committee on Institutional Affairs (PSOE)

The Hon. Gerard Caudron, France, mayor of Villeneuve d'Ascq (PS)

The Hon. Peter Crampton, Great Britain, vice president of the European Parliament's Foreign Affairs Committee (LP)

Other Europeans

Prof. Dr. Hans-Richard Klecatsky, Austria, former minister of justice

Prof. Dr. Friedrich August von der Heydte, Germany, international law expert

Msgr. Andrea Gemma, Italy, Bishop of Isernia

Bishop Searby Booth-Clibborn, England, Anglican bishop of Manchester

Reinhold Adebahr, Germany, Lutheran superintendent in Sondershausen

Democratic Convention Notes

In New York City, finish demolition

by Webster Tarpley

Dr. Josef Goebbels, who was Hitler's propaganda minister, staged the famous Nazi Party rallies in the stadium at Nuremberg without the benefit of television. This year's Democratic National Convention at Madison Square Garden in New York City was conducted as a Nuremberg party rally before the cameras, staged as pure politics-for-television by party boss Ron Brown and his henchmen. Carville and Stephanopoulos, the two resident image-mongers of the Clinton campaign, having studied the fabled photo opportunities of Michael Deaver and the Reagan regime, agreed with Democratic Party chairman Ron Brown that it would be better to suppress any residual political debate in favor of a homogenized media spectacle designed to "project" the Clinton-Gore tandem.

This media strategy mirrored the Clinton-Gore intent of completing the demolition of the Democratic Party into a pale shadow of the Republicans, with full support for the Gulf war aggression, the North American Free Trade Agreement (NAFTA), stealing everyone's Social Security, right-to-work union busting, sly racist appeals, and the death penalty. Two Confederate yuppies on the ticket meant that, as old Jimmy Carter explained, the only geography that mattered to Clinton-Gore was suburbia, since that was where people still bothered to vote. To assure ratification of the Clinton-Gore line, the party's traditional black constituency was mortified, through a series of ritual humiliations administered to Jesse Jackson, while the remaining labor forces were dragooned by their AFL-CIA goon controllers. The resulting neo-Nuremberg choreography offered up Southern fried fascism, which Clinton and Gore hoped would be more appealing than Bush's stodgy administrative variety. If Clinton and Gore got elected, they might succeed in reconvening something calling itself "Democratic Party" four years hence, but only as a lifeless automaton of big bucks and patronage; if Clinton and Gore went down to defeat, then the Democratic Party, already moribund, was a dead duck, with perspectives of regionalism and neo-secessionism lurking around the corner.

Fight against the death penalty

The one issue on which the Southern fried fascist crowd was challenged was that of the death penalty. After initial

Clinton-Gore of the party

returns showed him a winner in the North Dakota primary in early June, Democratic presidential candidate Lyndon LaRouche had pointed to the death penalty issue, especially in the wake of the gutting of the right of *habeas corpus* by the Rehnquist Supreme Court, Virginia Attorney General Mary Sue Terry, and their ilk, as the issue that Democrats would have to respond to if the party were to have any future. During the debates on the Democratic platform, a minority plank emerged which urged the party to repudiate the death penalty and work for its repeal.

The floor leader of the anti-death penalty forces was Robert J. Fitrakis of Columbus, Ohio. Fitrakis is the publisher of *The Free Press*, a monthly political journal circulating in left-wing Democratic circles. Fitrakis had been embroiled in a controversy with Ohio Gov. George Voinovich because of Voinovich's attempt to re-impose the death sentence on seven persons whose lives had been spared through commutation by outgoing Gov. Richard Celeste. Fitrakis was a platform delegate for the campaign of Jerry Brown, and is currently a candidate for the U.S. House of Representatives in Ohio's 12th district.

Fitrakis had gathered sufficient signatures to get the death penalty plank debated on the convention floor on the night of July 14, but Ron Brown's *apparatchiki* had thrown out some of the signatures, leaving Fitrakis and his friends one signature short. The convention bosses, indeed, had never officially informed Fitrakis that they intended to junk his plank.

On the afternoon of July 13, Fitrakis held a press conference to demand a full floor debate of the death penalty. This was at the old Statler-Hilton Hotel, now a Ramada, across the street from Madison Square Garden. The press conference was a success, despite attempts by the hotel manager to push the press conference out onto the sidewalk of Seventh Avenue. Upstairs in the same building, some of the remaining anti-Clinton delegates were gathering in a meeting room where Ron Brown had announced he would condescend to encounter them. After Fitrakis had finished speaking, some of his audience, including some LaRouche supporters, drifted up to the "minority delegates" gathering.

Ron Brown kept the anti-Clinton delegates waiting for

45 minutes. During that time a Jerry Brown campaign official told the delegates that since Ron Brown was being so conciliatory in deigning to talk to them at all, they were not going to be allowed to get confrontational. If they opened their mouths to assail Ron Brown, he specified, they would be hindered "verbally and physically" from continuing, and they would be surely thrown out. The Jerry Brown delegates, gathered from many a lost battle of the left, were moved to indignation. A group of Hispanic women walked out.

