

# EIR

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# EIR

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## From the Managing Editor

In a move which is shaking the rafters of official Washington, George D. Kenney, former head of the U.S. State Department's Yugoslavia Desk, resigned on Aug. 25, in protest against the policy of the Bush administration toward the Balkans. "What's going on in Bosnia is genocide, and the U.S. had a moral obligation to stop it," he told the *New York Times*. "The administration decided that it's far away, Americans don't care about it, and it's too politically risky to get involved in."

Kenney's resignation shows how easily the edifice of power of the Anglo-American establishment could be toppled, in a time of crisis like this. The so-called elites have no solutions, and their bankruptcy is more apparent day by day. The emperor truly has no clothes!

In July, Lyndon LaRouche forecast that the six to eight weeks ahead would bring sweeping changes in the configurations of world power—more dramatic, perhaps, than those which accompanied the collapse of the Berlin Wall, "more profound, in terms of the fundamental change in the institutional array." This is well borne out by news reports in this issue:

- The dollar's free fall, to a postwar low, throws all the calculations of the financial establishment into a cocked hat. The central banks, the IMF, the Group of Seven, the European Community's Maastricht advocates—all are desperately scrambling.

- The increasingly likely ouster of Brazilian President Fernando Collor de Mello, the bankers' boy, threatens to destabilize the suicidal free market economic policies which have hitherto been accepted by all the governments of Ibero-America. The way could open up for an alternative policy.

- Our *Feature* documents the corruption of U.S. policy in the Balkans since 1988, leading to President Bush's unbelievable recent statement that he knows of no evidence that genocide is being perpetrated by Serbia.

Kenney, for one, had the courage to step forward and say, enough is enough. If others do the same, it is still not too late for the kind of fundamental policy changes that are required.

*Susan Welsh*

# EIR Contents

## Book Reviews

- 13 Cheikh Anta Diop: a visionary who wanted fusion power for Africa**  
*Black Africa: The Economic and Cultural Basis for a Federated State*, by Cheikh Anta Diop.
- 38 Sri Lanka: shedding light, casting shadow**  
*Only Man Is Vile: The Tragedy of Sri Lanka*, by William McGowan.
- 59 Morris Dees: the paradox of a 'Klan-watcher'**  
*A Season for Justice*, by Morris Dees with Steve Fiffer.

**Photo credits:** Cover, Philip Ulanowsky. Page 34, Stuart Lewis. Page 14, Unesco.

## Departments

- 15 Africa Report**  
Stock markets for Africa.
- 42 Report from Bonn**  
Right-wing terrorism—déjà vu?
- 43 Panama Report**  
Bush's boy Barletta and drugs.
- 64 Editorial**  
The shame of America.

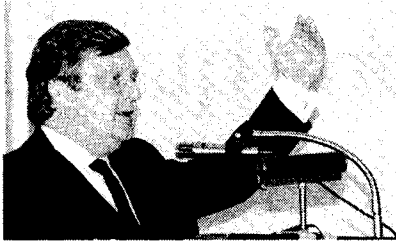
## Education

- 20 Restore classical education to the secondary classroom**  
Lyndon H. LaRouche, Jr. developed this proposal for the reform of American educational curriculum, in a 1985 open letter to Albert Shanker, president of the United Federation of Teachers. Part 2.

## Economics

- 4 Dollar in free fall; world financial institutions quake**  
The standard rescue operations launched by the central banks didn't work this time, as the dollar continued its decline. We are seeing now what Lyndon LaRouche forecast as "the most dramatic changes in configurations of power and posture in the entire postwar period."
- 6 Scandinavian insurance crisis fueled by 'Reaganomics'**
- 7 Currency Rates**
- 8 Bankers squeeze Italy, remind some of 1922**
- 9 Australia's budget: more of the same**
- 10 New shock program in Venezuela threatens more social explosions**
- 12 Wang, Baby Bells lead in job losses**
- 16 Agriculture**  
European farmers take to the streets.
- 17 Biotech gimmicks for free trade**
- 18 Business Briefs**

## Feature



Acting Secretary of State Lawrence Eagleburger, a Kissinger clone better known in some circles as "Lawrence of Serbia," has steered U.S. policy on the Balkans.

- 46 Bush sees 'no genocide' in Bosnia, as death toll rises**  
By continuing its "even-handed" policy, with an arms blockade against all parties in the war, the United Nations is effectively serving the well-armed Serbia, in its campaign to exterminate its Bosnian neighbors. Joseph Brewda reports.
- 49 A history of lies about Serbian genocide**
- 53 EIR exposed the drive to Balkan war**

## International

- 28 Anglo-Americans maneuver to control Brazilian crisis**  
With Brazil's enormous economy and strategic importance, the corruption scandal involving President Collor jeopardizes the free market economic policies which have been the cornerstone of Collor's government, as well as other nations. London and Washington are scrambling.
- 30 Meeting of Italian mass movement told to 'free and elect LaRouche'**  
U.S. civil rights leader Amelia Boynton Robinson, winner of the Martin Luther King Freedom Medal, addressed 2,000 participants in the annual meeting of Communion and Liberation in Rimini, Italy.
- 32 Mafia-Gelli ties would implicate U.S.**
- 33 The Serbian Army must be stopped**  
A guest commentary by Davos Stier, correspondent for Radio Croatia in Argentina.
- 34 Georgian troops move into Abkhazia**
- 35 'Khalistan, Inc.' suffers heavy losses**
- 37 India and Pakistan agree to hold talks on Kashmir issue**
- 40 Modern irregular war and European security**  
Security expert Roberto A. Marcacci spoke to an *EIR* seminar in Germany.
- 44 International Intelligence**

## National

- 54 Death stalks California; will your family be next?**  
Voters are considering two hideous new ballot initiatives: one to legalize physician-assisted murder, and the other to slash public assistance.
- 56 Hurricane Andrew exposes bankruptcy of U.S. policy, says candidate LaRouche**
- 57 Bring some sanity to environmental policy**
- 58 Citizen candidates run for office on LaRouche program**
- 61 Elephants & Donkeys**  
He's b-a-a-ck—maybe.
- 62 National News**

## Dollar in free fall; world financial institutions quake

by John Hoefle and Marcia Merry

Within 24 hours of George Bush's speech Aug. 20 in Houston, Texas accepting his party's endorsement for "four more years," as the conventioners chanted, the dollar began a spectacular slide in value on currency markets the world over, hitting new lows against the deutschemark day by day from Aug. 21 to Aug. 26, until it finally "took a breather"—turning up by only a fraction of a pfennig. The dollar didn't even last four more days. Moreover, the institutions of the dollar era are quaking in anticipation of worse to come.

In contrast to the historic low exchange value of the dollar to the deutschemark of 1.443 (which occurred for a brief time during the Persian Gulf war in February 1991), the August plunge of the dollar took it down to DM 1.4315 on Friday, Aug. 21; then it dropped to DM 1.4015 on Monday, Aug. 24, and to DM 1.4020 on Tuesday, Aug. 25. These are record postwar lows for the dollar. Over just a two-week period in August, the dollar value fell 5% against the deutschemark.

Stock values also plunged on exchanges round the world from Aug. 21 to Aug. 26. The Dow Jones Industrial Average fell 50 points Aug. 21, the day after Bush's speech, and fell another 26 points the following day. The London FTSE/100 rose 6 points Aug. 21, then fell 55 points and 30 points over the next two days. From the close of trading Aug. 20, through the close of trading Aug. 26, the Dow was off 58 points, the FTSE/100 off 74 points, the Frankfurt DAX off 40 points, and the Paris CAC 40 off 56 points. "All the bourses languished," as the London *Financial Times* lamented.

The same declines occurred outside of European exchanges. The highly inflated levels on the Mexican Bolsa de Valores plunged. All the stock indices on the Australian exchange fell. And in Hong Kong, the Heng Shang Index registered a 2% fall.

The standard currency dollar rescue operations didn't

work this time around. On Aug. 21, there were five rounds of interventions by 17 banks. On Aug. 24, there were another two rounds by 15 banks, and the Federal Reserve itself jumped in. By Aug. 25, an estimated \$3.94 billion had been expended in the buying spree to prop up the dollar, but to no avail. Finally, after Aug. 27, what are described as "covert" central bank interventions had some effect.

The free fall of the dollar was front-page news outside the United States. "Central Banks Cannot Save Dollar," was the Aug. 24 headline of the German daily *Frankfurter Allgemeine Zeitung*.

However, in the United States, the dollar debacle was relegated to the inside business pages, somewhere behind sports. Only after several days, did the story push forward onto at least the front of the business section.

The response of presidential contenders George Bush and Bill Clinton was to shadow-box over "family values," not economic values, and vie for who could talk tougher on resuming the new "little war" against Iraq. As the dollar whizzed to new lows, Bush made headlines Aug. 27 announcing the imposition of his "no-fly zone" in southern Iraq.

### The causes

After its August free fall, the dollar ended about 20% lower against the mark, over just the past year. The immediate causes of the end-of-summer plunge are obvious. First, there was Bush's speech in Houston, which was a hodge-podge of gag lines—in all meanings of the word. He offered nothing for the real economy, nor for the parasites in the "financial world," that could be construed as backup for the dollar. Second, interest rates in Germany have been relatively high for six months. On Aug. 21, the gradual dumping of dollars turned into hysteria.

The deeper reason for this inevitable devaluation of the dollar lies in the deep decline of the U.S. economy over the past 25 years. Each passing week brings the announcement of some new bankruptcy, mass layoffs, or defaults, in the Anglo-American economic sphere—the United States, Canada, Australia, and Great Britain. August brought the refinancing crisis of the Chrysler Motors credit division, and the revelation that Citicorp, the nation's largest bank, has been secretly backed up by the Federal Reserve for months. Sept. 30 marks the end of the fiscal year, and the third quarter of the calendar year, so a tidal wave of insolvency announcements can be expected in early October, before the presidential election.

### **Institutional crisis**

Against the backdrop of the crumbling U.S. economy, the institutions that have directed the world dollar regime are likewise in disarray.

On July 4, in a review of the first half of 1992, political prisoner Lyndon LaRouche, now an independent presidential candidate, warned that “the next six to eight weeks are going to see the most dramatic changes in configurations of power and posture in the entire postwar period—more dramatic than those which accompanied the collapse of the Berlin Wall; perhaps more so, but at least analogous to it, in terms of fundamental change. More profound, in terms of fundamental change in the institutional array.”

In September, the International Monetary Fund meets in Washington, D.C. for its annual conference. Whatever IMF officials expect about continuing their power over national economies, reality shows that there is no “percentage” for a nation to go along with IMF demands. For example, even as the dollar was plunging, the IMF delegation arrived in Moscow to attempt to impose more austerity and collect unpayable debts. Will the IMF continue to get its way?

On Aug. 27 and 28, the Group of Seven (United States, Canada, Britain, Germany, France, Japan, and Italy) will meet in Paris, and they have on their agenda emergency action on the dollar, and special talks on Russia. The G-7 could reach no consensus on currencies at their last meeting in Munich in July, and this time around, no one expects the meeting to produce more than a diplomatic joint communiqué talking about “currency stability.” Russian Deputy Prime Minister Aleksandr Shokhin will be on hand for the talks. It is expected that he will receive a deferral from the G-7 on Russian debt payments, because Russia's other option is to cancel debts to western creditors.

Anglo-American financial interests have in the works grand new schemes for deeper looting, in order to back up the dollar, the pound, and favored stock values. These include the North American Free Trade Agreement (NAFTA) and a unified Europe under the Maastricht Treaty. However, these schemes are already in trouble, even before they officially come into existence.

In North America, free trade practices prior to a treaty have thrown thousands out of jobs in Canada and the United States, and created slave-labor conditions in Mexico, to the point where cholera has reached the southern banks of the Rio Grande—George Bush's “model” free trade zone! The NAFTA treaty itself, although signed by the United States and Mexico, has still to undergo eight months of congressional review, and may not survive.

The Maastricht Treaty, which calls for an all-powerful European central bank, a unified currency, and centralized economic power, is also in trouble. On Aug. 24, French polls came out showing that over 50% of the voters are likely to reject Maastricht in the Sept. 20 plebiscite. The Danes voted it down on June 2.

### **British pound in trouble, too**

The Anglo-American schemers behind these proposals are stewing in their own juice, since they have prediscouted the expected loot from these deals to prop up their crumbling currency and stock values. However, even before treaty approval, Britain's economy is so shattered, and its currency so weak, that the John Major government can hardly even play by the pre-Maastricht rules, and maintain the value of the pound above the floor level of the European Rate Mechanism (EMS).

When the dollar went into free fall Aug. 21, the British pound also dropped below the agreed-upon EMS level. On Aug. 26, Chancellor of the Exchequer Norman Lamont made a panic move, went to the Treasury building in the early hours, before the currency exchanges opened, and, speaking from the steps, appealed to foreign exchange dealers not to speculate against the pound! He said he wanted to erase any “scintilla of doubt” that the British government would defend the pound within the Exchange Rate Mechanism. “I just wanted to make the government's position absolutely clear. . . . There are going to be no devaluations,” Lamont said, reaffirming Britain's commitment to a common European monetary system. At the same time, the Bank of England intervened heavily to prop up the pound. Traders estimate that the bank bought £1 billion.

This stage show was set off by the circulation on Aug. 26 of an undelivered section of a speech by a German Bundesbank official, Reimut Jochimsen, the president of the North-Rhine Westphalia state central bank, and a member of the Bundesbank policy council. Jochimsen spoke of the potential for a “realignment” within the EMS, and said that this potential “has been suppressed for prestige reasons for years.” The remarks were taken as a warning that Britain and Italy would probably have to devalue their currencies.

Apparently under pressure, Jochimsen deleted the section about currency realignment from his speech when he delivered it to German stock market officials. But the circulation of the advance copy of his speech had been sufficient to give rise to visible hysteria among the oh-so-unflappable Brits.

# Scandinavian insurance crisis fueled by 'Reaganomics'

by Poul Rasmussen

Over the last two years, a storm of devastating financial crises has swept through the Scandinavian countries of Norway, Sweden, and Finland. Bankruptcies have hit banks, real estate companies, brokerage institutions, and insurance companies. Billions of the taxpayers' Norwegian and Swedish kroner and Finnish marks have been pumped in by government interventions to save the institutions. In just one year, the Norwegian government has spent more than 17 billion kroner (\$2.5 billion) to keep the Norwegian banking system afloat.

But one country seemed completely immune to the Scandinavian disease—Denmark. The fairy tale country of Hans Christian Andersen seemed to live in a world totally of its own. While banks collapsed and financial panic spread like wildfire on the Swedish side of the narrow sound separating the two countries, Denmark maintained an almost unreal economic atmosphere of tranquility and calm. For two years, Denmark has had the lowest inflation rate in the world, presently 2.25% per annum. Also, Denmark is probably the only country in the western world with a sizable trade surplus vis-à-vis both Germany and Japan. Danish export of sides of pork and bacon to Japan comfortably exceeds the import of Toyota and Honda cars. On top of this, German reunification has almost tripled the export of Danish industrial products to Germany.

Therefore, month after month, the tiny country of Denmark has presented a balance of payments surplus in the neighborhood of \$1-2 billion. Only a few years ago, Denmark had the dubious honor of having the largest debt per capita in the world. Now, to the delight of the international banks, the country is the fastest debt-repayer in the world—at the expense of 300,000 Danes unemployed, which is 10% of the work force.

## Growing bank crisis

During the second week of August, the Danish banks presented their earnings from the first half of 1992. And what a miserable sight. Denmark was definitely showing the first symptoms of the Scandinavian disease. Only three of the 10 largest banks could show profits, the rest presented losses anywhere from 10 million to 1 billion Danish kroner. Even the three banks that stayed out of the red ink had nothing to cheer about. They only posted earnings in the double-digit million range. And for one of them, the largest bank in Den-

mark, Den Danske Bank, the worst was still to come.

When Den Danske Bank presented its profit of a few million kroner, it looked good compared to the 1 billion kroner loss of the second largest Danish bank, Unibank. But a few days later the picture looked quite different.

On Aug. 19, Holger Lavesen, the chairman of the board of Hafnia, the second largest Danish insurance company, announced that Hafnia Holding, the mother company of Hafnia Insurance, could no longer meet its obligations on its 6 billion kroner (\$1.2 billion) debt and declared a stop on all payments. Therefore, in order to continue the daily operations of the insurance company, a new holding corporation, called Hafnia Holding of 1992, was established. All assets of the old Hafnia Holding were transferred to Hafnia Holding of 1992, while all the liabilities were left in the old holding corporation. Therefore, Hafnia Holding of 1992 now controlled assets worth 5.9 billion kroner.

This was very bad news for Den Danske Bank. Only seven weeks earlier, Den Danske Bank had injected 1.2 billion kroner into the ailing Hafnia Holding. This money was now gone forever.

The Hafnia bankruptcy sent shockwaves throughout the financial markets of Europe. When the news hit Frankfurt, the DAX index of the Frankfurt stock market fell 12 points or almost 1%, while the stocks of the German Commerzbank, one of the international financial backers of Hafnia, fell nearly 7% that day.

## The Scandinavian insurance war

On the surface, the Hafnia collapse simply drew Denmark into the Scandinavian financial crisis. But there is more to it than that. The downfall of Hafnia began in the spring of 1989, when the then-corporate director of Hafnia, Per Villum Hansen, decided to embark upon an American-style hostile takeover of the largest Danish insurance company Baltica.

Scandinavian insurance has been totally dominated by four large insurance companies: Hafnia and Baltica of Denmark, Uni Storbrand of Norway, and Skandia of Sweden. All of them are interconnected through mutual stock ownership. But in the spirit of the European Community plans for the "single market of 1992," and "only the biggest survive" philosophy, Hafnia wanted to become the one and only.

By November 1989, Baltica realized that a hostile take-



over attempt was under way, and protected itself through collaboration with the French Suez-Victoire Group. This did not stop Per Villum Hansen, and the Hafnia attack on Baltica continued throughout 1990. By the end of the year, Hafnia held 33.5% of Baltica stock.

During the fall of 1991, Hafnia and the Norwegian Uni Storbrand suddenly started another raid, this time on the Swedish Skandia Insurance. Baltica and Skandia tried to escape the Hafnia Uni Storbrand attack through a merger of the two companies. Hafnia managed to spoil that idea. Millions and millions of Norwegian and Danish kroner were used to buy up artificially inflated stocks.