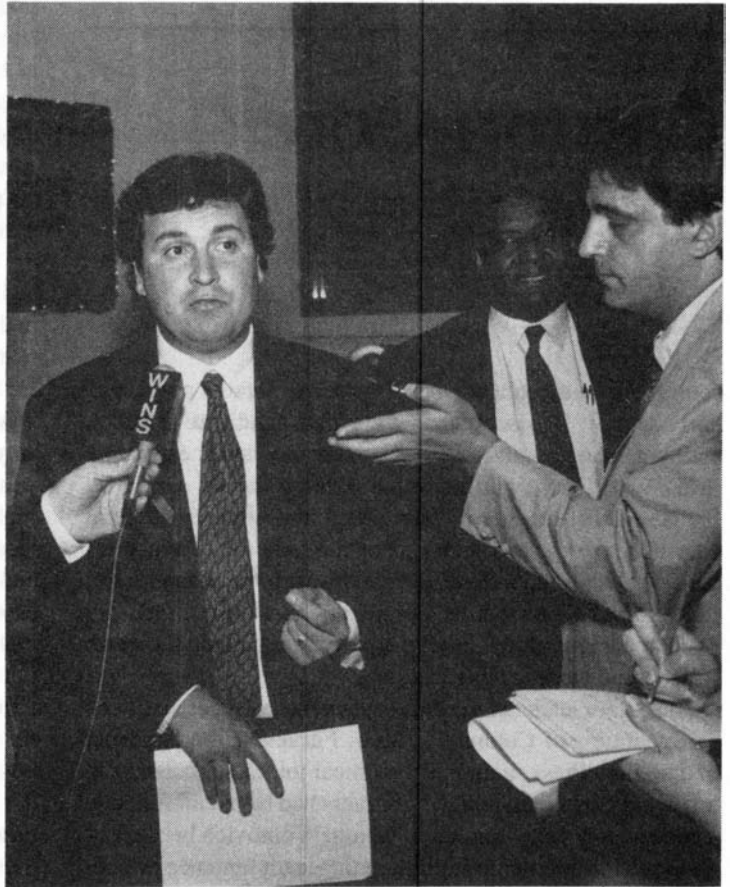
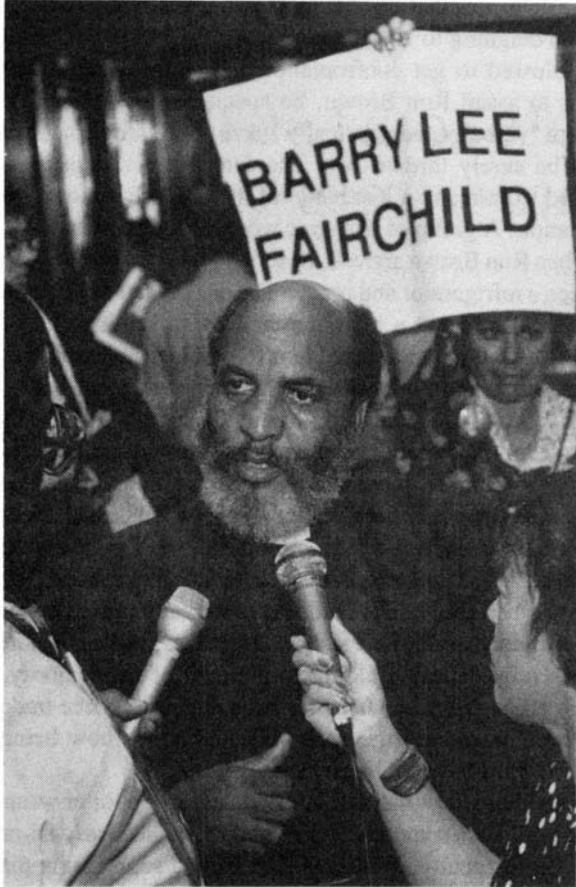
When Ron Brown arrived, he looked like his tiring-house had been a refrigerator and not the Turkish bath of Manhattan in July. He affected a high starched collar reminiscent of portraits of Calvin Coolidge. He offered his usual pabulum: He was practicing the politics of inclusion, he said, but he was in the game to win, and not just to feel good. "That's why you let the Democratic Leadership Council hijack the party," broke in an incensed Jerry Brown supporter. No, replied Ron Brown smoothly, that was not what he had done. "How can you say you're pro-labor if you support free trade and NAFTA?" shot back another delegate. No, replied Mr. Smooth, when the NAFTA bill was brought up in the Democratic National Committee (DNC), he had argued against it, but was now merely yielding to the will of the majority. "That's a lie—your law firm has been supporting free trade for years," countered the antagonist, who was now being pushed toward the door by party goons.

What about the superdelegates, a Brown supporter wanted to know. Then a young black woman demanded an answer on the death penalty. Why was Rob Brown suppressing the minority plank? Was he in favor of executing a mentally impaired black man, as Clinton wanted to execute Barry Lee Fairchild? Ron Brown had no answer; he shut down the meeting and walked out.

Is the Democratic Party a private club?

On July 13 at noon, Fitrakis and his feisty lawyer from Queens, Nick Miglino, went into U.S. District Court in Foley Square and obtained a show cause order from Judge Leonard Sand, requiring the DNC to justify their behavior. Sand, a Republican who has been functioning as the virtual dictator of Yonkers, New York, hastened to add that the show cause order was purely *pro forma*, and did not imply agreement that there was a justiciable issue. Nevertheless, the show cause order was sufficient to capture the attention of the arrogant yuppies staffing the Platform Committee, when it was served on them by Miglino at the New York Hilton later that afternoon. The DNC even attempted to orchestrate a vulgar comedy of errors designed to keep Fitrakis and Miglino waiting in midtown while DNC lawyers proceeded to keep the 4 p.m. Foley Square court date several miles to the south.

But Miglino and Fitrakis were at Foley Square at 4 p.m. Judge Sand was not pleased by their request for injunctive relief under the First and Fourteenth Amendments to the U.S. Constitution to force the DNC to follow its own rules, and



Left: Rev. James Bevel leads protest of the execution of Bill Clinton's next victim, Barry Lee Fairchild, at Democratic convention. Right: Ohio delegate Robert J. Fitrakis briefs the press on July 13, on his political and legal fight to demand a full floor debate of his minority resolution against the death penalty.

made grumbling reference to laches by Fitrakis and to possible Rule 11 sanctions. He would have liked to throw the entire matter out then and there, but he felt obliged to schedule a further hearing with briefs for the next day at 9 a.m. when, he assured, he would make short shrift of the matter.

The court reconvened the next morning with the DNC arguing that the party and its convention were a private association, despite the \$11 million in taxpayers' money poured into the party coffers for the event by the Federal Election Commission and the further untold millions of largesse from New York taxpayers for police, security, traffic, and other services. The DNC also wanted a full evidentiary hearing on the validity of the signatures. Miglino specified that once the plank had been printed and distributed, debate and a vote could be accomplished in about 20 minutes. But Judge Sand noted that the alleged platform debate had taken place the previous night, and paid tribute to the "finely tuned schedule" of the convention, which brought "prime time television" into play. The judge was now much more conciliatory: Fitrakis had not acted improperly, but there was a question of

laches, and in any case the balance of the equities inclined "overwhelmingly" in favor of the DNC. The request for injunctive relief was therefore rejected. The DNC had its *carte blanche* to flout its own rules in any way it wanted, despite the fact that such party action was indeed state action.

Despite this ruling, and despite the determination of the media to pass over this issue, various minority delegates and LaRouche activists had already succeeded in bringing the death penalty before the convention. On the afternoon of July 13, delegates alighting from special city buses inside the security perimeter were urged to vote for the minority plank by a group of LaRouche supporters bearing signs reading "You don't have to kill to be a Democrat" and positioned a few yards away on the north side of 33rd Street.

The Clinton camp, alerted to the challenge, dispatched a battalion of college kids with Clinton signs who tried to drown out such politics with the rebel yell. Finally, the police declared the whole north side of 33rd Street between Seventh and Eighth Avenues off limits to those without credentials, but most of the delegates were inside before this could be

enforced. During the following day, placards reading simply: "Barry Lee Fairchild," Clinton's likely next victim, began turning up all around the convention.

On the night of the 14th, the farce of the platform debate was sent across the ghastly electronic podium: four pro-austerity planks from Paul Tsongas, liquidated in little more than half an hour by Gov. Roy Romer of Colorado, who learned his ethics at Yale. There was no mention of the death penalty issue from the podium. But meanwhile, in the aisles of the convention and in the open space before the podium, a demonstration against the death sanction was mounted by Mrs. Sheila Jones of Chicago, a LaRouche supporter who had foiled all of Ron Brown's myrmidons and reached the convention floor. For upwards of five hours, Mrs. Jones defied the Nuremberg logic of the convention by ceaselessly marching, ceaselessly demonstrating against the racist barbarism of the death penalty. At times she was alone, at times she was joined by 20, 40, 100 delegates, some black, many not. Former Mayor Marion Barry of Washington, D.C. greeted her. The Vermont delegation hoisted an anti-death penalty poster onto their standard.