### The dirty hand of McKinsey

For a long time, the directors of the Baltica Group were stunned by the aptness of Hafnia's strategic attacks. How could Per Villum Hansen and company strike as they did? How did they know what they knew? Hafnia clearly acted from inside information about Baltica. Where did that come from? Later, in the case of the Uni Storbrand attack on Skandia, the same pattern appeared. The Norwegians knew something about the Swedes that they were not supposed to know.

It was late in the fall of 1991 that Baltica found the leak: the U.S. consultant firm McKinsey & Co. For years, Baltica had been customers and collaborators of McKinsey & Co. Nevertheless, when Per Villum Hansen secretly hired McKinsey & Co. Denmark as consultants on the hostile takeover of Baltica, the head of the Danish branch, Jan Aarsoe Nielsen, did not say a word of warning to his old friend and customer Baltica.

Baltica Insurance is a part of the old Danish economic establishment, and it answered the McKinsey treason with ferocity. Within days, all the dirty tricks and shady dealings of McKinsey & Co. could be read about in the major Danish financial newspapers. Not only the Hafnia story came out, but also other examples of a dubious McKinsey role in hostile takeover bids in the Danish industrial community as well.

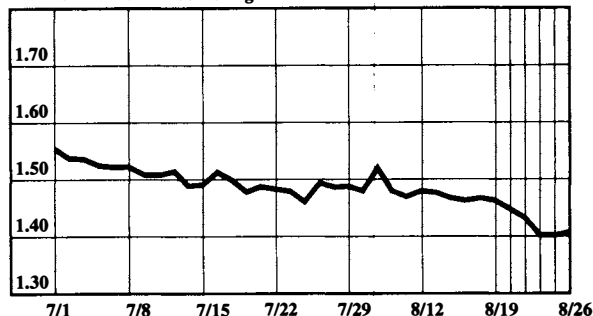
Most damaging was a full-page exposé in the Danish daily *Politiken* on how the small economic newsletter *Mandag Morgen (Monday Morning)* could present spectacular inside information about major Danish corporations. It was possible thanks to the personal friendship between the editor of the newsletter, Erik Rasmussen, and the head of McKinsey & Co. Denmark, Jan Aarsoe Nielsen. A few days later, Aarsoe Nielsen was no longer the head of McKinsey & Co. in Denmark.

On Aug. 25, the Norwegian Uni Storbrand went bankrupt, destroyed by the failed hostile takeovers. The combined collapse of Uni Storbrand and Hafnia will mark the beginning of the totally new economic tailspin throughout all of Scandinavia. And the cause of it was not only an import of the worst aspects of "Reaganomics," i.e., hostile takeovers and irresponsible financial speculation, but also the direct involvement of the U.S. experts in manipulation, McKinsey & Co.

## Currency Rates

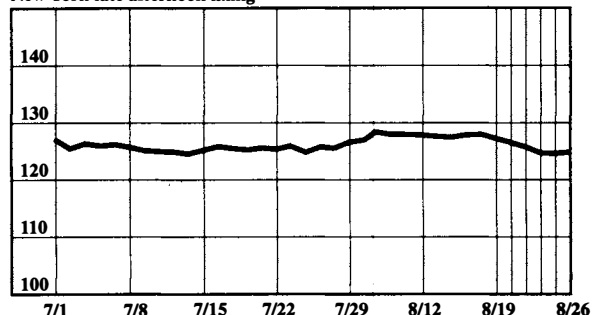
### The dollar in deutschemarks

New York late afternoon fixing



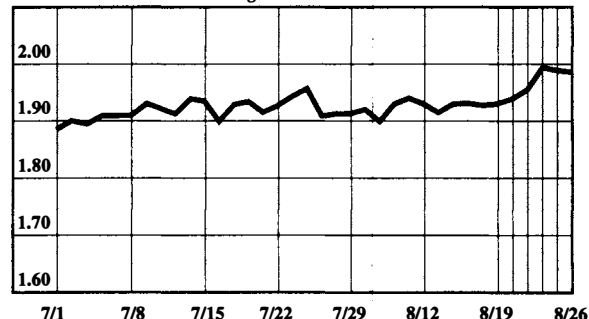
### The dollar in yen

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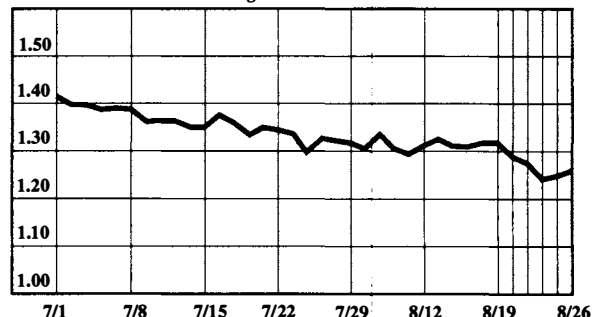
### The British pound in dollars

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



# Bankers squeeze Italy, remind some of 1922

by Leonardo Servadio

On Aug. 13, Moody's Investors Service dropped Italy to an AA3 credit rating. One of the main reasons given was the default of Efim (Ente Partecipazioni e Finanziamento Industria Manifatturiera), a holding company linked to the Italian state which is responsible for bailing out public industries on the verge of bankruptcy.

With a \$3 billion exposure on the international markets, the Italian government decided to close down Efim and start proceedings to liquidate it. The foreign creditors did not accept the terms set by Italy, and in tandem with Moody's downgrading, they threatened legal action in a City of London court to have Efim declared in default. If successful, the suit would allow them to reject the Italian government's payment plan (80% of the debt over five years), and impose immediate collection of all of Efim's debt, or else all the properties of Efim could be seized by the creditors. These include strategically key industries like the helicopter maker, Augusta. Foreign creditor banks are also threatening to bankrupt all the other state-owned Italian corporations, unless the Efim debt is immediately repaid in full.

## Like Mexico in 1982

Discussions are ongoing in London between the international bankers (including Mitsubishi, Chemical Bank, Bankers Trust, Union Bank of Switzerland, and Barclays) and the Italian state. The banks claim they loaned to Efim because it was known to be state-backed, and on this basis are demanding immediate repayment. The Italian state claims that the credits were given at market interest rates, i.e., at rates used for entities which are considered at risk, and so insists on its partial repayment schedule. The pressure is mounting as the negotiations go on. The Aug. 20 *Wall Street Journal* quoted bankers comparing the Efim case to that of the bank nationalization declared by Mexico in 1982, and threatening retaliation.

Meanwhile, Enrico Cuccia, chairman of Mediobanca, Italy's only merchant bank, put out the word that it is time to privatize Banca Commerciale, one of the biggest and most profitable Italian banks.

Banca Commerciale, or "Comit," is a public bank. The very Anglophile Sr. Cuccia, the *éminence grise* of Italian capitalism, has had a plan for some years to make Comit "the"

bank of northern Italian capital. Comit is the only Italian commercial bank and the first bank to have been privatized by 50% a few years ago.

Cuccia's plan is called *Galaxy of the North*. The Cuccia-controlled Mediobanca would buy the majority of the shares of Comit in alliance with Assicurazioni Generali, the Venetian insurance octopus, and the Gemina holding company. Gemina is dominated by the Agnelli, the Fiat auto tycoons, but all the major capitalist families of northern Italy—the Pirelli tire fortune, the Pesenti cement magnates, the Orlando, Lucchini, and so forth—have substantial shares in it.

Albeit this group includes Italy's biggest capitalist fat cats, they do not have enough money to buy Comit: They would need to be joined by a foreign bank. Cuccia is known as a longstanding friend of Lazard Frères, the New York investment house.

The daily *Corriere della Sera* on Aug. 21 stressed that the Comit privatization was rejected when Cuccia first proposed it three years ago. Today, the Italian state may not have the strength to reject it. Politically, the state is under attack by the North League. Legally, all the political parties are in the dock of Judge Di Pietro's kickback investigations. The Efim story has eroded Italy's credibility abroad. "With the selling of Comit the government would suddenly get back an enormous credibility on the international markets," wrote *Corriere's* Giuseppe Turani.

Turani's articles in *Corriere* and in the Aug. 20 *Wall Street Journal*, have an overtone of blackmail. It is worth pointing out that the three years since Cuccia first floated his "Galaxy of the North," coincide with the meteoric rise from nothing of the North League as a regional, quasi-secessionist party, and the scandal-ridden collapse of more traditional parties.

Former Christian Democratic Party president Flaminio Piccoli, in an interview published in the weekly *Il Sabato* on Aug. 20, foresees "an extremely hot autumn." "The big apparatus which manipulates things in Sicily and that has killed [Judges] Falcone and Borsellino is not Sicilian. It is an Italian apparatus. It hits in Sicily because it is the weak point of the system. But we will feel its bite also in Rome and Milan. There will be blood in the streets. . . . Therefore, I say that Di Pietro is in danger. They need a victim . . . in order to say: See, they killed the one who was putting in jail the thieves in the parties." Judge Di Pietro's prosecution of the kickback scandals has made him a national hero of the revolt against the "party system."

Who will profit from this turmoil? "Those who will come after," said Piccoli. "I see an analogy between now and 1922. And the new Fascism can have many different faces." In 1922, national-socialist agitator Benito Mussolini, backed by the City of London and northern Italian capital, staged a ridiculous March on Rome which could have been stopped in minutes by the Italian Army. Instead, he went on to install the Fascist dictatorship.

# Australia's budget: more of the same

by Don Veitch

The recently released 1992-93 budget for Australia is a defeatist document. It accepts 11% unemployment, does nothing to arrest the decline of infrastructure and investment in the physical economy, and accepts the British school of economics being peddled by the International Monetary Fund (IMF): the need for free market rules, international competitiveness, and "sustainable growth." Treasurer John Dawkins, when presenting the budget, even referred to the need to be aware of "climate changes" and their impact on the economy. There is no future for Australia with this brand of economic theory and practice.

Despite Dawkins's claims to create 800,000 jobs, the budget includes no discretionary spending. The economic measures are meant to minimize the political fallout from what former treasurer and now Prime Minister Paul Keating called "the recession we had to have." It is a grab bag of temporary and shortsighted adjustments all timed to favorably affect the next election (possibly March-April 1993): phony labor "training" schemes, increased pensions, drought relief, and jobs at local council level. None of these measures offers the hope of recovery or development.

Revenue measures include a 20% tax on cigarettes and a slightly higher Medicare levy. The deficit will increase from \$9 billion to \$14 billion, largely due to a collapse in revenue. None of the measures attempts to confront the nation's problems—decaying infrastructure, land degradation, private sector disinvestment, a \$180 billion foreign debt, and 11% unemployment. It is "free market" policies which gave Australia its problems, yet more of the same is being offered by the Labor Party government and the Liberal Party opposition. The Fabian traditions of Labor and the Anglophile outlook of the Liberals have converged to make the programs of these two parties barely distinguishable. They are incapable now of devising imaginative and worthwhile programs to save the nation.

## CEC offers real alternative

The only credible alternative program has been offered by the third force in Australian politics, the Citizens Electoral Councils. Their "Sovereign Australia" program, developed in 1990, calls for a massive new infrastructure outlay program to bring Australia back from inevitable economic collapse. What Australia requires in the 1990s is infrastructure investment, encouragement of agro-industrial development, and a renewed emphasis on science, technology, and

quality education.

Far from rebuilding Australia's infrastructure, this budget accentuates its decline. The capital works program is largely illusory. Much so-called investment will be replacement of older assets, refurbishing of old buildings, clearing gutters, "rock painting," and tree planting. Over \$187 million will be spent on a new office building for the Foreign Affairs department in Canberra.

Some \$2 billion is to be raised by the selling of infrastructure at bargain prices. Planned sales are the Commonwealth Serum Laboratories, which is researching plasma, vaccines, and antibiotics; the Snowy Mountains Engineering Corp., which could build power and water projects in Asia and Africa; and Qantos, the nation's shipping line. Loss of these bodies will emasculate Australia's ability to rebuild and contribute to the region. The \$2 billion raised is a short-term windfall and a long-term disaster. Already, Labor governments have sold government banks which historically have provided funds for infrastructure and housing. The federal government consequently has a \$46 billion debt to private banks and other money lenders.

The agro-industrial base has declined dramatically in the last 10 years and business leaders have criticized this budget as one of lost opportunities. Business has been disinvesting for three years. In 1991-92, private investment fell by 14%. Business predicts a further 4% fall in 1992-93. Despite this, there are no incentives such as tax holidays, depreciation acceleration, or finance support. Business has claimed that a restructuring of R&D will undermine projects and that business will have increased burdens under this budget, which, in the final analysis, is an attack on the nation's physical economy.

Research and development funds will be harder to get and funded research agents such as CSIRO and the Australian Nuclear Science and Technology Organization will wither through neglect. Young Australians unable to find jobs will be forced to undertake farcical and useless "retraining" schemes. Retraining for what? These economic policies will destroy future worthwhile jobs.

It is likely that Labor will lose the next election, but there will be no revision of policies, for waiting to take over as the next prime minister is former IMF executive Dr. John Hewson. In his budget reply, Hewson lauded the free market, individual greed, and the taxation system of the British Crown Colony of Hong Kong, and opposed any government intervention. This former professor of economics has bragged that he became a free-marketeer because his computer model "proved" that the free market system achieved the best results. His advisers have confided that Hewson knows nothing of history and cares little for national sovereignty. He will most likely be the next prime minister of Australia, and his major policy initiatives will be to impose a 15% sales tax, eliminate *all* tariffs by the year 2000, and totally deregulate the labor market, i.e., eliminate trade unions.

# New shock program in Venezuela threatens more social explosions

by Alfonso Rodríguez

Venezuelan President Carlos Andrés Pérez presented a draconian austerity program to the nation Aug. 23, which promises to yield the same results as his shock program of 1989: economic devastation and violent social protests. The most stunning aspect of Pérez's pronouncement is that it was made in the midst of a heated national debate challenging the very legitimacy of the government itself. Only days earlier, Col. Hugo Chávez, the imprisoned leader of the Revolutionary Bolivarian Movement, told the Argentine daily *El Cronista* that there was imminent threat of civil war in Venezuela.

The new "anti-inflationary" package consists of a wage freeze; elimination of vacant posts in the public sector; raising taxes; and accelerating privatization, beginning with sale of stocks of Pequiven, the state petrochemicals company; Alcasa, Venezuela's first aluminum company; and portions of the state steel complex Sidor.

With his austerity program, President Pérez hopes to win the political backing of the Social Christian Party (COPEI), whose leader Eduardo Fernández has insisted on such measures as the condition for COPEI's support in Congress for Pérez's tax and financial reform. The reform, in turn, involves creating a value-added tax and a tax on company profits which will supposedly help to resolve this year's enormous fiscal deficit as well as that projected for 1993.

The worst impact of the new measures will fall on Venezuela's growing army of unemployed who, at least as far as the state is concerned, are to remain unemployed. The private sector, too, has halted all hiring, since private investment has also been frozen. The new degree of social crisis that Pérez's "package" will open up raises the question of whether the state and municipal elections scheduled for December will come off.

Along with his economic measures, Pérez is preparing for any eventuality. According to observers, if military force is required to implement his austerity plan, Pérez will attempt to take another step in the direction he began June 11, when he passed several sinecures in his cabinet to the military. However, it remains to be seen whether the Armed Forces will support the austerity plan should the looting and other social explosions of Feb. 27, 1989 recur.

## In honor of usury

In his nationally televised address, Pérez spoke of a country which no one recognized as Venezuela. "Since this constitutional period began, we have resolved the foreign debt crisis we inherited in 1989," said Pérez. The Aug. 25 editorial of *El Diario de Caracas* observed that Pérez "didn't even talk about reducing the burden of foreign debt payments," whose annual servicing is the real cause of the fiscal deficit. Thus, comments the editorial, while refusing to embrace "any of the recommendations for an international discussion of the impossibility of continuing to pay that debt," the new austerity package leaves "two major subsidies intact: that which we pay the international banks" and "that which we pay to maintain a pseudo-democracy." In the nearly four years of Pérez's government, Venezuela has spent one out of every three bolívares in servicing the domestic or foreign public debt.

De facto, should the new taxes be approved, all new revenues will go directly to the country's creditors. In 1992, debt service will be approximately \$5.642 billion, about \$2.239 billion more than in 1991. As *El Universal* director Carlos Croes said Aug. 24, "This last figure is what the government hopes to collect with the new taxes. Conclusion: We are going to pay taxes to pay the debt that neither you nor I contracted."

The fact is that the 1992 budget crisis is the direct consequence of the absolute ineptitude of those who prepared the budget. So enraptured were these financial geniuses with the restructuring of two-thirds of Venezuela's debt (which left a payment schedule more onerous than before the restructuring!), that they forgot that the remaining third of the debt began to come due this year. Thus it happened that by mid-year, the government had to increase public expenditure by \$1.341 billion to meet part of this debt payment. To keep the money flowing, the government sought authorization from Congress to issue treasury letters for this amount, with which the already-inflated internal debt rose still further.

According to Planning Minister Ricardo Haussman, the increase in this year's internal indebtedness will cost the government nearly \$1 billion more in interest payments for 1993.

## The foreign trade fiasco

"We opened the economy to foreign trade, and this has given Venezuelans access to more and better products, while the world will buy more and more Venezuelan products," was another of the exotic pearls President Pérez offered in his televised message. The truth is that Venezuela's non-traditional exports have constantly fallen since 1990, when it was discovered that their supposed increase that year was in fact due to the fraudulent use of "export bonds." In mid-1990, the subsidy was suspended when it was learned that some wise-guy "neo-exporters" were collecting the bonds for nonexistent exports.

What has been growing are imports, which could cause a current account deficit this year and force the use of international reserves to cover the difference. Indeed, it is the fall in Venezuela's oil income which has finally unveiled the deficit. In 1993, the approximately \$7.5 billion in oil revenues for the state "will only manage to cover current expenses of public administration and to meet foreign debt service payments higher than the \$2.5 billion disbursed this year," according to Marcos Morales, director of the office of the budget.