Since the television pool coverage was controlled by an NBC producer, virtually none of this reached even those hardy souls watching the continuous coverage on C-Span. But even the casual viewer might have realized that something unscripted was going on when Mrs. Jones's demonstration reached two vociferous high points: One came during the thuggish speech of Mayor Richard Daley of Chicago. "George Bush told us that he was serious about the death penalty, but he has not delivered," growled Daley, obviously hinting at an attack from the right. The NBC cameras, which normally showed the delegates applauding and cavorting after each line, were glued to Daley, and dared not pan away. But a dull roar was audible even through NBC's highly selective directional microphones: In reality, a militant demonstration against capital punishment was going on under Daley's nose. Later, when congresswoman Nancy Pelosi seemed about to suffer a nervous breakdown at several points during her rapid remarks, it was because Mrs. Jones's forces were once again vociferously protesting in her face.

But, in the end, the cat will mew and the dog will have his day: Clinton, Gore, and Ron Brown had their way, and delivered the probable coup de grace to the agonizing Democratic Party. On July 15, Curtis Wilkie of the *Boston Globe* disclosed the inside strategy of the Confederate yuppie geniuses of the Clinton camp: Clinton's plan, including the Gore nomination, was predicated on a three-way race involving Ross Perot that would make Clinton competitive in the South. With Perot, Clinton expected to have a 50-50 chance of winning, although that would drop to 1-in-5 without Perot. In private meetings, Clinton strategists stressed that "Clinton needs a Perot candidacy that gets 15-16% of the vote in November—not 3% or 30%," Rep. Dennis Eckart (D-Ohio) was saying. But then, on July 16, Perot quit.

State court strikes 'hate crimes' law

by Leo F. Scanlon

The Anti-Defamation League's (ADL) hate crimes statutes have been denounced as an "Orwellian" attack on the free speech protections of the First Amendment, by a Wisconsin Supreme Court ruling. In its decision, issued June 23, one day after the U.S. Supreme Court struck down a Minnesota hate crime statute, the Wisconsin ruling undercuts the legal support for the "sentencing enhancement" provisions of the ADL-sponsored statutes which are now on the books in 48 other states. The only element of the ADL program left unchallenged is the federal "Hate Crime Statistics Act," which should be scrutinized by Congress in light of this ruling.

The Wisconsin case, *State of Wisconsin v. Todd Mitchell*, involved a black youth who led a gang which attacked a white teenager, beat him unconscious, and stole his tennis shoes. Ironically, the attack was precipitated by a heated discussion among the youths about the movie "Mississippi Burning"—an inflammatory and fraudulent propaganda piece produced on behalf of the ADL by Hollywood to support the hate crimes statutes. Todd Mitchell, one of the older members of the group, asked the others, "Do you all feel hyped up to move on some white people?" Upon sighting the victim, Mitchell urged, "You all want to f— somebody up? There goes a white boy; go get him."

The state charged and convicted Mitchell of aggravated battery, a felony which carried a maximum sentence of two years. The jury found that Mitchell had selected his victim because of his race, thereby being guilty of committing a "hate crime" which increased the potential maximum sentence from two to seven years. The circuit court and the appeals court denied Mitchell's request for relief, and the issue brought before the State Supreme Court was the constitutionality of the sentencing enhancement provisions themselves.

ADL schemes create thought crimes

The Wisconsin law is based on the ADL model statute, which provides for increased penalties for crimes already punishable by law. Despite the fact that in some cases the enhanced punishments can transform a misdemeanor (such as simple battery) into a felony, the ADL claims the statutes do not create new crimes, but merely use a sentencing procedure to punish bigotry.

Chief Justice Heffernan, writing for the majority, ripped this argument to ribbons. First of all, he said, "The hate crimes statute violates the First Amendment directly by punishing what the legislature has deemed to be offensive thought and violates the First Amendment indirectly by chilling free speech." He pointed out that "in any assault upon an individual there is a selection of the victim" and that is part of the underlying offense, the "intent" in committing the crime. The inherent problem with the hate crimes statutes is that they specifically target the "motive" or thought behind the selection, and do so in a subjective, and even political fashion.

The seemingly plausible defense of the statutes raised by the ADL and the National Gay and Lesbian Task Force (the other main sponsor of these laws), asserts that the statutes are the same thing as the anti-discrimination features of civil rights laws. The ADL, an openly racist organization, drapes these laws with the mantle of the civil rights movement.

Justice Heffernan correctly points out that "discrimination and bigotry are not the same thing" and can't be treated legally as if they were. In anti-discrimination statutes, for example, it is a discriminatory *act* which is prohibited. Additionally, he points out, "there is a difference between the civil penalties [of] anti-discrimination statutes and the criminal penalties imposed by the hate crimes law. . . . It is the objective conduct taken in respect to the victim which is redressed (not punished) by those [anti-discrimination] statutes, not the actor's motives."

Heffernan continues: "The hate crimes statute does not punish the underlying criminal act, it punishes the defendant's motive for acting. Taking the dissent's explanation that the statute is concerned with the 'decision' of the defendant, it is clear that the hate crimes statute creates nothing more than a thought crime. Apparently that dissent is comfortable with such an Orwellian notion; we are not."

In June, the U.S. Supreme Court struck down a hate crime ordinance passed by the city of St. Paul, Minnesota. That ordinance banned conduct which "arouses anger, alarm, or resentment in others on the basis of race, color, creed, religion or gender." The court ruled that the historic protections of the First Amendment, which has been interpreted to allow for the punishment of especially inflammatory or provocative speech, would be nullified if legislatures are allowed to selectively punish only certain classes of "fighting words" based upon the content of the expression, i.e., "bias-motivated" hatred.

This problem plagues the sentencing enhancement provisions of hate crime laws in general. The chilling effect on free speech cast by the hate crimes statutes is dangerously broad, the court notes. In effect, every personal association, every book ever read, every speech ever given or listened to by anyone charged with one of the underlying offenses, could be introduced as evidence that he or she held "bigoted" views and was acting upon them while committing the offense.

Vatican Letter

'Homosexual rights' are not human rights

In a statement sent to American Catholic Bishops in June, the Vatican opposed the moves in the United States to make homosexuality a legally protected and socially accepted way of life. The Vatican letter, entitled "Some Considerations Concerning the Catholic Response to Legislative Proposals on the Non-Discrimination of Homosexual Persons," was written in response to, among other things, laws like the District of Columbia's "domestic partners law," which would recognize homosexual marriages as equivalent to heterosexual ones. Although the letter is still technically an internal church document, it was released to the public by New Ways Ministry and was subsequently made available to EIR. The full text of the letter follows.

Recently, legislation has been proposed in some American states which would make discrimination on the basis of sexual orientation illegal. In some Italian cities, municipal authorities have made public housing available to homosexual (and unmarried heterosexual) couples. Such initiatives, even where they seem more directed toward support of basic civil rights than condonement of homosexual activity or a homosexual lifestyle, may in fact have a negative impact on the family and society. Such things as the adoption of children, the hiring and firing of teachers, the housing needs of genuine families, landlords' legitimate concerns in screening potential tenants, for example, are often implicated.

While it would be impossible to foresee and respond to every eventuality in respect to legislative proposals in this area, these observations will try to identify some principles and distinctions of a general nature which should be taken into consideration by the conscientious Catholic legislator, voter, or Church authority who is confronted with such issues.

The first section will recall relevant passages from the Congregation for the Doctrine of the Faith's [CDF] "Letter to the Bishops of the Catholic Church on the Pastoral Care of Homosexual Person" of 1986. The second section will deal with their applications.

I. Relevant passages from the CDF's 'Letter'

1. The Letter recalls that the CDF's "Declaration on Certain Questions Concerning Sexual Ethics" of 1975 "took note

of the distinction commonly drawn between the homosexual condition or tendency and individual homosexual actions," the latter which are "intrinsically disordered" and "in no case to be approved of" (no. 3).

2. Since "[i]n the discussion which followed the publication of the (above-mentioned) Declaration . . . an overly benign interpretation was given to the homosexual condition itself, some going so far as to call it neutral, or even good," the Letter goes on to clarify: "Although the particular inclination of the homosexual person is not a sin, it is a more or less strong tendency ordered toward an intrinsic moral evil; and thus the inclination itself must be seen as an objective disorder. Therefore special concern and pastoral attention should be directed toward those who have this condition, lest they be led to believe that the living out of this orientation in homosexual activity is a morally acceptable option. It is not" (no. 3).

3. "As in every moral disorder, homosexual activity prevents one's own fulfillment and happiness by acting contrary to the creative wisdom of God. The Church, in rejecting erroneous opinions regarding homosexuality, does not limit but rather defends personal freedom and dignity realistically and authentically understood" (no. 7).

4. In reference to the homosexual movement, the Letter states: "One tactic used is to protest that any and all criticism of or reservations about homosexual people, their activity, and lifestyle are simply diverse forms of unjust discrimination" (no. 9).

5. "There is an effort in some countries to manipulate the Church by gaining the often well-intentioned support of her pastors with a view to changing civil statutes and laws. This is done in order to conform to these pressure groups' concept that homosexuality is at least a completely harmless, if not an entirely good, thing. Even when the practice of homosexuality may seriously threaten the lives and well-being of a large number of people, its advocates remain undeterred and refuse to consider the magnitude of the risks involved" (no. 9).

6. "She (the Church) is also aware that the view that homosexual activity is equivalent to, or as acceptable as, the sexual expression of conjugal love has a direct impact on society's understanding of the nature and rights of the family and puts them in jeopardy" (no. 9).

7. "It is deplorable that homosexual persons have been and are the object of violent malice in speech or in action. Such treatment deserves condemnation from the Church's pastors wherever it occurs. It reveals a kind of disregard for others which endangers the most fundamental principles of a healthy society. The intrinsic dignity of each person must always be respected in word, in action, and in law.

"But the proper reaction to crimes against homosexual persons should not be to claim that the homosexual condition is not disordered. When such a claim is made and when homosexual activity is consequently condoned, or when civil

'True prophets' needed to oppose 'culture of death'

John Cardinal O'Connor of New York called for the emergence of "true prophets" to oppose the "abomination of desolation" in abortion, euthanasia, and assisted suicide, in remarks made in three talks on June 27 at the Canadian Pro-Life Conference in Toronto. He warned the pro-life conference of the common "threats to human life by way of euthanasia and assisted suicide. Euthanasia, you see, has begun with little things—we call them unborn babies. The language of denial by those who would threaten the life of anyone who does not meet their arbitrary standard of 'quality of life' now includes 'death with dignity.' It's all so nice and sterile. It's like calling abortion health care."

In a second talk the same day he remarked: "We are in enormously grave danger of becoming a culture of death as has never been known in history. Neither you nor I can ever be convinced that tearing a baby from his mother's womb, or encouraging a cancer-ridden elderly woman to commit suicide, are 'natural deeds.' Society has developed a truly unnatural culture that fulfills the prophetic 'abomination of desolation.' If ever in the world, if ever in history, true prophets were needed, we need them desperately today."

In condemning the movement to legalize euthanasia and suicide, the cardinal declared that similar attacks may soon be waged against the sick, the aged, the elderly frail, the retarded, and the handicapped. Such attacks, he said, "are really attacks on Christ, who refused to equivocate the truth, refused to be ambiguous."

legislation is introduced to protect behavior to which no one has any conceivable right, neither the Church nor society at large should be surprised when other distorted notions and practices gain ground, and irrational and violent reactions increase" (no. 10).

8. "What is at all costs to be avoided is the unfounded and demeaning assumption that the sexual behavior of homosexual persons is always and totally compulsive and therefore inculpable. What is essential is that the fundamental liberty which characterizes the human person and gives him his dignity be recognized as belonging to the homosexual person as well" (no. 11).

9. "In assessing proposed legislation, the Bishops should

keep as their uppermost concern the responsibility to defend and promote family life" (no. 17).

II. Applications

10. "Sexual orientation" does not constitute a quality comparable to race, ethnic background, etc., in respect to non-discrimination. Unlike these, homosexual orientation is an objective disorder (cf. "Letter," no. 3).

11. There are areas in which it is not unjust discrimination to take sexual orientation into account, for example, in the consignment of children to adoption or foster care, in employment of teachers or coaches, and in military recruitment.

12. Homosexual persons, as human persons, have the same rights as all persons including that of not being treated in a manner which offends their personal dignity (cf. no. 10). Among other rights, all persons have the right to work, to housing, etc. Nevertheless, these rights are not absolute. They can be legitimately limited for objectively disordered external conduct. This is sometimes not only licit but obligatory. This would obtain moreover not only in the case of culpable behavior but even in the case of actions of the physically or mentally ill. Thus it is accepted that the state may restrict the exercise of rights, for example, in the case of contagious or mentally ill persons, in order to protect the common good.

13. Including "homosexual orientation" among the considerations on the basis of which it is illegal to discriminate can easily lead to regarding homosexuality as a positive source of human rights, for example, in respect to so-called affirmative action, the filling of quotas in hiring practices. This is all the more mistaken since there is no right to homosexuality (cf. no. 10) which therefore should not form the judicial basis for claims. The passage from the recognition of homosexuality as a factor on which basis it is illegal to discriminate can easily lead, if not automatically, to the legislative protection of homosexuality. A person's homosexuality would be invoked in opposition to alleged discrimination and thus the exercise of rights would be defended precisely via the affirmation of the homosexual condition instead of in terms of a violation of basic human rights.

14. The "sexual orientation" of a person is not comparable to race, sex, age, etc. also for another reason than that given above which warrants attention. An individual's sexual orientation is generally not known to others unless he publicly identifies himself as having this orientation or unless some overt behavior manifests it. As a rule, the majority of homosexually oriented persons who seek to lead chaste lives do not want or see no reason for their sexual orientation to become public knowledge. Hence the problem of discrimination in terms of employment, housing, etc. does not arise.