Non-oil exports, which Pérez's policy is intended to encourage, are far from meeting the increase in imports. The imbalances of \$3.267 billion in 1990 and of \$7.321 billion in 1991 have been covered by oil income, after paying debt service. Oil earnings in 1992 will be insufficient to cover the anticipated deficit of \$9.080 billion. Already, in mid-year, it is estimated that reserves have fallen \$3.5 billion.

It is an open secret that there is a huge quantity of drug money being "laundered" as imports. In late 1991, the U.S. Drug Enforcement Administration (DEA) seized 12 tons of cocaine in New York and in Houston, which had left Venezuela on the boat *Mercadian Continent*. In following the paper trail in Venezuela, it was discovered that the owners of the cocaine had a network of export and import companies. Through the first, they sent out the drug, and, through the second, brought in the profit in the form of home appliances and other such products. In 1991 alone, some \$700 million in estimated drug profits entered the country.

## Liquidating state assets

To begin with, announced Pérez, the petrochemical company Pequiven "should open itself up to private capital, and place its stocks on the world's major exchanges." Pérez also ordered the privatization of Caronía Aluminum (Alcasa), and of the tube and pellet plant of Orinoco Steel (Sidor); it has yet to be decided whether this will be through the stock exchange or on the auction block. Both companies, administered by the Venezuelan Corporation of Guayana (CVG), are among the state's most solid assets aside from oil. The liquidation of these companies will in no way reduce the "tax burden," but rather will eliminate one of the state's most important sources of income. From Pérez's standpoint,

of course, they represent immediate liquidity with which to honor the debt.

The word out is that one of those most interested in buying up both Pequiven and Alcasa could be investor Gustavo Cisneros, an intimate of Carlos Andrés Pérez. Cisneros had promised to open a petrochemical and aluminum plant through a debt-for-equity conversion scheme, but the program had run out. For Cisneros, direct privatization could prove to be more "efficient."

## Another coup attempt in store?

On Aug. 20, the daily *El Universal* reproduced a UPI news story reporting on the statements of Col. Hugo Chávez to the Argentine newspaper *El Cronista*. "Everything appears to be ready for a confrontation of incalculable proportions, that could degenerate into a civil war," Chávez said. The Pérez government "meanwhile refuses to carry out the profound changes that the current state of affairs demands, reaching the extreme of hiring foreigners and equipping paramilitary forces with sophisticated war matériel," the note added. "They have constructed virtual fortresses where they think they will be able to resist what we consider inevitable: a new civil-military offensive," Chávez concluded.

Chávez is not the only one issuing such warnings. Venezuelan Foreign Minister Gen. Fernando Ochoa Antich, the country's former defense minister, also warned on an Aug. 19 television program of the danger entailed in the constant confrontation between the government and members of the Revolutionary Bolivarian Movement within the Armed Forces. If a policy aimed at achieving harmony within the Armed Forces is not pursued, and if the changes the population awaits are not forthcoming, democracy will not survive, concluded General Ochoa.

A similar warning, but of still greater significance, was given during a meeting on "The Potential Venezuela," held Aug. 15 at the Hotel Melia Caribe in Caracas. Attending the gathering were figures from various political tendencies as well as representatives of several popular associations, all meeting to formulate a common program. Prominent among the gathering was author and politician Arturo Uslar Pietri, who reiterated that the solution to Venezuela's problems must begin with the resignation of Carlos Andrés Pérez.

Also addressing the forum on achieving a solution not only to Venezuela problems, but to those of the continent as a whole, was Alejandro Peña Esclusa, leader of the Venezuelan chapter of the Ibero-American Solidarity Movement (MSI). Peña warned that the Anglo-American financial system was undergoing a dramatic collapse, and of the dangers posed by those who would try to maintain it at any and all cost. Peña stressed that the moment for Ibero-America to explode the debt bomb and to proceed with the business of constructing genuine Ibero-American economic integration was never more propitious.

# Wang, Baby Bells lead in job losses

by Anthony K. Wikrent

New claims for unemployment benefits in the United States took their highest leap in over 10 years the second week of August, with a 71,000 increase over the previous week. Though government officials dismissed the jump as resulting from a two-week shutdown of all General Motors plants in the United States earlier in the month, the leap in claims once again highlights how farcical are the assertions of the Bush administration, Congress, media pundits, professional economists, and business leaders, who all refuse to acknowledge the depression collapse of the U.S. economy.

The leader in job losses was Wang Laboratories, Inc., the early 1980s innovator of office word-processing computer equipment headquartered in Lowell, Massachusetts, which filed for Chapter 11 bankruptcy protection on Aug. 18, with \$1.3 billion in debts, but only \$1.0 billion in assets. Wang announced that as part of its "downsizing," it was eliminating 5,000 jobs, or 38% of Wang's remaining work force of 13,000, over the next few weeks. At its peak in the mid-1980s, Wang had 31,500 employees.

Two days later, Ameritech Corp., parent of the Bell Telephone companies serving Illinois, Indiana, Michigan, Ohio, and Wisconsin, announced it is eliminating 2,500 management jobs by next April.

"This program is part of a continuing attempt to streamline our operations, eliminate obsolete or redundant work, and create more efficient and nimble organizations," said Martha Thornton, Ameritech senior vice president of human resources. "By eliminating certain positions and reducing our management layers, and concurrently empowering our employees and redirecting our business, we expect to be leaner and more successful. . . . Because our industry is changing so rapidly and will continue to do so in the future, we must constantly evaluate our operations and adjust accordingly if we are to remain successful," he said.

The following day, it was New York's turn. Nynex Corp., the regional telephone company serving New York City and New England announced the termination of up to 1,800 management jobs as part of a plan to reduce costs and stay competitive in the telecommunications market. The cuts are part of a staff reduction program announced by Nynex in September 1991, and will affect 500-1,000 management employees at New York Telephone, 350-400 at New England Telephone, and about 400 at Telesector Resource Group in White Plains, New York.

Other, smaller cuts in employment came in a wide range of other industries, demonstrating that the economic downturn in the United States is not localized to any one geographic region or economic sector. LSI Logic Corp., in Milpitas, California, which specializes in making custom-designed microprocessors and integrated circuits, announced it had slashed 175 jobs, or 4% of its work force. Most, but not all, of the job losses are actually in Germany, where LSI has an assembly and testing facility in Braunschweig.

Wilfred Corrigan, LSI's chairman and chief executive officer, said, "The reality is that our cost structure is out of line with the current level of revenues and we are compelled to reduce costs, and do it quickly." He also warned that LSI plans to eliminate more jobs, and said that over the next 18 months, significant amounts of "sub-micron" volume manufacturing now performed in the United States would be transferred to a joint-venture wafer factory in Japan, due to open next year. "Over time, the work force will be adjusted in accordance with the changes anticipated for the company's manufacturing requirements," said Corrigan.

## Environmental costs too high

Sun Co. announced Aug. 25 that it was ending gas marketing operations at its refinery in Tulsa, Oklahoma, because of poor operating margins and the rapidly escalating costs of meeting new environmental regulations. The action results in the loss of 200 of the 490 jobs.

"Today's environmental regulations are causing U.S. refiners to either incur significant costs or to realign or close their operations," said Robert Campbell, chairman of Sun. "In our case, the prospective investment of more than \$150 million over the next five years, primarily for environmental purposes, was too staggering to maintain our current fuels operation, given the poor level of profitability in our Tulsa system and the refining industry in general," he said. "We examined numerous options, including outright sale of the refinery, joint venture, and closure, and believe we arrived at the best choice, given the impact on all constituents."

Mentor Graphics Corp., of Wilsonville, Oregon, which produces electronic design systems for the electrical engineering industry, announced Aug. 26 that it would cut 100-200 jobs from its present work force of 2,400.

Komatsu Dresser Co., the construction equipment-manufacturing joint venture between Komatsu Co. of Japan and Dresser Industries, laid off 22 workers at its Peoria, Illinois plant on Aug. 21, and announced that 78 more will be laid off by the end of the month, leaving about 890 workers. The company said the layoffs are necessary because the world market for mining trucks continues to be "severely depressed." The week before, Komatsu Dresser announced it is closing its Libertyville, Illinois plant, putting 200 people out of work. The company said the plant, just remodeled two years ago at a cost of \$25 million, will be mothballed for two years.

# Cheikh Anta Diop: a visionary who wanted fusion power for Africa

by Lawrence K. Freeman

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## **Black Africa: The Economic and Cultural Basis for a Federated State**

by Cheikh Anta Diop

Africa World Press, Trenton, N.J., 1987

125 pages, paperbound, \$7.95

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This little gem of a book by the great Senegalese intellectual Cheikh Anta Diop, although less well known than many other of Diop's longer books on African history and culture, is extremely relevant to the very existence of the African continent as we know it today. His refreshing and exciting approach to the industrialization of Africa stands in stark contrast to the death and destruction that are ravaging the continent today through war, starvation, and disease. It is precisely the absence of a nuclear-powered, industrialized Africa, as advocated by Diop and by presidential candidate U.S. Lyndon LaRouche, that has allowed the International Monetary Fund, through its infamous "structural adjustment programs" and "conditionalities," to bring the African continent to the brink of destruction.

One central theme of the book is the need to create a federal framework for all African countries similar to a common market. However, this is not to be seen as an empty political structure, but rather a necessity to promote massive continent-wide economic development premised on the production of billions of watts of new electrical power. For Diop, this means, first and foremost, nuclear energy. He writes, ". . . with effective control of thermonuclear reactions, the energy needs of the planet would be answered for a period of a billion—repeat, 1 billion—years." Keep in mind that this farsighted, breathtaking perspective of a nuclear-powered Africa was first put forward by Diop no later than 1960!

One can only imagine the howling and screaming from the leftists, the environmentalists, and the cultural relativists, when Diop, an African revolutionary, a freedom-fighter for Senegal, and a leading scientist, called for the unbridled

development of nuclear fusion energy.

While thermonuclear power is being developed, Diop outlined how Africa can utilize its enormous potential of unused hydroelectric energy, which leads the world in its reserves of billions of kilowatt-hours. Diop in Part II, "Compendium of Energy Sources," reports: "The Zaire River . . . by itself holds more 600 billion kilowatt-hours of annual reserve or two-thirds of the entire production of the world at the present time." He also discusses how nuclear breeder reactors, "using high-velocity sodium-cooled neutrons, are the reactors of the future for the industrial exploitation of atomic energy."

After several pages of scientific explanation of how nuclear fusion works, he discusses the relationship between hydroelectric and fusion power, which might be a bit outdated today, but nevertheless shows how his creative mind envisioned the potential for Africa's industrialization. "Production and processing centers would necessarily have to be near the sea in Africa. A territory such as Zaire would be in especially good position. Indeed, in view of what was said above, creation of thermonuclear energy will first require expenditure of an enormous amount of electrical energy for electrolysis. Hydraulic energy could prove economical for such an operation."

## **Hamiltonian plan for Africa**

In Part III, "The Industrialization of Black Africa," Diop divides Africa into zones for industrial development and analyzes the potential for growth in those areas, as well as for various agricultural, manufacturing, and fishing products, much the same as Alexander Hamilton did for the young United States. He describes the enormously rich mineral reserves located in the Zaire River Basin, which, coupled with the untapped hydroelectric energy available, highlights the wonderful potential for this area, contrasting sharply with the deplorable "sub-human" living conditions that currently exist. Listen to what Diop envisioned:

"With its 650 billion kilowatt-hours of annual reserves of hydraulic energy . . . the Zaire River Basin is destined to become the leading industrial region of Africa, the principal

center of our heavy industry. In the final stage, hydraulic energy will supply all the electricity needed for various branches of industry using the resources of raw materials in neighboring territories: the coking coal of South Africa and Southern Rhodesia (Zimbabwe), the iron of Angola and even Zaire, cobalt (65% of world production); chromium (one-third of world production); tantalum . . . cadmium, vanadium, manganese, tin, copper (overlapping from Upper Shabby into Zambia), the richest ore in the world; zinc, lead, silver, industrial diamonds, gold, uranium. . . .

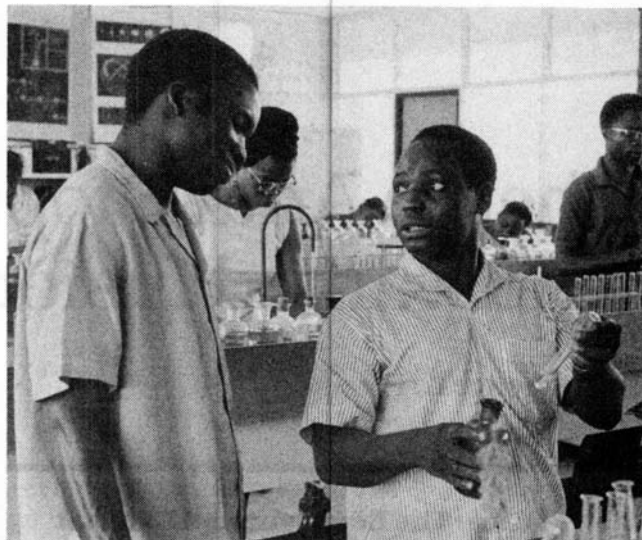
"The simultaneous abundance of hydraulically created electricity and nonferrous metals makes this region especially suited for the fabrication of specialized steels for strategic of domestic uses, having numerous industrial applications."

Diop had no illusions about what it would take to industrialize Africa. He understood that, at first, prefabricated factories using the most advanced technologies in the heavy metal industries, electronics, etc. would have to be imported with trained foreign personnel, who would be replaced by African technicians as they in turn became trained. He had hoped that this would be part of an industrial infrastructure program that would eventually lead to establishing local assembly production plants for machines, tractors, planes, automobiles, and so on.

In the concluding section of his book, "14 Steps to African Unity," Diop locates some of the most important functions that the sovereign state must perform to ensure the durable survival of its society. I will only cite two of the points. Number 8: "To create a powerful State Industry, giving primacy to industrialization, development and mechanization of agriculture." And number 10: "To create the technical institutes without which a modern State cannot exist: nuclear physics and chemistry, electronics, aeronautics, applied chemistry, and so on."

### The 'mission of culture'

When asked by an interviewer, "What is the mission of culture?" Diop replied, "Survival and creativity. Man must create to survive. To create he must ensure his survival." Diop's understanding of natural law flowed from his own creative-scientific mind. He said, "Man's mission is creation." Diop polemicized against any false notion that there would be an African renaissance without recovering the "creativity of our peoples" and against the misconception of political sovereignty without economic sovereignty. He was also keenly aware that without a national language capable of communicating advanced ideas, there was little hope that Africa would become truly sovereign. Diop rejected the simplistic "psychic" or introspective features to a Black-African cultural rehabilitation and insisted, "The cultural renaissance of our people is inconceivable outside of the restoration of both our historical past and our language to a privileged position as the vehicles of modern education, technology, science, and the creative sensibility of our people."



*A laboratory at a teachers' college in Lagos, Nigeria. Diop's program for African unity included the requirement "to create the technical institutes without which a modern State cannot exist."*

Unfortunately, we are unable to probe further into his thoughts, because Cheikh Anta Diop died in 1987 at the age of 65. There is no question that Diop's work was intended to bring into existence an economically viable and independent, federated Africa, free from the chains of imperialism. How much sovereignty each country was to have in this federation remains unclear. He also recognized that it was only by "throwing off the (iniquitous) conditions of the international marketplace" that his vision for economic development was possible. Diop seemed to orient to the "command economy" model of China and the Soviet Union as an alternative to the colonialist free trade policies of the West, but this is another subject which he does not say very much about. There is little doubt in this author's mind that he would have easily grasped and supported the American System alternative of Lyndon LaRouche's economic program, once it had been discussed with him.

Diop's method and policies were not perfect, but he is a shining ray of light when compared to the labor-intensive, low-technology, genocidal policies that are being promoted in Africa today.

The survival of Africa is a moral test for the whole civilized world. It is also a test for African leadership. We know what has to be done. Diop put forth a workable program over 30 years ago. Today, Lyndon LaRouche has put on the table a whole array of infrastructure development projects that would transform the presently dying continent of Africa into a beautiful garden of economic growth, capable of supporting several billion people. What is required to save Africa, before it is too late, is a very specific quality of intellectual courage needed to implement these programs. Let us not shrink from these tasks.



## Stock markets for Africa

*Two "liberal economists" are proposing stock markets and extensive privatization, à la Ibero-America.*

Although the World Health Organization's recent report on AIDS counts 7.4 million infected Africans, two articles in the July issue of *Jeune Afrique Economie* act as if nothing at all had happened. Quite the contrary, Alain Lenoir ("What Kind of Stock Market for Africa?") and Martin Kamguem ("Africa's Interest in Privatization") console themselves that Africa is again jumping on the liberal economic bandwagon which has swept the world since the fall of communism.

Alain Lenoir, who is a delegate for Africa and the Indian Ocean to the International Center for Training of the Banking Profession, maintains that Africa must develop stock markets. Currently there are altogether no more than a dozen markets on the continent, the principal one being in Cairo, which was created in 1883. Roughly 1,000 firms are quoted on the market in all of Africa, for the equivalent of \$6 billion in capital. This is nothing compared to other Third World countries, underscores Lenoir. The stock market in Rio de Janeiro, Brazil, alone quotes 630 firms, whereas South Korea's has a market capital volume on the order of \$140 billion.

Lenoir cites the Ibero-American markets as an example for Africa. However, what he doesn't say is that the success of those markets can be laid to the repatriation of drug money (attracted by various amnesties and by very high bank interest rates), and the drug money laundering locally.

Martin Kamguem, senior lecturer at the University of Paris North, in his article, deplors the slow rate at which

Africa is privatizing the public sector. "The triumph of liberalism translates itself, in economic terms, into the multiplication of privatizations of public enterprises in the world. Once again Africa is on this track, even though, at present, the intervention of lending institutions is forcing certain countries to take this route, which, after careful study, represents a real opportunity for development." Kamguem claims that this is a question of theoretical economics: "The transfer to the private sector of production and the reduction of state undertakings in order to liberate market forces, is of such a nature as to ameliorate society's well-being."

As all those who closely follow the economic evolution of developing sector countries well know, this type of reasoning is pure lying. Privatization is demanded by creditors, via the International Monetary Fund, the World Bank, and other financial control institutions, in order to ensure the foreign debt payment of these countries. A certain number of Africans fear, reports Kamguem, that privatizations constitute "cheap selloff of the national patrimony," a fear which is clearly justified.