Homosexual persons who assert their homosexuality tend to be precisely those who judge homosexual behavior or lifestyle to be "either completely harmless, if not an entirely good thing" (cf. no. 3), and hence worthy of public approval.

It is from this quarter that one is more likely to find those who seek to "manipulate the Church by gaining the often well-intentioned support of her pastors with a view to changing civil statutes and laws" (cf. no. 5), those who use the tactic of protesting that "any and all criticism of or reservations about homosexual people . . . are simply diverse forms of unjust discrimination" (cf. no. 9).

15. Since in assessing proposed legislation uppermost concern should be given to the responsibility to defend and promote family life (cf. no. 17), more careful attention should be paid to the single provisions of the proposed measures. How would they affect adoption or foster care? Would they protect homosexual acts, public or private? Do they confer equivalent family status on homosexual unions, for example, in respect to public housing or by entitling the homosexual partner to the privileges of employment which might include "family" participation in the health benefits given to employees (cf. no. 9)?

16. Finally, since a matter of the common good is concerned, it is inappropriate for Church authorities to endorse or remain neutral toward adverse legislation even if it grants exceptions to Church organizations and institutions. The Church has the responsibility to promote the public morality of the entire civil society on the basis of fundamental moral values, not simply to protect herself from the application of harmful laws (cf. no. 17).

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Blackout of Noriega keeps Bush's secrets

by Carlos Wesley

Panamanian Gen. Manuel Noriega dropped several bombshells at his sentencing hearing in Miami, Florida on July 10 which, if followed up, could bring to a boil the October Surprise, Iran-Contra—in which both President George Bush and Gov. Bill Clinton are implicated—and other Washington scandals that are yet to be solved. Noriega charged that he was prevented from raising these issues during his trial because Judge William Hoeweler forbade any testimony about “political matters, issues of the war, or of the invasion” of Panama.

Noriega was able to unveil a number of U.S. covert activities, despite limitations imposed by Hoeweler. Ironically, while his speech was covered in full by the Panamanian opposition weekly *La Crónica*, by *La Estrella*, as well as by the anti-Noriega daily *La Prensa*, most U.S. media pronounced the speech “rambling,” ran a few quotes, and then imposed total silence.

Weapons-running

Noriega said “the defense was not allowed to present” evidence on:

- “Weapons from Costa Rica, first for the Sandinistas, then for the Contras. And with the Contras, those pilots were allowed to bring drugs from Costa Rica to the United States. In Costa Rica, their base of operation was run by John Hull, [former CIA station chief and business partner of former National Security Council staffer Oliver North, Joseph] Fernández, and others.”

Some of the drug-laden return flights to the United States came through the airport at Mena, Arkansas, reportedly under the protection of officials in Gov. Bill Clinton’s administration.

- “The famous and oft-mentioned César Rodríguez—recruited by the Americans—who since 1980 worked with the intelligence agencies in arms transfers to Central America. . . . All the pilots recruited by Rodríguez were working for U.S. law enforcement agencies. The government knew it and covered it up.”

At trial, prosecutors claimed that Rodríguez, a drug pilot, worked for Noriega. But, as reported in *EIR*’s 1987 Special Report “White Paper on the Panama Crisis,” Rodríguez, a.k.a. “Captain Poison,” not only ran weapons to the Nicara-

guan Contras on behalf of U.S. intelligence agencies, but also ran weapons in exchange for drugs for the narco-terrorist M-19 in Colombia.

Kissinger connection

On March 13, 1986, Rodríguez disappeared during a trip to Medellín, Colombia, along with Rubén Darío Paredes, Jr., the son of Noriega’s predecessor and Henry Kissinger’s protégé, Gen. Rubén Darío Paredes. At the time, Paredes, Sr. denied that his son had been taken hostage by the Medellín cocaine cartel. General Paredes said he had spoken with the cartel’s Ochoa clan, “and they have given me their word” that they didn’t have him. On March 25, 1986, Paredes, Jr. and Rodríguez were found dead in a Medellín cemetery, killed by the mob in a drug deal gone sour.

General Paredes was never indicted. Instead, the U.S. media worked overtime to put the right “spin” on his sleazy connections. Journalist Georgie Anne Geyer, whose “line” often coincides with that of a faction of U.S. intelligence associated with Kissinger, in her column in the May 14, 1986 *Washington Times*, said young Paredes was killed because his business partner, Rodríguez, had criticized Noriega!

Lawrence Eagleburger, former president of Kissinger Associates, Inc. and Bush’s deputy secretary of state, as much as admitted that Paredes was Kissinger’s personal choice for the Panamanian presidency. Noriega got in trouble because he reneged on an agreement “to place the support of the military behind General Paredes’s candidacy for the presidency,” Eagleburger told the Organization of American States.

At Noriega’s trial, General Paredes’s younger son, Amet Paredes, who was also involved in the drug-running fiasco that caused his brother’s death, was let off with a slap on the wrist by Hoeweler, in exchange for turning state’s evidence. Prosecutor Myles Malman praised the young Paredes as “candid, forthright, honest, and truly remorseful,” and said Amet only became a drug trafficker because Noriega refused to support his father’s presidential bid!

- “The 1984 trip to Washington where the United States picked and backed Barletta as the candidate against Arnulfo Arias.”

Former World Bank Vice President Nicolás Ardito Barletta was imposed as the presidential candidate to replace Paredes. A protégé of Kissinger and Robert McNamara, Barletta is a former student of George Shultz, the Reagan-Bush administration secretary of state and pro-drug advocate “who remembers him well and affectionately.” Barletta’s campaign was financed by the drug cartels, according to testimony presented at Noriega’s trial. But Barletta was never indicted and he remains a favorite of the Bush administration.

EIR’s July 24 issue contained two pages of excerpts of the Noriega speech. However, in view of the blackout by U.S. major media, the editors have decided to publish a full translation of this historic document next week.



A Scottish activist visits America

I was only 16 years of age when I first visited the United States. At the time I was a young seaman and the experience of these weeks has stayed with me all my life. It was of course more years ago than I care to admit. This was just in the second decade after the war, when Europeans were still very much the poor cousins of Americans. We had just finished the disastrous years of war when all our energies were used in inventing and using ways of destroying each other and reducing the creative energy of centuries to degradation and rubble.

How prosperous and carefree so many Americans had looked then. Many had been involved in the war, of course, but the legacy of economic disaster did not seem so monstrous as it was on our side of the Atlantic. The huge cars, or automobiles as they always called them, seemed incredible. "Yank tanks," we called them, as much out of envy as of awe. The whole picture was one of bustle and industry, of commerce and confidence. At the docks at Newport News in Virginia, the dock workers were full of what we called "Yankee charm." Perhaps had they heard they might not have liked this particular term so bluntly expressed, but at that time, none of us really knew about the terminology surrounding the Civil War.

There were problems of course. The ugly head of racism was all around, but I never ever felt that it was as profoundly rooted and insidious as that which existed in the British colonies where the doctrine of "blacks don't have a soul" was always dominant—even though the degenerate Confederacy took hold of this evil doctrine and tried to institutionalize it in its Constitution.

So it was that during the Easter holidays this year I left for the U. S. A. on the invitation of some friends in the International Caucus of Labor Committees (ICLC) [the philosophical association founded by Lyndon LaRouche—ed.], to brief their activists on the political situation in Scotland and to assess how their philosophy and political insights could strengthen Scotland's struggle to free herself from bondage to the British state.

The first impression upon landing at Washington National Airport was very similar to the one I had with me from all those years ago. A member of the ICLC came to meet me at the airport, and as I was driven through Washington, everything seemed as comfortable and prosperous as I remembered

it. The roads were clean, the avenues broad, and the surrounding houses very prosperous indeed. There were very few "Yank tanks" on the road now I noticed, but I assumed this must be due to social rather than economic change.

Yet this image began to fade very quickly. The big houses in Northern Virginia that I remembered with youthful awe, were still there, but how dilapidated many had become! Courtesy suggested that I not make critical comments as a guest in someone else's country, but my driver issued an invitation to comment in the familiar American cadences—"Guess you must see some changes, huh?" Perhaps my reply was a little discourteous: "Can Americans no longer afford paint?" I asked. The driver seemed nonplussed. "You ain't seen nothing yet," he said.

The next day I was taken by some members of the ICLC to visit the National Gallery of Art in Washington D.C., an experience I enjoyed enormously, as the company consisted mainly of Australians. Scots and Australians never have much difficulty establishing a rapport. In the gallery, we discussed the works of Rembrandt and the Florentine painters of the Renaissance, whose idea of man as the living image of God (*imago viva Dei*), shines out of all their art. The concept is fundamental to the ICLC, as is the concept of the Christian humanist republic, particularly to Australians, Scots, Irish, and other peoples who, like them, have not yet freed themselves from the consequences of British colonial history.

I suppose it was on the day after that, that my youthful image of the United States began to really crack. I traveled from Washington to Philadelphia by Amtrak train, and the view from the window was not what I expected. Tumble-down suburbs, derelict steel works—had I fallen asleep on the train, or was this what I was really seeing? Sadly, it was the latter. So were all the things that the ICLC and its leading thinker, the jailed politician and academic Lyndon LaRouche, said really correct? Leveraged buyouts, junk bonds, asset stripping, the pursuit of profit unrelated to production. Could this have caused such a disaster? Does anyone in the United States actually produce anything any more, I wondered, or are they all driving each other around, selling each other ice cream, styling each other's hair, or drawing welfare checks, while the oligarchy gets richer and more powerful each day?

The last thing I would want to do is to sketch the ICLC's activists as subversives who hate their country and seek to destroy it. In fact, they have a patriotism which is infectious in its commitment and enthusiasm, and which made my own love of my beloved Scotland seem embarrassingly inadequate. I was taken to the historical shrines of the independence struggle and the battle for a republic which would shine as a beacon to all mankind. I saw the point where Washington crossed the Delaware on that wild Christmas of 1776 when everything seemed on the verge of being lost. I visited the British barracks at Trenton, captured by the patriots that night by the help of a great leader, the courage of ordinary Americans, and the grace of God. At Valley Forge, I visited the place where the weary and demoralized Continental Army camped the following Christmas when, again, the forces of colonial darkness seemed on the verge once again of triumphing. At Fort McHenry in Baltimore, I stood in the place where the forces of British imperialism attempted in 1814 to subject the young republic to its will and failed. Here it was that the flag flying over the fort unconquered after 24 hours of savage bombardment inspired an observer, Francis Key, to write of the "Star Spangled Banner" that flew over the fort that glorious morning, and which finally became the national anthem of the United States in 1931.

For myself, however, the most poignant moments were when I visited Independence Hall in Philadelphia and the nearby Liberty Bell. It was the day when our own general election results were coming across, and I felt utterly despondent at the failure of our Scottish National Party to make the massive electoral breakthrough that we expected. I remembered then that dark night at the Delaware crossing, the cruel and savage winter at Valley Forge, and took inspiration from that memory. I touched, as the public are permitted to do, the Liberty Bell. I'm a pretty big man, but I'm not ashamed to admit that I fought back the tears and said a "wee prayer" that God would give us the strength to overcome the forces of darkness here also and set our nation free.

Meantime, of course, all is not well in the United States either, and I wondered whether this generation of Americans had anything like the character of their magnificent forebears. The habits of British imperialism have infected your politics and your statecraft since U.S. involvement in the wicked Treaty of Versailles which punished Germany for daring to threaten British hegemony. The immoral invasion of Panama, the savage and wanton destruction of Iraq, the naked looting of people everywhere, including the poor in America herself, are a manifest betrayal of the principles for which the first citizens fought and died.

In American history, moments of darkness and crisis have produced great leaders. There were Washington, Lincoln, and Kennedy, who was not allowed to see his vision through, and since whose death the space projects have been replaced by projects for war and domination. I have become increasingly convinced that the leader capable of lifting

America back to being the moral beacon to the peoples of the world, is Lyndon LaRouche. He is of course in prison, denigrated as a criminal, a crank, a crook, a plain old-fashioned nut, but what is new in that? Read the history books, and find what some were saying about George Washington when they tried to remove him from command of the Continental Army. LaRouche is a paranoid, they say! Well, so was Washington when he insisted that his personal bodyguard at Valley Forge consist solely of Virginia landowners.

It was a memorable visit, and I hope more Scots, indeed many more Europeans, can travel to the United States—certainly, LaRouche's ideas have a power to motivate very ordinary people in a way that I have never, ever seen in the 30 years or so I have been active in politics. I trust the philosophy and ideas spread here, because they are taken from the greatest moments and the greatest people in all of human history, and made relevant to the needs of our time. They can lead to a true "Europe des nations" [Europe of the Fatherlands] as Charles de Gaulle saw it, and help Scotland find her place there. I for one, will be doing whatever I can to see that we in Scotland and in Europe, grasp the vision with all the will and determination of which we are capable.

The author is an activist in the Scottish nationalist movement. He was one of the first members of the Committee to Save the Children in Iraq.

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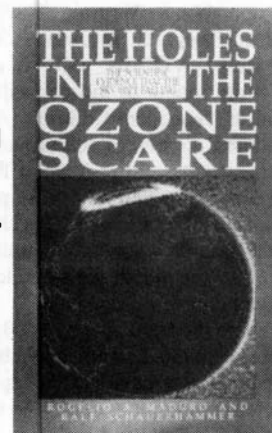
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National News

Bush fears secrets inside Iraq agriculture ministry

There is a special reason that George Bush is so desperate to get into the Agriculture Ministry in Iraq: "Iraq-gate" documents are located there, a highly informed Middle East expert told *EIR* recently. "Bush's main policy toward Iraq is to step up funding and support for covert operations against Saddam," the source said. "However, there is one 'wild card' in the Baghdad situation, which is this Ministry of Agriculture. You know why he's so concerned about that? Remember, the aid to Iraq in the 1989-1990 period was agriculture-food help, and all the documents on the U.S.-Iraqi deals were channelled through the Ministry of Agriculture. Bush is desperate to get his hands on what is in there. If it was the Ministry of Health, he wouldn't care less. It all has nothing to do with chemical weapons plans."