Africa's public sector enterprises make up a reservoir of qualifications and skills which these countries must preserve. During the 1970s, the public sector contributed upward of 17% of the Gross National Product of sub-Saharan Africa. Privatization increased during the 1980s, and is now reaching its apogee, after the fall of communism.

According to Kamguem, public sector enterprises represent "in and of themselves, and depending on the country, between 30 and 60% of the national production, of the credits to the economy, and of employment in the modernized sector. In Cameroon, the public sector produces 40% of the valued added to the entirety of the industrial sector (as against 50% for Zambia and 90% for Marxist Ethiopia). In Guinea, it makes up 75% of total employment and soaks up close to 90% of local bank credit. In Senegal, 148 of the recorded public enterprises (out of a total of 321) produce 43% of the value added. . . ."

As for who the real beneficiaries are and how privatizations occur, the author specifies: "Ninety-five percent of privatizations carried out in Africa have profited foreigners, with not even one initiative on any scale having been taken to involve and bring in participation from local investors." Privatizations were accomplished under conditions which paid no attention whatever to the "transparency" demanded of the relevant African authorities by international financial institutions. "The authorities have opted for complaisance or dissimulation, while claiming there are not enough local investors (all countries variously), the inability to adapt financial resources in circulation within the informal networks (Cameroon, Benin, Senegal), or even ultimate recourse to the funds of Africans living overseas (Senegal)." Everywhere, privatizations have been artfully veiled: The criteria by which enterprises are chosen for privatization, the methods of evaluation, the conditions for sale, the list of enterprises to leave the public domain, these are known only by a handful of individuals. The requests for offers are only parsimoniously published, and often only after new purchasers have already been chosen.

## European farmers take to the streets

*Faced with falling prices, rising costs, and bankruptcy, farmers are protesting—but not yet in the United States.*

**P**rotest actions of all sorts—demonstrations, street blockades, the occupation of offices and government ministries—have erupted in the past few weeks, as worldwide agricultural production collapses. In the forefront of the agrarian protests in Europe have been the farmers of Russia, Poland, and France.

The collapse in Russian food production is the most dramatic. Farmers have been mobilizing against the agricultural policy of the government of President Boris Yeltsin and Acting Prime Minister Yegor Gaidar. Beginning on Aug. 6, farmers' protests were held throughout Russia. Tractor caravans were used to blockade St. Petersburg and Moscow. They demonstrated outside of government buildings in Moscow, calling for subsidies to cover the price increases for fertilizers, fuel, and farm machinery.

In the cities of the Volga region, farmers announced that they would refuse to sell their grain and other produce to the state, in protest against the low prices they are receiving. The price-cost gap is bankrupting Russian agriculture. The agricultural machinery industry is also undergoing bankruptcy and collapse. The largest combine producer in the country has had to stop work because of financial problems. Meanwhile, the food consumption of the Russian people is declining. Per capita consumption of meat has dropped to the level of the 1950s, and undernourishment is becoming widespread.

The Polish crisis is equally dramatic, and the farmer protests there

have become the leading edge of the struggle against the takeover of eastern Europe by the International Monetary Fund bankers. The Union for the Self-Defense of Polish Farmers has made specific demands that the government break with the London-centered financial institutions which have been looting the country with their "free market reforms" and the IMF's devastating austerity package. Despite heavy police and "special forces" deployment against their demonstrations, they have not stopped mobilizing. The slogan in their central office is, "Either the banks finish us off, or we finish them off."

In France, a new farm movement called Land Coordination has been organizing and carrying out farm protests for weeks. In response to their protests against the huge cut in grain prices under the recently approved "reform" of the Common Agriculture Program (CAP), the government passed a billion-dollar aid program. This was angrily rejected by Land Coordination, at the same time that the French Farmers' Union, the official farmers' organization, praised it. The farmers said they want prices that cover the cost of production, not charity. Land Coordination intends to carry out protests across Europe in the coming months.

Swedish farmers are also protesting the CAP-imposed price reductions for grain, while Danish farmers have sent a list of demands to the government which have been getting banner headlines in the press. One out of every three farms in Denmark is

facing bankruptcy due to drought-caused harvest damage, and farmers are demanding \$2 billion worth of government aid to deal with the drought crisis. They say that if the government does not come up with this amount, it will have to pay seven times as much in unemployment compensation.

Thanks to the firm control of U.S. farmers, so far at least, by impotent and establishment-backed farm organizations, U.S. farmers have been meekly accepting "market driven" price reductions and massive liquidations of family farms, 6-700 per week. Although the Bush administration has just concluded a "free trade" agreement with Mexico and Canada which will destroy independent farming, by removing government support for agriculture, the official farm organizations have chosen to back the "lesser of two evils," the "free trader" Bill Clinton.

Farmers' Union President Leland Swenson, whose political action committee endorsed the Clinton-Gore campaign on Aug. 7, treats the agricultural economic collapse from the standpoint of a social worker, rather than a political leader. He praised Clinton for recognizing the "suffering" of rural America in his campaign acceptance speech.

It will not be the foundation-funded farm organizations which lead the protests in the United States, just as it is not the state-funded bureaucrats of the farm organizations in Europe who are leading the protests there. European farmers are now touring the United States with the Food for Peace campaign, which supports the policies of independent presidential candidate Lyndon LaRouche, to bring to the grass roots the message of the politicized farm movements in Europe, which are developing in response to the crisis.

# Biotech gimmicks for free trade

by Marcia Merry

Over the summer, media stories and self-styled research reports have been put forth proclaiming that the "biotechnology revolution" for food and agriculture is at hand. The heftiest document so far is a 450-page tome released Aug. 13 by the Congressional Office of Technology Assessment (OTA). The study, entitled "A New Technological Era for American Agriculture," was commissioned last year by the Senate and House Agriculture committees, and by the House Government Operations Committee.

In the same vein, the World Bank issued a report earlier this summer entitled "Agriculture Biotechnology: The Next Green Revolution." And the general media, from food columns to farm news, are now featuring stories about what "biotechnology" can do for you down on the farm.

But is it advanced science? Is it sound economics? Is it good for you? Hardly. Even if you know little else, you should be suspicious if you know that it is something the World Bank and those on Capitol Hill support. Look at the proposals in the OTA report, and see how they measure up.

The gist of the OTA recommendations is that biotechnology, as they define it to mean genetic engineering of plant life and livestock, should be pursued by a select network of preferred private interests, in order to achieve special traits that will produce "wonder foods" useful in a far-flung food chain of the new era of "free trade."

The OTA study has five major sections: 1) Advancing Technologies; 2) Implications for Agricultural Production; 3) Environmental Quality; 4) Food Safety; and 5) Institutions.

The "advancing technologies" identified turn out to be genetic engineering for desired traits in plant life, and R&D for such animal husbandry techniques as growth hormones and cloning, in order to get food items with the characteristics wanted in a food chain increasingly dominated by a select few food companies in the world food cartel. The second "technology" reviewed is computerized farm management, to replace family farms with vast "factory farms."

Cartel companies have been positioning themselves for this new "biotech" era. For example, Cargill, a large grain dealer, plans to expand into the intercontinental fresh fruit and vegetable business by purchasing Richland Sales Co., a California fruit company that packs and ships peaches, plums, nectarines, pears, kiwi fruit, and grapes from California, and seasonal fruits from the South.

## The salad bar that never dies . . .

The plant life traits sought include characteristics such as delayed rot in tomatoes and other soft produce, prolonged crispness in celery, and similar attributes for other fresh foods. The economic value of these traits is that in the emerging low-input, low-wage world of "free trade," such as the North American Free Trade Agreement (NAFTA), the cartel that dominates food trade wants fruits and vegetables that can be grown in faraway places, and cross-hauled for thousands of miles, and served up somewhere else as "fresh" or "just-picked."

In the meantime, thousands of once-prosperous local family farms that once provided picked-the-same-day seasonal produce in every nation, are to be wiped out. Under NAFTA, even the highly productive specialty crop regions of California and Florida are slated to be eliminated in favor of cheap-labor Mexican production, according to the master schemes.

There is great merit to the laboratory research and development of genetic engineering techniques, by means of which selected traits can be achieved. Scientists have succeeded in inserting desired genes into special plant cultivars, transferring traits that are inheritable generation to generation. However, the focus of the research is not toward the frontiers of scientific agriculture that will advance national well-being, but toward a future of food control and impoverishment. This becomes clear in the context of the other recommendations of the OTA report.

This author asked the OTA panelists who released the study at a press conference on Capitol Hill, why there is nothing in the book about hydroponics, photosynthesis, and other traditional agricultural pursuits based on increasing inputs per unit area and increasing yields. The spokesman replied that hydroponics and related technologies proved to be "too costly" and non-economical 10 years ago, and they are no longer relevant.

In the "implications" section of the study, the book states outright that family farms are to disappear in favor of factory-type, large-scale units. "The emergence of biotechnology and computer technologies will most likely spur on the decline of many small farms and agriculturally dependent rural communities." For example, it predicts that in the case of using bovine growth hormone, "production-marketing links via contracting and other forms of vertical integration can be expected."

The rationalization for all this Brave New World of agricultural biotech? OTA director John H. Gibbons states in the foreword: "To bolster U.S. competitiveness." The only problem, conceded by the study group, which involved 150 people, is that the public may balk. The OTA recommends that a public education campaign be waged, and that the research capacities of the top 12 land grant universities be re-focused entirely for this new era of biotechnology and competitiveness.

# Business Briefs

## Water Management

### Israel seeks desalination technology from Russia

Israel is interested in purchasing technology for water desalination from Russia and the Community of Independent States, Israeli Foreign Minister Shimon Peres declared in talks with Russian Vice President Aleksandr Rutskoy in Moscow on Aug. 21. Rutskoy had been in Israel only weeks earlier. The Peres visit to Moscow is the first by an Israeli foreign minister since 1948.

Addressing the water issue as a potential cause, if not solved, of future wars in the Mideast, Peres called for a "new balance between land, men, and water resources," and spoke of a cooperation between Israel and neighboring Arab states to find a solution to the chronic water scarcity in the region.

Israel is especially interested in buying the kind of water desalination equipment that has been produced in Chevchenko, a port on the Caspian Sea, and used with considerable success in Kazakhstan and Turkmenistan.

Peres also spoke of a "much more positive role" that Russia could play in the Mideast, as compared to the role of the former U.S.S.R.

## Russia

### IMF attacked amid call for economic emergency

Russian Vice President Aleksandr Rutskoy has called for an immediate "economic state of emergency" to be implemented in Russia, in a statement warning that the situation in the country is "about to go out of control."

The industrial production of Russia is collapsing, Rutskoy warned, and the patience of the population is coming to an end. He said that the break-up of the state planning structure had been carried out too fast, with very negative effects for the economy.

Rutskoy's call came as Viktor Gerashchenko, appointed in July as acting chairman of Russia's central bank, told the Aug. 20 *Washington Post* that the tight monetary policies imposed by the International Monetary Fund (IMF) have brought many state compa-

nies to the brink of bankruptcy. Gerashchenko called for renegotiation of key provisions of the IMF "reform" plan, warning that, if rigidly applied, it could lead to the destruction of Russia's industrial base.

When a high-level IMF team arrives in Moscow in late August, Gerashchenko said he will press for an increase in the IMF's 700-billion-ruble limit on new central bank credits for state enterprises during the last half of the year. "In our opinion, it is not an adequate amount," he said of the credit ceiling, which is roughly 7% of Gross National Product.

## Great Projects

### Japanese plans turn Prince Philip pale

Large-scale infrastructure projects are not favored by Britain's Prince Philip. A Reuters wire on Aug. 16 carries the following report:

"The chairman of GIF [Global Infrastructure Fund] Research Foundation is Eishiro Saito, former chief of Japan's biggest business group, Keidanren. Saito calls GIF his 'pet project.' He told Britain's Prince Philip, president of the World Wide Fund for Nature, of his dream to melt Himalayan snow and ice to form a huge reservoir which could be used, for example, to green the African desert. 'The color of his [the prince's] face changed and he became upset,' recalled one Keidanren official present at the meeting. 'He kept repeating 'hopeless, hopeless.'"

"Saito made clear he was looking far into the future, perhaps 200 to 300 years. 'The prince told us the human species might not even last another 50 years,' the Keidanren official said."

## Energy

### Predict nuclear expansion in Asia

Only a Chernobyl-style catastrophe will stop massive expansion of nuclear power in Asia, said Hans Blix, the head of the U.N.-controlled International Atomic Energy Agency (IAEA), in an exclusive interview with Germany's *Die Welt* daily Aug. 17. Taiwan and

South Korea have the most ambitious programs for nuclear power development, he said, but Japan, and even more so mainland China, are looking to nuclear power as the solution to their increasing energy needs. The only thing that could force them to re-think their policies would be a disaster of the scale the Soviets had in Chernobyl in 1986, Blix said.

Ongoing talks about a prolongation of the Non-Proliferation Treaty beyond the year 1995 are to make sure that this development in Asia comes under the control of the IAEA, Blix declared.

Furthermore, worrisome developments in the direction of a bomb-building nuclear capacity in South Korea, Pakistan, India, and some other countries like Iraq, Iran, Argentina, and Brazil have to be monitored closely, Blix said. He also made a special point of the need to prevent Europe from taking its nuclear power controls into its own hands, which would reduce the role of the IAEA and, more dangerously, set a bad precedent for other regions that want to escape the IAEA regime, such as Africa, Asia, and Ibero-America.

## Space

### France steps up international cooperation

The French space agency CNES is increasing its cooperation in space projects with two countries outside the complement of European nations in the European Space Agency, Russia and the United States, according to *Aviation Week*. The ESA programs have been cut back and stalled due to the inability of member nations, particularly Germany and England, to stick to previously agreed-upon schedules and funding levels.

In July, CNES signed a memorandum of understanding with the new Russian space agency which specifies four more flights of French cosmonauts on the Mir space station between now and the year 2000. French cosmonaut Michel Tognini returned on Aug. 10 from a 14-day Mir mission.

*Aviation Week* also reports that the French are teaming up with the United States in future follow-on projects to the mid-August launch of the Topex-Poseidon ocean survey spacecraft.

The data received from the spacecraft will open a new window on mapping the oceans.

France also plans to try to involve the Russians more in joint programs with the United States, such as the Mission to Planet Earth remote sensing efforts.

## **Military Procurement**

### **China buys Ukrainian aircraft carrier**

Communist China has bought a 65,000-ton aircraft carrier, the *Varyag*, still under construction, from the Republic of Ukraine, according to British and U.S. military sources, London's *Sunday Telegraph* reports. The \$2.4 billion deal was concluded in Moscow in July, the sources say.

The non-nuclear carrier will not be completed for at least five years, however.

Analysts say that the deal was a secret factor in the Russian-Ukrainian negotiations on the Black Sea Fleet, which were completed with an agreement for joint command for three years. The Chinese funds will reportedly pay for the Black Sea Fleet command's running costs.

The Chinese will reportedly pay cash in three annual hard-currency installments. When the carrier is finished, the Chinese may have to turn to the West for advanced electronics and weapons systems, according to Antony Preston, editor of *Naval Intelligence*.

The Chinese are also buying Russian Sukhoi Su-27K Flanker fighter aircraft, which are equipped for carriers.

## **Economic Theory**

### **Hamilton, not Maastricht says German paper**

Supporters of European integration should rather study the example of the 1791 Hamiltonian Bank of the United States than continue with the Maastricht Treaty process which is meeting more and more resistance in Europe, says an editorial in the economic section of the German daily *Frankfurter Allgemeine Zeitung*

Aug. 18. In a certain way, European integration today is faced with the same kind of problems as those 13 states that formed the new United States of America after the war of independence, the author of the editorial argues.

The Maastricht Treaty, with its monetary union and central bank scheme, resembles the first banking experiment in the United States, which lasted only from 1783 to 1787 and vanished in economic disarray, inflation, and monetary turmoil. The second try created the 1791 First National Bank, which was a success because it was based on a sound concept and a higher degree of economic cooperation, the editorialist writes.

This 1791 U.S. model set a standard that should be studied, rather than other monetary unions of recent history that failed. The Maastricht scenario will share the fate of the failed unions, warns the editorialist—ostensibly reflecting a heated debate among economic-monetary experts about essentials of policy.

## **Labor**

### **Polish strike spreads to new layers**

Two more groups of Polish workers have walked out in sympathy with striking copper and car workers, Reuters reports from Warsaw. Coal miners at the Czczott mine in southern Poland and about 100 workers at the Gdansk shipyard downed tools to press for pay demands. Union representatives said the action backed month-long stoppages at the huge state-owned copper combine KGHM Polska Miedz SA and at the FSM car factory, which is due to be taken over by Italy's Fiat SA. At FSM, production of the Fiat-designed 126 has stopped because of a shortage of the parts made by the strike-hit plant in Tychy, southwest Poland.

Writes Reuters, "Leaders of six radical trade unions, which have joined forces to call for a break from harsh market reform, have threatened for weeks to press their own demands and the grievances of the FSM and KGHM workers with widespread action. But up to now the threat has not materialized. Andrzej Dolniak, member of the praesidium of the national commission of the small Solidarity 80 trade union, said the strike at Czczott marked the start of a countrywide action."

● **THE BOARD** of Trustees of the American Medical Association will vote on a resolution supporting Space Station Freedom in October, according to *Washington Technology*. The scientific establishment has mobilized opposition from nearly every "scientific" group.

● **ISRAEL** and China initialed a trade pact on Aug. 19, the London *Financial Times* reported. El Al Israeli airlines has also announced that it will begin twice-weekly direct flights to Beijing in September. Zvi Koren, Israel's trade and industry ministry director, said that the trade agreement would enable Israel "to enter the Chinese market directly and smoothly, without barriers."

● **BONNEVILLE** Power is preparing to cut electric power to aluminum and chemical industries and several cities in the U.S. Northwest, due to water shortages, the Aug. 19 *Journal of Commerce* reported. Critics argue that the shortages would not have occurred if the Army Corps of Engineers had not drained two reservoirs on the Snake River earlier this year, as part of a fisheries experiment.

● **KISSINGER** associate Conrad Black wants to take over the bankrupt *New York Daily News*, which once belonged to the press empire of the deceased Robert Maxwell. Black already controls key dailies in the Anglo-American world of opinion-makers, like the London *Daily Telegraph* and the *Jerusalem Post*.

● **UP TO ONE MILLION** British homes may be worth less than the value of the mortgages the owners took out to buy them, the Bank of England said in a report issued Aug. 24. A recent study by Morgan Grenfell put the figure at 1.5 million, Reuters reported.

● **UNEMPLOYMENT** in Britain could reach 6 million in two years, up from its near-3 million level now, a report from the Federation of Small Businesses issued Aug. 17 warned.

## Restore classical education to the secondary classroom

Part 2, by Lyndon H. LaRouche, Jr.

*On July 26, 1985, Lyndon LaRouche addressed an open letter to Albert Shanker, president of the United Federation of Teachers, putting forward a program for reforming American education. The letter was published as an appendix in EIR's April 1986 Special Report on "The Libertarian Conspiracy to Destroy America's Schools." We publish below the second of a two-part series of excerpts from that report. Part I appeared in our Aug. 28 issue.*

*LaRouche's document introduces a new series on the issue of curriculum reform. Contributions to the debate are welcome, and, if thought-provoking and moral in their outlook, will be published even if the editors do not agree with them.*

*The text published here continues LaRouche's section subtitled "topical composition of public education." The author argued that all teaching is properly subsumed under three general classifications of language: 1) the language of vision; 2) the language of hearing; and 3) the language of well-tempered polyphony. The language of vision is founded upon synthetic geometry, and leads into both mathematical physics and the plastic arts, LaRouche wrote. Here, he continues that discussion.*

### **The language of vision**

The notion associated with the misleading term, "imaginary numbers," arose, beginning in the 16th century, because the existence of any physical action corresponding to such numbers, was deemed to lie outside the universe as defined by delusions of sense-certainty. The significance of the work of Gauss and his collaborators, is that they showed that all physical reality lies ontologically in a complex domain, such that complex numbers represent merely a way of stating the elementarity of cylindrical or conic forms of circular action, as an algebraic description of this locus of action.

This references a problem which Plato had already adduced by aid of proof supplied by the Cyrenaic temple of Ammon, that in Euclidean space only five kinds of regular polyhedra can be constructed, the "five Platonic solids." The existence of forms in physical space-time, which are incommensurable with construction in Euclidean space, suffices to demonstrate that efficient existence lies beyond the bounds of Euclidean space, and that a naïve variety of sense-certainty is a false representation of reality.

The methodological root of the difficulties is most easily located from the vantage-point of classical philology. Prior to the emergence of neo-Aristotelian, Ptolemaic nominalism in grammar, Panini had already shown that the correlative of experience of physical space-time, is the transitive verb, not the noun. We experience physical space-time as finite intervals of perception. What we experience, is not a "thing" as such, but rather a transformation of the phase-space perceived. Thus, the transitive verb expresses the action (transformation) perceived, and the other elements of the statement, associated with the transitive verb, have the function of delimiters, "benchmarks," of the action perceived.

Naïve sense-certainty corresponds to the Cartesian manifold, of point-masses moving in a straight line unless acted upon by intervening forces. The fact, that any point-mass must have "infinite" density of mass, never seems to trouble the conscience of a fanatical Cartesian. Nor is the Cartesian troubled by the fact, that perception of infinitesimals never occurs, that the smallest unit of action is the quantum of action.

Beginning with the discoveries of Nicolaus of Cusa, as reported both in his 1440 *De Docta Ignorantia* and his sermons on the subject of his studies of Archimedes' quadrature of the circle, through the work of Pacioli, Leonardo, Kepler,



*Benjamin Franklin, the scientist and master-statesman, at work in his laboratory. "History taught from a republican vantage-point, affords the student a wide variety of 'models' of lives which either succeeded, or should have been permitted to succeed, for the advantage of then-present and later generations."*

and Leibniz, the method of this current of modern science has been the method of synthetic, or constructive, geometry. In this method, only circular action acting upon circular action has self-evidently elementary existence, such that all other forms, including points and straight lines, are merely products of construction by means of circular action upon circular action: singularities. The isoperimetric principle, the later elaboration of Cusa's "Maximum Minimum Principle," becomes Leibniz's Principle of Least Action.

As distinct from Euler's definitions of singularities in Euclidean or quasi-Euclidean space, the Weierstrass definition of discontinuities in a continuous function, exposing the fallacy embedded within Fourier Analysis, confronts us with a higher order of singularities, of which so-called elementary particles are one example. This leads, in the work of Riemann, to the proof that physical space-time is spherical, and characterized by hyperspherical functions correlate with the principle of the Riemann Surface.

From the Cartesian standpoint, mathematics is axiomatically distinct from physics, to the degree that a "pure mathematics" is essentially an axiomatic-deductive form of symbolic philosophy. In contrast, among Gauss and his collaborators, all mathematics is properly defined as merely a reflection of a higher order of synthetic geometry, the synthetic geometry of Riemannian physical space-time. In this latter case, geometry is implicitly in precise correlation with ontology, to the effect that mathematics and physics are one

and the same.

Thus, the plastic arts and mathematical physics are sibling children of synthetic geometry.

Take the instance of the history of the differential calculus.

To construct a necessary determination of the solar orbits, Kepler required that the laws of the universe subsume harmonic orderings consistent with the Golden Section, relying upon the work on biology and geometry of Pacioli and Leonardo to this point. Contrary to popular legend, Kepler's starting-point was not Copernicus, but the solar hypothesis of Nicolaus of Cusa, correlate with Cusa's *Globuspiel*. Kepler modified Cusa's solar hypothesis, by defining the Golden Section as the metrical characteristic of astrophysical laws. He employed the relationship of the Golden Section, as characteristic of the determination of the five Platonic solids, as the basis for elaborating what is most usefully and strictly defined as a topology of solar space.

Contrary to much classroom and other legend, Kepler's laws are the most accurate devised to the present date. Unfortunately, Kepler's texts have been so far only partially translated into English, and most of the commentary on his work has been plainly based on ignoring those texts. However, in this work, Kepler encountered two principal problems whose solution he explicitly recommended to his successors. The first, was the analysis of elliptic functions, principally solved by Gauss and his collaborators. The second was Kepler's

requirements for a differential calculus, attempted by Pascal, and solved, during the 1673-76 interval, by Leibniz.

If we substitute conic self-similar-spiral action, as the determinant of the solar orbits, rather than simply circular action in Euclidean space, the determined orbits are elliptic to the effect of Kepler's Laws. This projection is necessary, since any physical space-time characterized by the harmonics of the Golden Section is necessarily a projected image of conic self-similar-spiral action. Kepler's determination, of both the necessity for the existence of an exploded planet between the orbits of Mars and Jupiter, and his supplying the harmonic values for that planet's orbit, was later first proven by Gauss to be the orbital values for the principal asteroids. In short, Kepler's laws have this crucial-experimental corroboration.

Pascal's work on differential-number series, prefiguring Euler's work in topology, provided Leibniz the point of reference for constructing the differential calculus. From this vantage-point, the elementary functions of the differential calculus are directly obtained by geometrical constructions, without resort to either algebraic-deductive mystification or Cauchy's notorious triangles. If the relevant items from the internal history of science, from Cusa, through Pacioli-Leonardo, Kepler, Pascal, and Leibniz, were consulted by putative historians of science, the matter would be accurately and irrefutably clear.

The point to be stressed is, that if the primary and secondary mathematics curriculum adopted the standpoint of synthetic geometry, advancement in mathematical comprehension would be more rapid and comprehensive, and the student would have the advantage of independent verification of principles, without resort to "drill and grill" in axiomatic-deductive arithmetics.

This Riemann stressed to Betti. The Italian school of hydrodynamics, from Betti and Beltrami, through Levi-Civita, et al., was a direct offshoot of Göttingen, beginning in the late 1850s. Betti and Beltrami's closest collaborator at Göttingen was Riemann, who spent the last years of his life, dying from tuberculosis, chiefly in Italy, where he collaborated most closely with Betti. Already, political interferences were destroying Göttingen's vitality—until the later attempt to revive it under the leadership of Felix Klein, et al. Riemann was concerned to assist his Italian friends in reproducing and continuing the Göttingen tradition of Gauss in the Milan-centered circles of Cavour. Betti's notebooks, and some of the continuation of Riemann's work in electrodynamics by Beltrami, afford us today the most precise indication of the content of the collaboration. In their conversational walks, according to Betti, Riemann stressed most strongly, the importance of grounding the education of scientific workers in Jacob Steiner's elementary program in synthetic geometry.

Mathematics instruction today, ought to be reshaped from the standpoint of mastery of both the elementary synthetic geometry of Steiner, and the obvious elaboration of this as the synthetic geometry of the Gauss-Riemann domain.

From this advanced vantage-point, crucial features of the internal history of modern science should be selected as the elements of progressive classroom work in secondary education.

This should include suitable reconstructions, in modern language, of the contributions of Nicolaus of Cusa, and should linger over the work on geometry and hydrodynamics of Leonardo da Vinci. This should be keyed to bringing the student through a program in synthetic geometry, up through the materials covered in the 10th through 13th books of Euclid's *Elements*, but using only the methods of synthetic geometry, not including any resorts to axiomatic-deductive methods. At this level, the student is equipped to assimilate the crucial contributions of Cusa, Pacioli, and Leonardo.

Beyond those foundations, the student is prepared to plunge into the works of both Gilbert and Kepler, and to work his way through as much of that as a modern standpoint requires. Then, selections of the work of Desargues, Fermat, and Pascal, followed by key selections of the work of Huygens and Leibniz. Key selections of the work of the Bernoullis and Euler should follow, Benjamin Franklin's work on electrodynamics should be presented. The work of Carnot and Monge on the theory of machines and initial founding of the theory of functions follows. Then, the student is prepared to face the elementary contributions of Gauss.

The better part of a semester is profitably spent upon working through Gauss's treatment of the arithmetic-geometric (and harmonic) mean in terms of conic self-similar-spiral action. The student thus comprehends what the term "elliptic function" signifies, without the usual mystification. The student is prepared, now, to undertake the elements of the functions of a complex domain, together with some basic geometric topology.

During this process, physics is introduced by means of classical crucial experiments, with emphasis on reproducing the elementary crucial experiments referenced by the sources used. This should be aimed to strengthen the student's sense of the correlation between experimental design and synthetic geometry.

It would be most useful, if we could secure two or three relatively higher altitude desert locations, each at different latitudes, at which secondary students reconstructed the kinds of solar-astronomical calendars we have from Vedic sources. The proposition might be: "Imagine yourselves a primitive people, with no textbooks, no calendars, no clocks, no telescopes. Construct an accurate solar-astronomical calendar." They would compare solar sightings by day, with corresponding night-time stellar configurations. They would construct their own instruments, of stone, wood, and metal. They would mark their observations, and would be encouraged to cheat to the point of using photography to assist them. Their efforts would be complemented by informed discussion of what they would discover, if they continued the right methods of observation for, first, five years, and then a score



of years. The difference in results at different latitudes would be compared and discussed. The hours not spent on the observations and constructions, would be passed with attention to other kinds of crucial experiments, or in classical drama and musical activities.

Again, the objective is to impart and nurture a sense of independent scientific authority in the students. Through the nurturing of such sense of independent scientific authority, the student is aided in adopting the standpoint of the creative thinkers encountered in source-materials. We must free our students of the habit of babbling what they hope will be mistaken for "right answers," to the effect that they attempt to get inside the skin of independent creative thinkers of the history of science, to become able to report why such and such a thinker must have necessarily approached a problem in a certain way.

There are two, complementary aspects to our chore of fostering the creative potentials of secondary-school graduates. First and foremost, we must situate the mind of the student in the way the history of progress was effected by creative personalities of the past. The student's sense of personal identity in current history must become a sense of being part of continuing the legacy of progress bestowed from the past to present and future generations. The student must develop a justified sense of acquiring the independent authority to render such judgments. Second, we must situate the nurturing of this general potentiality of the individual student, in respect to the kind of challenges which are emerging to dominate his adult life. This, respecting science, we know to be the three primary areas of scientific breakthrough we cited earlier.

This training in mathematical physics, should be accompanied by attention to the sibling-child of synthetic geometry, the plastic art-forms: painting, sculpture, and architecture. Simple Albertian perspective is a beginning. Then, Leonardo's corrections to Albertian perspective are introduced. The methods of Dürer are readily introduced to upper-level elementary as well as secondary grades. Observations of plants, in terms of Golden Section harmonics, are obvious undertakings. The notion of the harmonics of the Golden Section as the essence of the form of beauty, must be combined with the challenge of function. For example: Design the proportions of the interior rooms of a house, proportions which are both beautiful and functional.

## History

Friedrich Schiller, Jena University Professor of Universal History, otherwise the leading dramatist and poet of Germany during his lifetime, and leading intellectual figure of the Weimar circle, emphasized, that all modern history can be studied from the vantage-point of the opposing models of society represented by Solon's republican reforms at Athens, as opposed to the model of slave-society represented by Lycurgus' Sparta.

"Objectively non-partisan" history, is a hoax. All known history, particularly of the cultures of the Mediterranean, is a continuing struggle between the republican currents traceable from Solon's reforms, through the Golden Renaissance and through Franklin's leadership of the American Revolution, against the opposing model of society. Spartan slave-society is one example of that opposing model. So are the ancient Mesopotamian empires, from Ur through the Achae-minid, and also the Roman, Byzantine, Ottoman, Hapsburg, Russian, and British empires. It is the ebb and flow in the power of the one form of society, with respect to that of the opposing model, and the relative development or retrogressions of societies founded according to republican principles, which are the central themes of competent history.

Our federal Constitution of 1787-89 established for the first time, a democratic form of sovereign constitutional republic, whose constitution and law-making processes were placed under the governance of that body of natural law whose modern articulation flows through the work of Cusa, Grotius, and Leibniz. The duty of teaching of history in public education, is: 1) to locate the identity of the student in the historical fact of the establishment of the United States; 2) to trace the history of the United States in terms of those forces which, respectively, aided or opposed the establishment of this constitutional republic; and 3) to trace the continuation of that factional affray, internationally, since the the period leading into and through the two wars against Britain, 1763-1815, and into our nation's struggle for continued existence after 1815, against those forces associated with Metternich and Castlereagh in the establishment of the Holy Alliance, at the 1815 Congress of Vienna.

The task of public education, is to elevate the student above the false patriotism of chauvinistic hostility to "outsiders." The task is, to inform the student that the creation of this republic, in face of its mortal adversaries, had a high moral purpose. The task is, to show what that purpose was, and whence in the history of Europe this cause originated and developed. The task is, to contrast the republican cause over the centuries preceding, accompanying, and following our revolution, with the wickedness of the adversary conceptions of society. The task is, to show what forces, in Europe and the Americas, rallied to make the establishment of our republic possible, and successful. The task is, to show the role which our republic is properly obliged to perform on behalf of the advancement of the republican cause throughout the world.

The focus of such education, is to impart to the student a proper sense of the potential importance and limitations of his own individuality. On the one hand, all discoveries, in science, in artistic production, and in public policy, originate within the bounds of creative reason of the individual in society. Insofar as the individual contributes so, the individual's contributions have universal importance to present and future generations. Yet, the isolated individual is mortal, and is relatively weak, relative to the forces of society at large.

The possibility that an individual may succeed in contributing good to society, depends upon the disposition of institutions of society, to foster the good and abhor the evil. It is through such private and public institutions of society, that the individual's contribution is either nullified or made efficient. It is the shaping of those institutions, in such respects, which therefore ought to be a prime concern of the individual.

Such propositions render the study of history a science. The student discovers how acts of commission and omission in meeting the challenges of public policy, cause the doom, or the success, of nations. The student discovers, from the laboratory of history, how individuals have acted, or have failed to act, to contribute to necessary changes in both choices of policies and also habits of policy-shaping. These matters, the student judges by the yardsticks of republicanism, in terms of the continuing conflict between republican and opposing forces.

Pompous sentiment purports to answer the question, "What will be the outcome of what I do with my life?" by regurgitating the old saw, "Only future historians can tell." What a silly, useless, species of historian that would be! It is within our means today, to precalculate what would be the consequences of the policies we promote or simply tolerate today. What do I care, while I am alive, what the judgment or lack of judgment upon my existence will be rendered by any body of future opinion, historians or others? I must know that I am doing the right thing while I am alive; I must include in that, reflection on which choices are more appropriate; it is that with which I must live. What some future opinion might say of me when I am dead, is altogether useless to me. The most I can know, and this I must know, is whether future opinion ought to judge my life a useful or useless one.

History taught from a republican vantage-point, affords the student a wide variety of "models" of lives which either succeeded, or should have been permitted to succeed, for the advantage of then-present and later generations. Whether the individual's efforts are successful, is only in small part that individual's responsibility; he is obliged only to make those efforts as successful as he has means to do. The major part of the responsibility lies with the more powerful institutions of society, which more or less efficiently dispose of his efforts. The individual must hold himself responsible for "doing the right thing," and must measure rightness in terms of duty to be useful to the republican's work of maintaining and improving the institutions and culture of his society. If he lives so, the individual has the right to walk in joyful self-esteem: "I am a useful person."

The included function of teaching history from a republican standpoint, is to afford the student the foundations for judging these matters.

American history proper begins in 1440 A.D., when the Council of Florence assembled maps for a proposed voyage to the new continent known to exist across the Atlantic, maps later used in part by an illiterate Genoese sailor, Christopher

Columbus, for the voyage of his flotilla. The history of the United States is rooted in the proposals of Robert Dudley and other Tudor statesmen, to oust the Hapsburgs from their genocidal looting operations in the Americas, and to establish republics among the indigenous populations of the Americas. This deferred project began to be realized, in a modified form, by the founders of the Massachusetts Bay Colony.

From its founding, until the imposition of the Andros dictatorship, the traditions of the Winthrops and Mathers pioneered in all those features of democratic republicanism, including public education and the promotion of technological progress, which later came to distinguish the best features of the institutions and character of the United States.