Virginia aid to dependent children faces deep cuts

A "carrot-and-stick" program that targets destitute parents of schoolchildren is now in operation in Virginia. The pilot project, called Virginia Incentives To Advance Learning (VITAL), will pay an additional \$30 per month to those families receiving Aid to Dependent Children (ADC) if their children do well in school; and, using existing statutes, the program will allow courts to eliminate a parent's entire portion of the family's ADC allowance if a child is chronically truant. An average family allowance is \$291 per month for a single parent with two children.

The program spends \$600,000 to track children, whose families will benefit or suffer by their behavior. It is beginning in selected communities chosen by the state government. DeAnn Lineberry of the state Department of Social Services told *EIR* that the penalty provision is not new, but is being used for the first time.

The *Washington Times* quoted the pro-

gram's main legislative backer, Delegate Steve Martin (R-Chesterfield), that "without sanctions there will be no incentives to keep [students] in school." Delegate William P. Robinson, Norfolk Democrat and chairman of the House black caucus, denounced the pilot project as "draconian, repressive and racist." State Sen. Mark Earley, (R-Chesapeake), told the *Times*: "We need to stop subsidizing irresponsibility."

ADL 'minstrel show,' shocked black worker

"Black Worker at the ADL Charges League with Racism," was the headline of an article in the June 20 issue of the *New York Amsterdam News*. The article comes in the wake of an ADL report released in mid-June, entitled "Black Demagogues and the Rise of Anti-Semitism," which attacks numerous African-American leaders, including Nation of Islam Minister Louis Farrakhan and *Amsterdam News* publisher Wilbert Tatum.

The front-page article continued: "A black female employee at the Anti-Defamation League (ADL) accused the organization of being racially insensitive and overzealous in its pursuit of anti-Semitic behavior.

"Cheryl Hamilton, a fundraiser assistant, asserts that the ADL allowed a modern minstrel show to occur during the Fashion Accessories Torch of Liberty ceremonies last November. 'I was shocked,' Hamilton told the *Amsterdam News* in a telephone interview. . . . 'I missed some of the performance,' she said, 'but I was there when the lights changed and the dancers—blonde and blue-eyed teenagers—were suddenly transformed into black-face modern minstrels. Then, to add insult to injury, they passed out white gloves to members of the audience. I refused to take one and admonished the waiter, 'Don't you know this is a minstrel show?' I asked him. 'So what?' he replied.

"Hamilton, 31, has been employed at ADL as a temporary secretary for six months and reports hearing all sorts of racist remarks and innuendos from the white employees and supervisors. 'I find it very

strange that an organization so on guard for bigotry does not practice what it preaches,' she said."

Gephardt rival blasts health care 'containment'

Leif Johnson, LaRouche Democratic candidate for Congress in Missouri's 3rd C.D., charged that the new "Health Care Cost Containment and Reform Act of 1992," introduced by Missouri Rep. Dick Gephardt, will reduce health care for millions of Americans. "This bill would put all health providers, whether they accept federal, private insurance, state, or private payment, under federal 'cost containment' controls," Johnson said in a July 16 statement.

"My opponent's new bill would cap health costs at the yearly percentage growth of the Gross Domestic Product. In this depression, that imposes an overall reduction in health funds, which will reduce health care for a great number of Americans, particularly those with fixed or low incomes," said Johnson, who is Gephardt's only active opponent in the Aug. 4 Democratic primary election.

"Gephardt's co-sponsor, Rep. Pete Stark (D-Calif.), admits this would reduce health care expenditures by \$250 billion by the year 2000."

Johnson declared, "On June 25, Gephardt told reporters, 'Cost containment is the linchpin of health care reform.' I say the good health of every American is the linchpin of health care reform. People, not dollars or the federal bureaucracy, come first—always."

Supreme Court upholds FDA ban on abortion pill

In a brief three paragraphs, the U.S. Supreme Court ruled 7-2 to uphold the Food and Drug Administration's ban on RU-486, the chemical abortifacient that was first legalized in France. The ruling defeats the abortion lobby's attempt to test the legality

Briefly

of the federal laws that prohibit the import of RU-486 for personal use. On June 29, Leona Benten, 29, traveled to England to purchase the drug, and returned to the U.S. to abort her baby. Her trip was paid for by the Center for Reproductive Law and Policy, which is also providing her attorneys. Abortion rights fanatic Lawrence Lader alerted the FDA of the intention to bring the drug into the country. Benten and her attorneys then moved with a planned lawsuit when Customs confiscated the drug at JFK International Airport.

The FDA allows the use of non-approved drugs for research and when an individual is terminally ill or no cure exists for a serious illness. But Benten and her attorneys argued this "discretionary" policy should include exceptions for the personal use of RU-486 as an abortifacient. The FDA argued the point that the only reason RU-486 is not approved is because its manufacturer, French pharmaceutical firm Roussel-Uclaf, has refused to conduct the necessary safety tests on the drug in the U.S.

Justices Harry A. Blackmun and John Paul Stevens dissented on the grounds that the government's interest in protecting Benten by avoiding a health risk associated with the pills was not sufficient reason to create an undue burden to Benten's "right" to abortion.

The Center for Reproductive Law and Policy reported that Rep. Patricia Schroeder (D-Colo.) planned to introduce a bill in Congress to try to obtain the pills for Benten.

Neo-Confederates still attacking United States

The July 19 issue of the *Washington Times's* *Insight* magazine gave prominent coverage to the "neo-Confederates" who are still fighting for "the principles of 1860." *Insight* cited the fact that three presidential candidates are from the South, adding, "In a year of widespread voter anger, intellectual partisans of the Confederacy think they detect a wider audience for their views."

Ludwig von Mises Institute head Llewellyn Rockwell, a leading proponent of reviving the Confederate Constitution, com-

pared Abraham Lincoln's fight for equality to Stalin, according to *Insight*: "Lincoln philosophically incorporated the Declaration of Independence, with its statement that all men are created equal, into the Constitution, which made equality 'the idea of the state,' says Llewellyn Rockwell. . . . After idealizing equality, 'Stalin is the next stop down the line.' . . . We should celebrate the diversity of human nature.' "

Rockwell also told *Insight*, "I think there is a cultural war coming up. We're in a race war right now."

Thomas Fleming, editor of *Chronicles* magazine, told *Insight*: "The thing I like about the South" is its similarity to the Middle Ages, which were "gritty and dirty with people fighting for what they believed in on a day-to-day level. The thing I love about medieval politics was that it was people in the street rioting day-to-day."

Judge 'moved' by Noriega statement

Federal Judge William Hoeverler of Miami, who sentenced Panamanian Gen. Manuel Noriega to 40 years in prison, told the July 19 Ft. Lauderdale *Sun Sentinel* that he was touched by Noriega's sentencing speech on July 10.

During the seven-month trial, Hoeverler had forbidden the defense to mention the invasion of Panama or present any "political" evidence, including the general's information about the drugs-for-weapons operations carried out by White House operatives in Central America, which Noriega had vigorously opposed. His gag order preordained Noriega's conviction. Even at the sentencing, Hoeverler upheld prosecutors' objections and forbade Noriega to talk about some U.S. covert operations.

"Whatever happened outside the four corners of this courtroom is somebody else's burden, not mine," he told the *Sun Sentinel* "I always have difficulty with sentencing," added Hoeverler. "I always do, but I suffered more with this one than I usually do," he said. "I sometimes wonder who we are to judge what happens to the lives of others."

● **AL GORE**, as a congressman in 1979, co-sponsored a resolution making April 27-May 1 "Appropriate Technology Week" which proclaims: "We need to spend less capital, provide more jobs by creating more labor intensive technology."

● **AN FOIA SUIT** brought against the Boston U.S. Attorney's office by The LaRouche Campaign's 1984 treasurer Edward Spannaus went to trial on July 15 in a highly unusual move. The suit, brought before Judge Robert Keeton seeks documents concerning then-U.S. Attorney William Weld's contacts with government and private agencies including NBC and the Anti-Defamation League during 1983-84. Of 5,000 FOIA cases, only a handful have ever gone to trial.

● **UTAH'S** Supreme Court on July 17 again denied the appeal of William Andrews, a black man scheduled to be executed on July 30 for murders which he did not commit. The only recourse now is for his sentence to be commuted by the Utah Board of Pardons.

● **ROCHELLE ASCHER** filed a petition before the U.S. Supreme Court on July 16 to overturn her 1989 conviction on trumped-up charges of "securities violations" in Virginia. Ascher, who is currently serving a 10-year sentence, was originally sentenced to 86 years as part of the "get LaRouche" effort.

● **AN EXTRADITION** request by the U.S. to Nigeria for an accused drug dealer has been rejected by a Nigerian court, according to a wire from the News Agency of Nigeria. Magistrate Sam Adelana, quoted by NAN, said on July 18: "A fugitive offender can only be surrendered when the magistrate was satisfied that a *prima facie* case had been made against him, but could not be surrendered when it appeared that the trial would be prejudiced."

Editorial

A vision for America

The recently concluded Democratic Party convention had the quality of a Nazi Party Nuremberg rally replayed as farce. With that, and the abdication of Ross Perot, there appears to be no alternative to the disaster represented by the failure of the Bush administration.

This is not merely a problem for Americans. Like it or not, the 20th century has been and still is an American Century. This is reflected in the perilous state of every major economy in the world today; in the ability of the Anglo-Americans to use war and the threat of war to enforce tribute from the rest of the world; in the threat of diseases like AIDS to decimate whole continents.

We live in a time when much of mankind faces truly terrible conditions of life, with the fear of still worse to come. In the large, there is the specter of yet another world war in this war-torn century. Already millions of refugees from Serbian genocide have become displaced persons, whose best hope is to find shelter in hastily built tent cities, under conditions which will lead to epidemics and plagues. It is hardly an exaggeration to say that a third world war has already begun.

We have only to look at the accumulation of *small* wars which have erupted since the United Nations invaded Iraq—and we see threats of renewed bombings against that hapless nation. Particularly since Jimmy Carter was elected President, U.S. economic policy has been an escalating series of disasters. George Bush's evil "one world order" has turned into the spawning ground of disorder and war.

It was under these circumstances that Lyndon LaRouche issued a statement on July 20, in which he called for a genuine industrial recovery policy and made the stirring pledge to the American people: "So never fear, I'm there. I'm fighting. Unlike Perot, I shall never give up; I'm fighting for this nation. There seems to be nobody else with a glimmer of understanding of what's needed. I shall stand. I shall present what is needed—and I shall fight to the end. I shall never give up. On that you may depend."

LaRouche, however, has no panaceas for solving

the present crisis. The problem is not an easy one. If America is to recover, then every American will be called upon to readjust his or her priorities; to reevaluate precisely what it is that is most important in life, and what can be sacrificed to a higher purpose. Crucial in this is reassertion of the sanctity of human life. This means that the rights of the young, the elderly, the sick, and disabled, cannot be violated. It means that U.S. banks will be taken off welfare, not families and the unemployed. It certainly means high progressive taxes to wipe out the speculative gains of the super-rich.

For a genuine economic recovery to occur in the United States, it will be necessary to prioritize investment in basic infrastructure—energy, transportation, and water development—but also in the capital infrastructure of industry. Investment policy must also be vectored toward science in such a way as to foster energy-intensive, capital-intensive technologies. This will entail an investment on the order of \$500-600 billion, and the creation of 6 to 8 million new jobs, and it means that tax incentives must be given to promote such investment.

This is a perspective which will not bring a sudden leap into prosperity; rather, it is a perspective for recovery over one or more decades. It demands that people think ahead and be willing to plan and work for the future, rather than living for momentary gratification.

The cluster of values which are presently associated with New Age ideology, hedonism, the rock-drug culture, will have to be repudiated, in favor of more traditional values associated with the family. Many will have to forgo certain perceived pleasures in order to provide a future for the next generation. No doubt life will be less easy, but men, women, and children today shoulder an enormous burden of despair as they try to accommodate to an increasingly uncertain and threatening future. Perhaps Americans will all work harder, but they will be working to a purpose.

The period ahead will be a difficult one, but it can also be joyous, if there are enough people who are willing to share LaRouche's commitment not to give up the fight, whatever the cost.

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Why Are They Pushing Population Control?

DID YOU KNOW:

◆ that the “population-control” movement is nothing but a whitewashed version of the Nazi “eugenics” policy which was developed in Britain and the United States, then *exported* to Hitler’s Germany?

◆ that National Security Study Memorandum 200, written under the direction of Henry Kissinger and Brent Scowcroft in 1974, defines population growth as *the enemy* of the United States, and targets over a dozen Third World countries on its “population enemies list”?

◆ that since NSSM 200 was written, American dollars have paid for the sterilization of roughly *half* of Brazil’s women of child-bearing age?

◆ that **all** of the “major” 1992 U.S. presidential candidates support radical depopulation, and that this is the basis of U.S. and United Nations policy today?

When George Bush announced his New World Order in the wake of Operation Desert Storm,

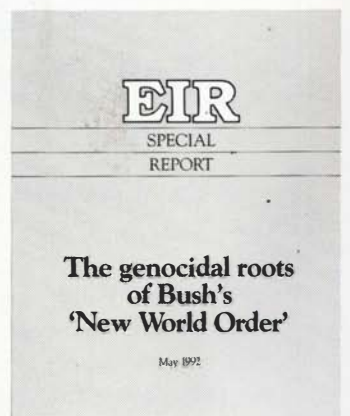


the Anglo-American oligarchy believed the coast was bombed clear for its for global depopulation. The big Rio “Earth Summit” in June 1992 was designed to put the lie that human beings are the main cause of pollution at the top of the agenda of world leaders. *EIR*’s exposure of NSSM-200 has helped catalyze a resistance to those plans, even in Rio.

This report is your ammunition to change that agenda, before it is too late for the human race.

The Genocidal Roots of Bush’s New World Order

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