The ruin into which the monarchies of Charles II, James II, and William of Orange plunged the English colonies in North America, began to be remedied during the latter part of the reign of Queen Anne. The leading feature of this brief upward turn in the politics of Britain, was the proposal to establish Gottfried Leibniz as prime minister of England, a scheme which intersected the influential Jonathan Swift and the adversaries of Marlborough. The appointment of Hunter and Spotswood as royal governors, and the alliance of this British faction with the faction of Cotton Mather, remobilized the republican forces of the colonies, and led, in the next generation, to the rising role of Benjamin Franklin, and of the family of later President George Washington.

Franklin, contrary to the fraudulent deprecation of his scientific and political work during the 19th century, was a giant of the 18th century. He was called "the Prometheus of the 18th century," and hated by the anti-electricity Mary Shelley of "Frankenstein" on that account. Beginning in 1766, he emerged in Europe both as a leading scientist and a master-statesman, rallying all of the republican leaders of Europe around his leadership. Leopold Mozart sent his later-famous son Wolfgang to Paris, to be in the milieu of the Franklin, for whose instrument, the glass harmonica, Mozart wrote a composition. Ludwig Beethoven dedicated the Ninth Symphony to Schiller's "God's sparks" reference to the great Franklin.

It is not distance which makes Franklin, Washington, and Hamilton appear, like Abraham Lincoln, relatively giants today. Relative to any leading party-figure of the present century, they were each and all towering giants.

The U.S. federal Constitution of 1787-89, and the efforts, by Lafayette's faction, to establish a French constitutional monarch informed by the U.S. precedent, prompted the ideals of the American constitutional democratic republic to be known worldwide as "the ideas of 1789." At that point, the course of history seemed to turn backward.

The first blow was the rise of the Jacobins in France, leading to the Jacobin Terror. The Jacobins were the political asset of Franklin's old Paris adversary, the Duke of Orleans. Orleans, backed by Swiss financier interests, organized and personally directed the storming of the Bastille, and later the

bloody abduction of the king and queen. Danton and Marat, trained in and dispatched from London, turned the Jacobin rule into a bloody tyranny. Lazare Carnot's role in overthrowing that tyranny was relatively short-lived, Carnot's defeat leading into the rise of a tyrant with delusions of Roman imperial power, Napoleon Bonaparte.

The cause of the "ideas of 1789" was then revived around the circles of Friedrich Schiller in Germany. The defeat of the Prussians at Jena, created the vacuum into which Humboldt, Scharnhorst, and Stein moved, both to introduce sweeping reforms into Germany, and to plan and direct the defeat of Napoleon's tyranny. Yet, the 1815 Treaty of Vienna undid most of the work of the German Liberation Wars, with Castlereagh conspiring with the owners of Metternich, to throw Europe back into deep feudal reaction.

After 1815, the relatively isolated United States, threatened from both Britain and the continental forces behind the Holy Alliance, lived a precarious existence, culminating in the civil war of 1861-65, out of which latter the United States emerged as the most powerful military power in the world, and as a new agro-industrial giant. Many of Lincoln's accomplishments were undermined by the Specie Resumption Act of the 1870s, and the succession of deep and prolonged monetary crises leading into the 1913 establishment of the Federal Reserve System. European rentier-finance and its extensions within the United States, established increasing control over the U.S.A.'s currency, banking system, and public and private debt.

So, during the recent hundred years, there has been an increasingly sharp contrast between the influence of trans-Atlantic rentier-finance over U.S. public and private institutions, and the American tradition of republicanism and fostering of scientific and technological progress. Since the full onset of the "post-industrial society" drive, approximately 20 years ago, the role of traditional American values in shaping the outlooks of the majority of the population, has been greatly weakened, to the effect that the political philosophy of the Tories of 1763-1815 is presently hegemonic in both public policy and the shaping of direction of changes in public opinion.

The critical period of change, which made the recent 20 years' "cultural paradigm-shift" possible, was the period from the assassination of McKinley to the death of Franklin Roosevelt. It was Teddy Roosevelt who ushered into play a comprehensive, systematic destruction of traditional American values. The overthrow of President Franklin Roosevelt's anti-colonialist postwar policy, consolidated at the State Department within approximately 48 hours of the President's untimely death, ensured that the American republican tradition would win the war only to lose the peace.

Today, those so-called developing nations and their governments, which seek nothing different than the United States sought in the war of 1776-83, and promised in the 1823 Monroe Doctrine, are confronted from the United States gov-

ernment with the same policies against which the Founding Fathers of the United States fought the war for American independence.

That summary is but a leading aspect of American history, but it serves to illustrate what American history ought to represent as a subject-matter.

In such a view, the most important lessons of history are not examples of simple successes. Usually, in fact, the wrong faction succeeds by a wide margin. The most important lessons are the apparent failures of well-chosen and well-served causes, which, despite the immediate lack of success, lay the foundations for subsequent accomplishment, through the impact of a well-fought fight radiating into later times.

So, it was well said of the July 20, 1944 effort to overthrow Hitler: Although crushed, had they not fought, Germany later would have had no memorably honorable heroes from that period. They were the more honorable, because the Allied governments, already committed to the Yalta agreements for the postwar division of Germany, refused to assist in making the revolt—which would have shortened the war by 10 months, and saved many, many lives—a success, for fear a German overthrow of Hitler would obstruct the division of postwar Germany. Should they have tried as they did? Of course.

The teaching of American history in secondary schools during the 1920s and 1930s, was already poor stuff on many counts. The textbooks were already permeated with what were readily provable, from primary sources, to have been substantially frauds. Yet, what was taught had at least a general resemblance to teaching of history. Increasingly, over the postwar period, especially the recent 20 years, the students are abysmally miseducated by the relative standard of the 1930s.

This shows most conspicuously, not only in the U.S. news media's treatment of foreign nations, but in the embarrassing behavior of U.S. official representatives and private citizens in various foreign nations, and in discussions of foreign policy in the U.S. Congress. We Americans nowadays, are ignorant chauvinists on foreign matters. We know nothing important about the history, culture, and leading concerns of governments and peoples of other nations, and we seem to care less whether or not our prejudices in these matters have any connection with fact. We are more less equally disgusting in our lack of knowledge of our own national history.

A proper approach to American history, is congruent with the historical method we require for mastery of all topics under the rubrics of the languages of vision, hearing, and music.

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## Methods of education

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The shapers of public policy in education, seem to have failed to grasp, thus far, the nature of the difficulties of at-

tempting to provide equal quality of education to victims of "ghetto poverty." Barring the proverbial exception, it is impossible to impart high standards of literary, to pupils who live their out-of-school hours in the Hell of such neighborhoods. This becomes especially difficult, as the peer-groups of the school day are representatives of the peer-groups of the "poverty-ghetto" neighborhoods, and as the drug-culture and its correlatives become a dominant feature of the lives of students generally.

We proposed, during the 1960s, to extend quality educa-

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*The essence of education is that it must be education for a purpose. It must be a means by which the potentialities of youth are developed in readiness for a meaningful life. It requires a background environment of cultural optimism, of exciting prospects visibly in progress. It must be circumscribed with the child's "When I grow up, I'm going to be—."*

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tion to all students. Yet, by the standards of the 1960s, most of those admitted, under these reforms, to what had been nominally quality-education classrooms, failed to achieve "passing-grade" levels of academic achievement. This was treated as a failure of the classroom, not the student; so, educational methods and standards were adjusted downward, to show that an increased portion of the student population achieved "passing grades." Essentially, the problem lay not in the classroom, but in the neighborhoods. Could we induce the student to embrace the prospect of upward mobility, as the compensating price for breaking with "neighborhood culture"? How could this be possible under circumstances of the declining economy of the past 15 years' slide into a drug-ridden, counter-culture-ridden, "post-industrial paradise"?

Education can never be more than an integral part of culture, of "enculturation" of the young, a mere facet of a total process, which process includes the home, the neighborhood, and the prospects of adult life. National policy, partly explicitly, partly by default, has transformed family, neighborhood, and prospects of adult life, into a dionysiac nightmare.

The time has come for a national youth-rehabilitation program better than the Civilian Conservation Corps (CCC) of the 1930s. It is past time to match the lost generation of demoralized unemployed youth, with the needs of freshwater management and other major elements of a wasting national basic economic infrastructure.

Had we our wits about us, we would enlarge the assignment of the U.S. Corps of Engineers to include a work-education program, through which credibility of upward mobility provided the motivating environment for remedial secondary education. Until we persuade youth generally that there is a meaningful future for them, the dionysiac cultural pessimism of the present will persist and grow worse.

Generally, there is no solution to the problems of education, unless we reverse the "post-industrial" drift, to increase rapidly the percentile of the total labor-force employed in industrial operatives' occupations. A very large and growing portion of the youth are not qualified for such employment, unless we provide a new environment, with credible circumstances and credible longer-range goals, which transforms the unemployables into qualified operatives.

There is no solution to the problems of education for children and youth in general, as long as these rotting ghettos of poverty, resembling more and more bombed-out cities in postwar Europe, persist as the fate of so many. The percentile of the population sliding into poverty, is growing at a rapid rate. This we see in falling standards of nutrition, in housing, in collapsing levels of medical care. What used to be called "the middle class" is falling rapidly into these brackets, by market-basket standards. The bottom layer is being crushed.

The essence of education is that it must be education for a purpose. It must be a means by which the potentialities of youth are developed in readiness for a meaningful life. It requires a background environment of cultural optimism, of exciting prospects visibly in progress. It must be circumscribed with the child's "When I grow up, I'm going to be—." The basis for an optimistic belief by a child to such effect, is the perception that the society in general is moving in an upward direction.

In addition to the urgent reversals in national monetary and economic policy, indispensable to an environment for successful education, education requires a society which is adopting a prevailing consensus as to national goals. Economic justice on Earth, and the prospect of colonization of the Moon and Mars, are the obvious goals needed. Without both types of changes—changes in monetary and economic policy and in adoption of national goals—promises of successful educational programs are a delusion.

What the United States, and western civilization generally, both require urgently, is a commitment to unleash a new renaissance, not unlike the 15th century's Golden Renaissance. Classical education is an integral, indispensable feature of such a renaissance, but only an indispensable feature.

The launching of the kind of educational reforms indicated in this memorandum, could not be introduced simply across the board into public education today. A preparatory step is wanted. We must have "experimental schools" which pioneer in these reforms. Such schools should be fostered and established wherever peculiar combinations of factors determine that such a voluntary undertaking is feasible.

This signifies a group of parental households inclined to support such a policy. It indicates the development of the curricula needed by assistance from senior specialists. It requires teachers who already know methods of teaching, and who can adapt these mastered methods to enriched materials. The funds required would be larger than could be mustered by local communities' normal resources, but if such pilot programs were supported by broader associations which understood the larger importance of success of such experimental programs, adequate financing could be mustered even in these hard times.

While the battle is fought on the broader front, to reverse the recent decay in education, such experimental programs would represent the resource from which tested new directions in secondary education could supplement the broader effort. The more concrete general benefit of such experimental programs, is that these provide the means for assembling the educational materials for more general use.

The general feasibility of developing historical source-materials for the indicated uses, is already established in principle, through cumulative researches in the relevant archives of Europe and North America. Much work needs to be done, for such purposes as abstracting from the work of Cusa, the Leonardo codices, the work of Kepler, of Gilbert, of Pascal, and so forth. The entire history of Leibniz's 1672-76 development of the differential calculus, for example, exists, largely untouched, in the Leibniz archive in Hanover, Germany. The writings of Gauss which were not published during his lifetime, contain the keys to his published accomplishments. The same is broadly true for political history, for the history of music, and so forth. A number of task-forces would be required, for selections of the most suitable source-documents, for English translations of numerous of these, and so forth. Task-forces are also needed to standardize reproduction of crucial experiments and so forth from history. Task-force thought is needed, to assemble such materials into the form of a well-ordered curriculum. In summary, the undertaking is already shown to be feasible, but much work by specialists is needed to bring the mass of materials available into the form required.

The included results are: 1) source books in selected primary materials for each element and grade of the curriculum; 2) materials supplied to students and teachers, respectively, on experiments and other constructions; 3) materials supplied to teachers on proposed lesson-outlines, with emphasis on the sequences of conceptual steps required, to foster the students' ability to assimilate concepts as independently verified knowledge.

### **Method as such**

The method of instruction used throughout, should be the Socratic method, strictly defined: the critical examination of the axioms implicitly underlying assumptions, as illustrated by Plato's dialogues.

One of the significant problems in this connection, is

that Benjamin Jowett has been the pace-setter in English translations of Plato and other classical-Greek authors. It has been shown that Jowett garbled the meaning of Plato in translation, wherever Plato's writing was contrary either to a conception of Jowett's, or to the picture of Plato which Jowett wished to convey. Jowett's mistranslations of key terms, then worked their way, as preferred putative meanings, into the standard Greek-English lexicon. The condition of the German translations is significantly better.

On condition that such problems of translation are remedied, or in classes in classical Greek, it would be helpful to have the dialogues enacted as dramas, on condition that the students were rehearsed for their parts. It would be useful, similarly, to introduce Leibniz's synthesis of his own Socratic dialogues into the mathematical physics program, and to have these acted dramatically as a classroom project.

With aid of such exposure to classical Socratic dialogues, students should be assigned to construct their own Socratic dialogues, on the subject of some significant conceptions of the courses. The included object of such exercises, should be to wean the students away from tricks of rhetoric. Rather than seeking to defend an adopted position by tricks of debating, the student should desire to discover the truth of the matter, by aid of Socratic methods of criticism, and develop a self-critical attitude toward his own assumptions in this way. The Socratic method should become the accepted form of discussion between the students and teacher, and among the students themselves. This method should acquire moral force in the classroom, as the moral way of resolving issues in the educational process. The student's need to achieve independent authority respecting his knowledge and opinions, requires the establishment of some set of rules for this purpose. The rule employed to such effect, should become the Socratic method.

The teacher, and persons engaged in working-through proposed lesson-plans for classroom use, should bring forth in the subject-matter those issues which pose the conceptual problems in terms suited to Socratic dialogue.

The rules include:

- 1) Popular opinion has no intrinsic authority proximate to truth.
- 2) So-called authorities are often proven to have been mistaken, sometimes badly mistaken.
- 3) The fact that something appears to work, does not mean that that exhibition is not deceptive.
- 4) Even what has been proven true in a seemingly conclusive manner, is usually not the whole truth; scientific progress is chiefly a record of proof of the fallacies embedded in what are proven to be only half-truths.
- 5) What are the obvious or hidden assumptions, on which a reported conclusion depends? Let us examine these assumptions, before tying ourselves up in debate of the proposition based upon those assumptions.
- 6) All other necessary conditions being met, what you know is what you can construct.

## Anglo-Americans maneuver to control Brazilian crisis

by Cynthia R. Rush

The Brazilian political crisis, which could soon topple President Fernando Collor de Mello, has leading figures in the Anglo-American establishment scrambling to keep the situation under control. With the results of a three-month congressional investigation made public Aug. 24, revealing corruption and influence-peddling involving Collor and his former campaign treasurer Paulo César Farias (known as "P.C."), there is a consensus that the President's tenure in office will be ended either through impeachment proceedings or resignation, probably in a matter of a few weeks.

Since mid-August, hundreds of thousands of citizens have taken to the streets in major cities around the country, building the momentum in favor of Collor's ouster. On Aug. 25, close to 800,000 Brazilians mobilized throughout the country under the slogan "Collor, out!" Most significantly, the mobilization occurred *outside* the formal political parties of Brazil, a fact which has the establishment particularly nervous.

For international bankers and Washington policymakers, developments in Brazil are a further complication in a continent which is far from stable. Brazil is now the third country after Venezuela and Colombia in which a majority of the people has repudiated a corrupt head of state and the policies associated with him.

In Colombia, citizens are appalled at the policies of President César Gaviria whose deals with the Medellín Cartel and communist guerrilla movement have undermined the nation's institutions and made a farce of any discussion of justice or rule of law. In Venezuela, President Carlos Andrés Pérez remains in power only through the good graces of the United States; he is hated and rejected by the population, both because of his government's vast corruption as well as his commitment to implementing the International Monetary

Fund's (IMF) economic austerity policies. Recent efforts in the Congress to investigate Pérez's lover Cecilia Matos, who enjoys the privileges of a government official without being one, could be an attempt to bring down the Venezuelan President through a corruption scandal similar to the one afflicting Collor de Mello.

Other countries, such as Bolivia or Argentina, are likely to follow the same route. But Brazil is a big fish. With its enormous economy and strategic importance to the continent, instability of the type generated by "Collorgate" jeopardizes the continuation of the free market economic policies which have been the cornerstone of Collor's government, and has obvious ramifications for their application in the rest of the continent as well.

### A 'huge swamp'

Although information revealing government corruption had been leaked for weeks, when the congressional commission of inquiry (known as CPI) released its report Aug. 24, it shocked the nation. For five hours, Sen. Amir Lando, the report's author, read the 359-page report before Congress, while it was simultaneously covered live on national television and radio without interruption.

The report details an extraordinary web of corruption, bribery, extortion, and influence-peddling which involves payments from individuals or companies associated with Farias to the President's family and closest aides totaling \$23 million. As one example, "ghost" depositors with fake names and identification numbers deposited \$2.3 million into the account of Collor's private secretary Ana Maria Acioli Gomes to pay the President's "household expenses." Other acts included tipoffs to Collor's closest allies, including Farias, prior to the controversial March 15, 1990 freezing of all

bank accounts in “new cruzados,” allowing them to withdraw their funds. Ordinary Brazilians were not so lucky; many lost their personal savings as a result of the government decree, causing enormous hardship and, in the cases of some elderly citizens who had no access to their funds, even death.

The CPI report stated that “the illicit acts were committed by Paulo César Farias which the President must necessarily have known. . . . The connection between the P.C. scheme and the President of the republic appears clearly and remains intact.” Lando stressed that the facts described in the report “run contrary to the principles enshrined in the Constitution, being incompatible with the dignity, honor, and decorum of the rank of head of state.” Collor, the report charged, had failed in his constitutional duty to ensure high moral standards in his government.

Lando also explained that the extent of corruption “is an immense universe. . . . We have seen just one moment in this huge swamp.” In its probe, the CPI did not even delve into substantial evidence of Farias’s involvement in international drug trafficking and money laundering. This is reserved for a future investigation. At least one witness, Gilberto Pereira, was assassinated in Brasilia after he testified against Farias, and several other witnesses said they feared for their lives. Pereira was a partner in a “GM Rent-a-Car” company from which Farias rented a car for the exclusive use of Collor’s secretary Ana Acioli.

The Brazilian President is telling the media that he is unfazed by developments, insisting he will hang on to power and defeat the “syndicate” he says is out to get him. “Everything is going on as normal. There is no reason to be worried,” he told an Argentine television station Aug. 24. But Collor has thrown large sums of money at several congressmen in an effort to buy their votes against impeachment; and, according to the daily *Jornal do Brasil*, he has also consulted parapsychologists and witchdoctors to enhance his chances of staying in office. Perhaps this is why he told one reporter that the last several weeks had been “spiritually enriching.” His residence is said to be surrounded by green and yellow candles, the colors of the flag, in order to strengthen the “energy field” around him.

Energy fields notwithstanding, on Aug. 26, the CPI voted 16-5 to approve its 359-page report, thus paving the way for impeachment proceedings to begin, once any citizen requests it. Barbosa Lima Sobrinho, the venerated 95-year-old president of the Brazilian Press Association, has announced he is heading up a group of citizens who will present such a request on Sept. 2. Opposition lawmakers are already predicting that they have the two-thirds majority in the House of Deputies required to begin the impeachment process against Collor.

### **A political cadaver**

Most of the President’s erstwhile allies such as Rio de Janeiro governor Leonel Brizola and social democratic leader Paulo Maluf have jumped ship, and there is general agree-

ment that Collor is a political corpse, no longer capable of governing. The Wall Street banking community and its local allies understand this and are maneuvering to try to ensure that the country remains governable—with *their* policies—whether Collor goes or stays. But in the highly charged and unstable environment, not even the Anglo-American crowd is certain of what it can pull off.

On Aug. 25, all cabinet ministers signed a declaration stating that they would remain in office until the crisis is resolved, but according to analysts in Brasilia, three of them—Finance Minister Marcilio Marques Moreira, Justice Minister Celio Borja, and Government Minister Jorge Bornhausen—formed a troika to carry out direct negotiations with the Congress and the judiciary.

On Aug. 27, cabinet ministers were scheduled to meet with Collor and tell him to resign. The president of the Brazilian Bishops Conference has also publicly called for his resignation. In the face of the CPI’s report, and fearful that growing social unrest could become uncontrollable, the country’s military leadership has also recognized that Collor must go. “President Collor has lost the moral authority to rule,” said Gen. Nilton Cerqueira, president of the Military Club Aug. 24. Military as well as civilian leaders are anxious to have Collor out of office before Brazil’s Independence Day Sept. 7 when the President traditionally leads a military parade in an open Rolls Royce. In the current climate of national disgust over corruption, there’s no telling what might happen if Collor were still to be around for this event.

According to Brazil’s Constitution, if Collor is removed, he will be replaced by Vice President Itamar Franco, a nationalist-leaning politician who in the past has expressed opposition to privatization of the state sector and the IMF’s strict austerity. In an attempt to preempt any problems with Franco, leading opposition governors and congressmen are reportedly working on a “minimum government program” which Franco would be expected to implement. This would include a tax reform less drastic than what Collor has proposed, but a key element in any IMF austerity program. The objective right now, the *Wall Street Journal* reported Aug. 27, is “to prevent the corruption scandal surrounding [Collor] from paralyzing the country and derailing economic reforms.”

The banking community’s other major demand is that Franco keep Marques Moreira on as his finance minister. Marques, a former banker, is the man on whom Wall Street and the IMF have pinned their hopes for continued application of their “adjustment” policies. Indicating the uncertainties of the situation, however, the Aug. 27 *Christian Science Monitor* described Marques as “the guardian of Collor’s economic plan . . . a virtual prime minister,” but went on to note that the government party, the Liberal Front Party, is split over economic policy, and that foreign as well as local investors fear that a Marques departure could spark an economic collapse.

# Meeting of Italian mass movement told to 'free and elect LaRouche'

by Our Special Correspondent

On Sunday, Aug. 23, Amelia Platts Boynton Robinson was the main guest speaker at the Meeting for Friendship Among Peoples which is held every year in Rimini, Italy. The 81-year-old civil rights leader, author, and winner of the Martin Luther King Freedom Medal gave a stirring speech to an audience of 2,000, on a panel devoted to the past and future of the American "melting pot" ideal. Decrying the destruction of her homeland, she called for Lyndon LaRouche to be freed from jail, and elected President of the United States.

The sponsor of the Rimini Meeting is the Catholic mass movement, Communion and Liberation. CL is close to the Popular Movement, a Christian Democratic political tendency with a presence in the national Parliament; and to two outspoken periodicals, *Il Sabato* and *30 Giorni*. The grouping polemically opposes Anglo-American dictates in politics; the reduction of the Church to "an agency trying to impose principles through laws of the state"; and what it calls the "lay fundamentalism" of the U.S.-linked P-2 Freemasonry. Popular Movement head Giancarlo Cesana and Fr. Claude Larre, a French Jesuit priest and expert on Chinese minorities, also took part in the panel on America in Rimini.

Amelia Robinson was introduced by Sheila Jones, an American leader of the Schiller Institute with Robinson, who sang three of her favorite Spirituals. Mrs. Robinson then spoke on who Lyndon LaRouche is, why he is being kept in jail by George Bush. LaRouche, she affirmed, is the only man who has "the programs and knowledge necessary to revive the economy and return to moral values."

She invited the young people present "not to be misled by fear" and to courageously oppose Bush's "divide and conquer" tactics, which are "destroying not only America but the whole world." Fear is the means used by Bush to turn not only minorities "but each one of you into slaves." She minced no words in criticizing NATO, the U.N., and European governments which take orders from Bush, letting people be used as cannon fodder for his wars.

Explaining the Spiritual, "Sometimes I Feel Like a Motherless Child," she recounted how African-Americans have been historically mistreated in the U.S.: "kidnaped, sold and treated like beasts of burden." "This is a life," she said, "which George Bush wishes to impose on the whole world," starting with his slave labor and depopulation programs.

That morning, she had given a press conference with the meeting spokesman, Robi Ronza (see *Documentation*).

## 'Diplomatic incident'

The CL sponsors of the Rimini Meeting, used to being pilloried for opposing Desert Storm and other Bush lunacies, did not back down to the provocative accounts of Mrs. Robinson's speech in the freemasonic Italian media, typified by a headline in the Rome daily *Il Tempo*: "Afro-American Pasionaria Supports Tax-Evading Guru." It soon became evident that all the slanders were baked in the same oven: an obscure press agency AGI. AGI is under the wing of ex-Minister Scotti, who recently resigned in an attempt to topple Prime Minister Giuliano Amato's government; but observers say, only the U.S. embassy could have imposed the AGI story all over the country.

The nationally circulated right-wing Milan daily *Il Giornale* was typical. First, it quoted the endorsement of the CL meeting by Cardinals Angelo Sodano, the Vatican Secretary of State, and Joseph Ratzinger, the Prefect of the Congregation for the Doctrine of the Faith, on behalf of the Pope. Then: "An incredible diplomatic incident spoiled the triumphal atmosphere. To speak about America, there had been invited Mrs. A. Robinson . . . today an activist of the Schiller Institute, an extremist, fanatic cult in legal trouble in the U.S. due to maneuvers by its guru LaRouche. He was sentenced to 15 years for tax fraud and other crimes. 'He is a martyr of Bush,' said the black lady ' . . . we want him in the White House.' "

*L'Unità*, organ of the former Communist Party, now called Party of the Democratic Left, headlined its copycat coverage: "Pope Blesses Meeting, CL Supports Anti-Bush Guru—Freeing of LaRouche, in Jail for Tax Fraud, Demanded in Debate." The article ends: "The first day of the meeting had a surprise in store. The guest was Amelia Platts Boynton Robinson, presented as an associate of M.L. King. . . . She went to the podium and demanded that a shocking character like Lyndon LaRouche be freed. He is the guru of an ambiguous movement; in the 1980s, he tried to impose himself by backing Star Wars, and accused the English Queen of running world drug traffic. LaRouche, sentenced to 15 years in jail for tax fraud, was presented by Mrs. Robinson as a 'political prisoner' of Bush. And Clinton? 'A bad copy of Bush. We will vote LaRouche,' she told the CL audience."

The Socialist Party paper *Avanti* served the same bilge (an irony, given that the party's top leaders are heading to jail in droves over the kickback scandals). *Avanti* seized the



occasion to attack CL for being “too hasty and imprudent” in inviting Amelia Robinson, “a gentle, old, but rough lady, who transformed the debate aimed at attacking the current President into a crusade against the United States, Clinton included, [Bush] accused of having condemned Lyndon LaRouche to 15 years prison . . . a shocking character, a guru of a reactionary cult which drowned in fraud and ridicule (they accused the Queen of England of being a drug runner).” The cowardly correspondent concluded: “We are certain that this anti-western wind will not leave any traces.”

Only the regional papers *La Gazzetta di Rimini* and *La Gazzetta dell' Umbria*, and national radio's Channel 3, whose stories were based directly on the press conference, omitted the “ambiguous guru” line. The papers underlined, though, that Mrs. Robinson's backing of LaRouche for President, “contradicted the endorsement of Clinton which *Il Sabato*, close to CL, had published.”

### ‘Pities’ timorous press

In a statement to the Italian press on Aug. 26, Amelia Boynton Robinson said, “I pity the press, so dominated by fear that it is losing precious time while the world is again moving toward a new military adventure of George Bush, dictated purely by his electoral aims.

“My heart is especially saddened by the fact that here in Rimini, we are on the shore of the Adriatic which looks across at the nations of former Yugoslavia, victims of Serbian brutality. In these very days here at the Meeting of Rimini, the youth who belong to this praiseworthy organization, Communion and Liberation, are debating how to resolve the grave problems of the world. I too—who visited Croatia this past June at the invitation of Mothers for Peace, and have seen with my own eyes the sufferings of these people—have been fighting for more than 60 years for human and civil rights, and I recognize the same spirit and commitment in Communion and Liberation.”

She reminded the press of its responsibilities. “In defaming Lyndon H. LaRouche, whose case was recognized by the last official human rights report of the United Nations as one of the three victims of human rights violations in the United States,” she observed, “the press organs show that they have let themselves be dragged along by fear, because they knew not of what they spoke.

“The Schiller Institute has never been a cult, and Lyndon LaRouche is in no way a *guru*, but an American political leader to whom millions of voters are looking, and who is running as an independent candidate for the White House, on the ticket with Rev. James Bevel, another spokesman of the American civil rights movement.

“Martin Luther King was also imprisoned, slandered, stabbed and killed because he fought the ruling system in America. . . . I was beaten, tortured, and left bleeding in a street in 1965, when I led the first march for the right to vote to the blacks in Alabama, just because I worked with Martin Luther King.”

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## Documentation

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*Following is the Rimini Meeting's news bulletin on Amelia Platts Boynton Robinson's press conference on Aug. 23. It was translated from the Italian.*

“America was wonderful, but we destroyed its beauty, its culture, and what it could have become.” With these words Amelia Platts Boynton Robinson emphasized her being both a product of the United States and a person fighting for the United States to become again, what it should be.

Robinson, among the speakers on the panel “And If the United States Became an ‘America’? The Melting Pot, Till Now Denied, Could Come in the Near Future,” was born in Savannah, Georgia, and since the 1950s has been engaged in the Afro-American civil rights movement. Her collaboration with Martin Luther King dates back to the '50s. She was the one who invited him to go to Alabama, where together they mobilized numerous marches to support colored people's voting rights.

Robi Ronza, in introducing her, stressed the fact that no European can call himself anti-American, as America is a sort of European *Magna Graecia*. One can, however, Ronza said, be critical of the U.S. claim to be the world's policeman, since that not only creates imbalances at the international level, but also produces a big crisis internally, by increasing the gap between the few rich and the many who are really badly off.

Robinson went through the various stages of her activity in the fight for American blacks' rights, starting in the years right after she graduated from college. “At the university in Alabama, I learned to fight and to be beaten for what I believe, and to believe in God.” In her work for the Agriculture Department it became very clear to her that apartheid and slavery were still unsolved. “Blacks were handled like cattle, the boss could kill them for silly reasons, and the murder was upheld in court.”

Her most difficult struggle, which saw her at the side of Martin Luther King, was for voting rights, not only in Alabama, but throughout the United States: “My husband, before dying, told me: ‘I want you to make all black Americans win their right to vote’.” Because of this struggle, she has repeatedly been threatened and was even arrested in 1965, during a march in her hometown.

Responding to some journalists' questions, she spoke about the present U.S. situation: “Unless the whole system changes, the melting pot will degenerate, Bush's aim is to set everyone against each other, both internally and internationally. Clinton is a bad copy of Bush. The only solution is to elect and free Lyndon LaRouche from prison. He was jailed after Bush's election because he opposed the corruption of the American political system.”

# Mafia-Gelli ties would implicate U.S.

by Leonardo Servadio

The name of Licio Gelli, grand master of the Propaganda 2 masonic lodge, who has been tied to every destabilization in Italy for two decades, has come up again in connection with this year's assassinations of Christian Democratic political leader Salvo Lima and Judges Giovanni Falcone and Paolo Borsellino in Sicily.

Gelli served time (not much) after a long evasion and a bizarre escape from a Swiss prison, in the wake of the 1981 exposure of P-2. In 1981, a partial list of P-2 members—over 900 prominent politicians, government bureaucrats, bankers, military commanders, and important professionals—was exposed. P-2 was outlawed as a conspiracy to steer Italy independent of, or even against, its constitutionally determined institutions. Now the slippery grand master is out on parole, but due to several ongoing investigations, has no passport.

The possibility that he may have Mafia ties was brought up by Senate President Giovanni Spadolini in a newspaper interview in late July. In an interview published by Milan's daily *Indipendente* on Aug. 15, Gelli bragged, "I was a middleman for some \$15 billion." Asked whether he had ties to the Mafia, and Gelli rejoined that he did not need the Mafia, since he had the credentials of "sovereign states."

The next day, Interior Minister Nicola Mancino gave a speech in a Sicilian town, Capo d'Orlando: "Licio Gelli . . . moves amounts of money in the order of 500 or 600 million [liras] with great ease. Well, don't we want to check this money? Don't we want to verify to whom it belongs, where it comes from, who gave it to him?" Asked whether there might be links between Gelli and Mafia money, Mancino replied that there was no proof, but P-2 is still illegal and "possible connections are always a risk."

Since March, magistrates in Gelli's native Arezzo have been probing large-scale banking operations carried out on Gelli's behalf by a lawyer in an Arezzo bank. *Corriere della Sera*, which reported on Aug. 18 that a local magistrate criticized the interior minister's "leaking" of the investigation, added that there is more than one probe into dirty money recycling and Masons.

Last March 18, a sweep by the Italian police in Palermo, Modena, and Milan revealed a "broad criminal organization dedicated to illicit financial activities in collusion with Mafia people." This ring recycled at least 500 billion liras (around \$500 million) operating from Bolivia to the former Soviet

Union. Some of its members, like Giovanni Lo Cascio, were part of a masonic lodge in Palermo. Gelli was named in several phone calls recorded by the Italian investigators before the arrests. One such call was made by a German engineer from Miami to Palermo—two cities notorious in the drug traffic.

Giuseppe Ayala, an ex-magistrate in Palermo now in the Italian Parliament, in an interview in *Corriere*, pointed to a Mafia role in past attacks on the state, like Prince Junio Valerio Borghese's coup attempt in 1971. He recalled that Tommaso Buscetta, the Mafia kingpin turned state's evidence, "said that in the course of the preparation of the Borghese coup, he came with Salvatore Greco, called *Cicchiteddu*, a big Mafia boss who for years had been living in South America, at Catania, where Luciano Liggio was staying. . . . Buscetta, by the by, was living in the United States, which says a lot."

"Says a lot" may refer to the ease with which these mafiosi moved around; or to the notorious cohabitation of Mafia and U.S. intelligence ever since World War II. Prince Borghese, commander of the X Mas flotilla in Mussolini's Salò republic, was in league with the CIA's James Jesus Angleton. Ayala mentioned the ties uncovered between a masonic lodge in Palermo, and the Mafia. "Naturally," added Ayala, "we refer not to the official Masonry, which as far as I know does not have criminal tendencies, but deviant parts."

Spadolini and Ayala are both members of the Italian Republican Party, which is no virgin when it comes to the CIA. Some Catholic press, like the weekly *Il Sabato* and the monthly *30 Giorni*, have gone further in drawing the strategic implications of a Gelli-Mafia link. The current *30 Giorni* interviews Christian Democratic ex-parliamentarian Tina Anselmi, who had headed the commission investigating P-2. She says, "Let us not forget that the puppet master of Arezzo [Gelli] is the only Italian who was invited to the inauguration of three U.S. Presidents." *Il Sabato's* editorial called P-2 "a lodge which guaranteed American interests" in Italy.

Meanwhile, the political friends of the drug lobby are busy. Justice Minister Claudio Martelli, a Socialist, hinted that it might be time for drugs to be legalized, in order to take the black market out of Mafia hands.

Legalized drug consumption would in fact increase Mafia revenues, in bigger and safer markets. On a deeper level, it would imply a total cultural change, rejecting what is called "western" culture for an "oriental" culture of passivity and lack of personal responsibility. As sociologist Franco Alberoni wrote on Aug. 17: "Drugs have become an instrument to realize experiences which once were found in religion and in prayer . . . drugs have now become a constant component of the social and spiritual life, as once metaphysics or religion was." Alberoni, who hatched the Red Brigades terrorists at Trento University in the 1960s, calls for a cultural change, which allows drugs to be part of modern culture.

# The Serbian Army must be stopped

by Davos Stier

*The author, a Croatian-Argentine, is a correspondent for Radio Croatia in Argentina. From November 1991 to February 1992, he was based in the former Yugoslavia as a correspondent for Buenos Aires' Radio America and for the daily El Cronista.*

“On the eve of my death, I beg Your Majesty to determine the site of my burial wherever you please within the confines of your Empire, but never, *never* in that execrable country over which I have had the disgrace to reign.”

—Letter from the Serbian King Milan Obrenovic to Austrian Emperor Francis Joseph.

Serbia attacks Slovenia: 67 dead. Serbia attacks Croatia: 15,000 dead. Serbia attacks Bosnia-Herzegovina: 30,000 dead. The logical conclusion? Serbia must be stopped. The conclusion of western officials and “analysts”? If Serbia is primarily responsible, so are all the others! There should be no military intervention, but rather convene a peace conference in which no distinction is made between the aggressor and the victims of that aggression.

Canadian general Lewis MacKenzie cheerfully told *Time* magazine, “Both sides are to blame.” For the chief of U.N. forces in Sarajevo, the Muslims are as guilty as the Serbian aggressors because they purportedly exaggerate the invading army’s atrocities. Yet against the terrifying images of Serbian concentration camps and attacks on buses carrying orphans, MacKenzie’s argument is a cruel joke.

The point is that the so-called international community led by the United States never wanted to condemn the Serbians. Moreover, a few days prior to the Slovenian and Croatian declarations of independence, Secretary of State James Baker traveled to Belgrade to chastise the two secessionist republics. In other words, Washington gave the green light to the Serbians to invade their former colonies.

Baker’s departure from the State Department will surely not improve the situation because his replacement, Lawrence Eagleburger, is so intimately linked to Belgrade that he has already earned the title of “Lawrence of Serbia.” While serving as U.S. ambassador to Belgrade, the new American

secretary of state maintained a fruitful friendship with Serbian dictator Slobodan Milosevic. Upon returning to the United States, as a member of the board of directors of Global Motors, Eagleburger promoted the import of the “Yugo,” manufactured by Red Star, the Serbian military plant.

## Concentration camps

Nonetheless, it would seem now that western politicians may be opening their eyes, as they turn on their television sets and see the Serbian concentration camps in Bosnia. Of course, things haven’t gone beyond that. They saw the Croats and Muslims mistreated, expressed their regrets, and then changed the channel.

Concentration camps are nothing new for the Serbs. On July 10, 1941, the collaborationist government of General Nedic opened such a camp at Banjka near Belgrade, and held 23,679 opponents of the pro-Nazi regime. Nor is “ethnic cleansing” a practice the Serbs recently discovered. During World War II, Serbia’s security chief, A. Shefer, declared Belgrade to be a city “free of Jews”—*judenfrei*. The Serbs systematically applied ethnic cleansing during the Yugoslavian monarchy (1918-41) and then under communism (1945-91) to conquer neighboring territories. During the postwar period, through terror and economic austerity, the Serbs forced 1 million Croats to emigrate abroad in search of peace and work. Today they’re applying the same plan, this time through direct bombardment of Croatian cities.

One need not be surprised by the brutality of the Serbian militias. In 1903, Serbian soldiers had no qualms about entering the royal palace, murdering King Alexander Obrenovic (son of the above-mentioned Milan Obrenovic), and raping and mutilating Queen Draga, after which Lieutenant Colonel Miscich displayed her uterus on the tip of his sword. If this is the way they treat monarchs, what can the Muslims and Croats expect at their hands when they are imprisoned in their concentration camps?

## Military intervention

Now, after presenting this analysis, it would be cowardly to end without proposing a solution; and the only possible solution is to break the Serbian Army.

The problem won’t be resolved by sheltering refugees in western European nations. If aid to Bosnia-Herzegovina is limited to this, then the Serbian policy of ethnic cleansing will be rewarded. The correct policy is to return the refugees to their homes, and the only way to do this is to expel the Serbian Army.

Foreign military intervention can be an efficient solution as long as it has a precise objective: to destroy the Serbian forces. Any other form of intervention, such as that planned to guard the convoys carrying humanitarian assistance, is just a smokescreen designed to cover up either the lack of effectiveness or the complicity of the powers which today rule the world.

# Georgian troops move into Abkhazia

by Konstantin George

The crisis in the Georgian region of Abkhazia, located on the Black Sea coast, has in the last days of August embroiled the entire Caucasus region in the prelude to a major shooting war that could easily exceed the carnage between Armenia and Azerbaijan over Nagorno-Karabakh. This war will draw into its maelstrom every one of the Muslim mountain tribes of the Russian-ruled North Caucasus, and a Russian involvement is certain, the only questions being exactly how, and when.

The immediate background to this full eruption was the crisis that reached its first high point in July, when Abkhazia declared its independence from Georgia. On Aug. 22-23, Georgian National Guards entered Abkhazia to crush the secession and seized its capital of Sukhumi. The government of Abkhazia and the head of its parliament, Vladislav Ardsinba, fled to the town of Gudauta, some 40 kilometers north of Sukhumi. They vowed to continue resistance in the form of a prolonged guerrilla war, and appealed for military aid from all the other Muslim tribes of the Caucasus, and from Russia as well.

That appeal was long expected, and the response of the Muslim mountain tribes of the Caucasus was well planned. These tribes had banded together into an organization called the Confederation of Mountain Peoples of the Caucasus, led by the renegade general Djabar Dudayev, head of the self-proclaimed "Chechen Republic" in the North Caucasus, which seceded from Russia last autumn. This was the final step in ensuring an internationalized war over Abkhazia.

Dudayev's "regime" can tap huge financial resources, including foreign currency, courtesy of the "Chechen mafia," perhaps the single most powerful organized crime mafia in the former Soviet Union. Dudayev operates in a closely coordinated alliance with deposed Georgian dictator Zviad Gamsakhurdia, who in turn is backed by leading figures of the "Georgian mafia," and who, since his overthrow in January, has found refuge in the Chechen capital of Grozny. On the Georgian side of things, Abkhazia and the neighboring region of Mingrelia, together form the West Georgia bastion of the armed rebels loyal to Gamsakhurdia. It was these forces who initiated the fighting inside Abkhazia, setting the stage for Dudayev's "Confederation" to move in.

## Caucasus-wide conflict begins

As the Georgian troops were occupying Sukhumi, on Aug. 22, the "Confederation of Mountain Peoples" convened in the Chechen capital of Grozny, chaired by Dudayev. All the tribes were represented: the Chechens, the Ingush, the Dagestanis, the Ossetians, the peoples of Kabardino-Balkar, etc. For Dudayev, this was a coup, as he had succeeded in uniting these tribes, many of which are hostile toward each other, on the one issue they could have been united around: support for the Abkhazians. The meeting adopted unanimously a resolution for the immediate dispatch of armed "volunteer units" to Abkhazia.

This caused an emergency session the next day of the Georgian State Council, chaired by President Eduard Shevardnadze, which adopted urgent countermeasures for what was threatening to become a major war. These measures included placing the Georgian National Guard on a state of alert, and ordering a general mobilization.

The provocations by armed rebels loyal to Gamsakhurdia and General Dudayev have thus accomplished their goal of embroiling the entire Caucasus in the conflict.

Through their military intervention to crush Abkhazian autonomy, the Georgian State Council under Shevardnadze, wittingly or unwittingly, fell for the trap laid by the Gamsakhurdia-Dudayev "axis," by creating the one situation where Dudayev could succeed in uniting all the mountain tribes behind him. By doing so, the full dimension of the Caucasus crisis has been extended onto Russian soil, forcing a strong Russian reaction to prevent the process of fragmentation from reaching inside the Russian Federation itself.

## On the brink

By Aug. 26, the outbreak of all-out warfare appeared imminent. Abkhazian and Muslim tribe forces attacked the coastal town of Gagra. In very heavy fighting, at least 80 people were killed, according to the Russian news agency Interfax, and the Georgian garrison was under siege. The Georgian General Staff ordered warships to the town, to give fire support, and prepare for a possible evacuation by ship. On the same day, Abkhazian forces, together with armed tribal volunteers, re-entered Sukhumi and tried, unsuccessfully, to seize the main railroad station.

Georgian reinforcements were also pouring in. On Aug. 25, the commander of Georgian National Guard troops in Abkhazia, issued an ultimatum to the president of the Abkhazian parliament, Vladislav Ardsinba, demanding that he surrender or else Georgian troops would attack his stronghold in the town of Gudauta. Ardsinba and the Abkhazian government had fled there Aug. 22-23, after Georgian troops occupied Sukhumi. Abkhazia has rejected the ultimatum.

A parallel ultimatum was issued by Shevardnadze, demanding that all armed "volunteer" units sent into Abkhazia from the "Confederation of Mountain Tribes," be immediately withdrawn from Abkhazia. This ultimatum was likewise



*Georgian President Eduard Shevardnadze. His military intervention in Abkhazia unified all the mountain tribes against him, expanding the scope of the conflict.*

rejected, and the stage is set for large-scale fighting. According to the Russian Defense Ministry, some 1,000 such armed "volunteers" were in Abkhazia by Aug. 25, including some 500 in Gudauta, to defend the Abkhazian government. Their existence in Gudauta was confirmed, when mountain tribe units attacked the token Georgian detachments in Gudauta, killing six guardsmen. Another 80 were hastily evacuated by Russian military helicopters. The first armed clashes were reported on the Russian-Abkhazian border on Aug. 25, as Georgian troops tried to stop the infiltration of armed tribesmen from the North Caucasus.

Direct Russian involvement is now only a matter of time, in the form of Russian Cossack "volunteers," as confirmed in a statement by the organization of Russian Cossacks that they would move into Abkhazia to "protect Russians," if they are attacked or threatened. Both sides in the conflict, the Georgian government and the Abkhazians, have appealed for Russia to intervene on their side. As an editorial in the Aug. 25 newspaper *Trud* stated, "Russia is staying neutral so far, but it remains to be seen for how long. . . . Both sides are appealing to Russia, asking for its help, or warning that an Abkhazian secession from Georgia may signal the beginning of Russia's breakup into separate states."

An emergency meeting between Russian President Boris Yeltsin and Georgian President Shevardnadze to try and settle the crisis peacefully has been set for Sept. 3. No one is betting on its success.

## 'Khalistan, Inc.' suffers heavy losses

by Ramtanu Maitra

Despite occasional blusters issued by U.S. Reps. Dan Burton (R-Ind.), Wally Herger (D-Calif.), and a few others who are politically funded by "Khalistan, Inc.," and despite the presence of a sad-faced president of the Council of Khalistan, Gurmit Singh Aulakh, at the Republican Party Convention in Houston, all is not well with the foot soldiers of the Sikh secessionist movement in India. The Sikh secessionists claim the Indian state of Punjab as their nation of Khalistan.

According to available information, in 1992 alone, the Punjab Police have gunned down at least 20 top Khalistani terrorists. Among the militant luminaries, some of whom were wanted for 200 murders or more, are the chief of the Babbar Khalsa; chief and deputy chief of the Khalistan Liberation Front; and chief of the Bhindranwale Tiger Force of Khalistan.

It is difficult to pinpoint why these militants, who had been rampaging along merrily for almost a decade, have suddenly begun to bite the dust. One possible answer is the revamping of the Punjab Police, now under a crop of young officers, which enabled the security forces to successfully infiltrate the rank and file of various terrorist groups. Now, the Khalistani militant organizations, built around cult-like figures, have been turned into leaderless packs, though they still possess a great deal of killing power.

### The Sibia revelations

Another explanation came from one Gurdip Singh Sibia, a Sikh of British nationality, who claims to be the chief organizer of the Babbar Khalsa International. Sibia recently surrendered to Punjab Chief Minister Beant Singh before a large crowd, after he had come to realize that the security services were hot on his trail, and he would soon be annihilated.

At the time of his surrender, Sibia gave up the fight only after fully realizing Pakistan's role. Sibia told journalists that, while Pakistan was providing arms and training to the militant Sikhs, it had refused to bring the Punjab issue to the international forums. Sibia said that finally it dawned on him that, while the Pakistani government in Islamabad is interested in getting back the Indian part of Kashmir, which borders Punjab, support to the Khalistanis was provided mainly to destabilize India.

## Northwest India



Recent interrogations of a militant arrested in Bombay have revealed the extensive role played on the ground by the overseas-based activists, nurtured and sheltered by politicians and powerbrokers. Despite the police successes, fundraising activities on behalf of the Khalistanis in the United Kingdom, Germany, Canada, the United States, and Hong Kong are going on as usual. In all these countries, the arrested militant said, the terrorists are in contact with Pakistani intelligence operatives, who are helping them bring in money to Pakistan for arms purchases, abundantly available due to the Afghan war.

That aside, behind the curtain, the role of the Israeli Mossad and British intelligence in keeping the "martial race" fighting is also not expected to ease. A letter to Indian Prime Minister Narasimha Rao by Rep. Les Aspin (D-Wisc.) and co-signed by 35 other congressmen, protesting against the arrest of a Sikh militant, was sent on May 5. These legislators demanded an immediate release of the militant on the ground that the Indian government has not charged the individual with any specific crime and, hence the Indian government itself has violated internationally accepted principles and procedures. The letter is a clear indication of the influence that the British-based human rights group Amnesty International wields over the U.S. Congress.

Links also continue between Representatives Burton, Heger, Vic Fazio (D-Calif.), Mel Levine (D-Calif.), and a number of others with Gurmit Singh Aulakh, even though it has been established that the president of the Council of Khalistan is a conduit for channeling funds for terrorist activities within India, which, as Sibia pointed out, is designed to

destabilize the Indian nation. It is by now very evident that the supported terrorists have done little to weaken the Indian government, but they have killed thousands of innocent people, most of them Sikhs!

### High living

What also came to light, following the killing of the top terrorists, is the opulent lifestyle adopted by these militants. With the death of Sukhdev Singh Babbar, chief of the Babbar Khalsa and an omnipotent cult figure, security services found that his home, where he lived under an assumed name masquerading as a building contractor, was a palatial mansion stocked with modern gadgetry most of which had been procured from Thailand. Sukhdev Singh, to the dismay of the Sikh purists and a legion of dedicated young terrorists, had abandoned his wife and children and was found living with another woman.

The impact of these findings, and the killing of the top terrorists, will no doubt push the organized militant activities in Punjab into a corner. It is likely that more successes will pour in in the coming days.

In an interview from his jail cell, Gurdip Singh Sibia said that the militant movement has been "shaken to its roots," but, he cautioned, it could still "rear its ugly head at an opportune moment" if the Indian government does not seize the opportunity and go for a political settlement with the Sikhs. By "political settlement" what Sibia meant is to provide Punjab the kind of status that Scotland enjoys in the ambit of the United Kingdom. Although such a political settlement will likely only help perpetuate another secessionist movement in future years, Sibia is right because of the continuing presence of "Khalistan, Inc." The Indian government's inability so far to protect those Sikh leaders who are categorically against the notion of Khalistan and all terrorist activities associated with it, is another reason why Sibia's words must be heeded.

### What can be done

The Indian government in New Delhi must now help encourage those Sikh political leaders who are not tainted by the Khalistan movement and who believe in pursuing a democratic process within the framework of the Indian Constitution.

New Delhi will have to take a number of measures. First, those leaders of the Sikh party Akali Dal, who, under the pretext of being terrorized, had collaborated with the militants, should be cut off from all negotiations and discussions. Second, the Punjab Police Force requires a thorough cleanup. Many security men have been accused of having used the breakdown in law and order to fill their pockets. In addition, the 1985 accord reached between then-Prime Minister Rajiv Gandhi and Akali Dal leader Sant Harchand Singh Longowal, which addressed the grievances of Punjab and then was left in the lurch, should now be implemented.

# India and Pakistan agree to hold talks on Kashmir issue

by Susan Maitra and Ramtanu Maitra

The sixth round of talks at the foreign secretary level, held in New Delhi on Aug. 16-18 between India and Pakistan, was a distinct improvement over the previous ones: Islamabad unexpectedly proposed to resolve the Kashmir issue within the framework of the Shimla Agreement signed in 1972 by the two late leaders, Shrimati Indira Gandhi and Zulfikar Ali Bhutto. In addition, Pakistani Defense Minister Ghous Ali Shah, talking to journalists in Rawalpindi, Pakistan on Aug. 16, ruled out any "possibility of armed conflict between Pakistan and India on the Kashmir dispute." He also made clear that "both countries have a desire to negotiate and decide issues by putting forward their cases, rather than taking decisions by force." In addition, Pakistan's chief of the armed services, Gen. Asif Nawaz Janjua, has accepted a formal invitation to visit India.

On arrival at New Delhi, Pakistani Foreign Secretary M. Shahryar Khan confided to reporters that he was carrying a letter from his prime minister for Indian Prime Minister P. V. Narasimha Rao. He said Pakistani Prime Minister Mian Nawaz Sharif, in his letter, has invited India to start talks on the Kashmir issue exclusively under Article VI of the Shimla Agreement. Sharif, he said, regards the Kashmir dispute as the core issue to be settled in order to normalize the relations between the two countries.

Article VI of the Shimla Agreement relates to a heads of state and representatives' meeting to be convened at a convenient date to find, among other things, "a final settlement of [the state of] Jammu and Kashmir."

The Indian side, elated by the fact that Pakistan has finally come around—after years of ignoring India's invitation to resolve Kashmir based on the Shimla Agreement and, instead, engaging in various international forums with efforts to resolve the dispute through the U.N. resolutions of 1949—was also a little unsettled by the Pakistani demand. India's former Indian high commissioner to Pakistan, Foreign Secretary J.N. Dixit, pointed out that it is not possible "to isolate individual articles of the Shimla Agreement." In other words, the Indian position is that the Shimla Agreement had to be viewed in its entirety, the main objective of which is the creation of an environment in which all outstanding issues can be resolved. Besides the Kashmir issue, a number of

irritants have soured the relations between the two countries and have resulted in minor armed conflicts, including: disputes on water-sharing; lack of delimitation of a maritime boundary in the Kutch area; a dispute over the boundary in the Siachen Glacier in northern Kashmir; and the problems created by drug trafficking and smuggling.

At the end of the sixth round of talks, it was agreed that despite significant differences between the two sides in determining the modalities on the application of the Shimla Agreement, both sides will continue to discuss how to resolve the thorny Kashmir issue. The Indian prime minister will soon respond to Prime Minister Sharif's letter, and it is expected that the two leaders will meet in Jakarta, Indonesia when they attend the upcoming Non-Aligned Movement heads of state conference in September.

## New Delhi's cautious optimism

Although Islamabad has made clear that it has not abandoned its quest for resolving the Kashmir issue through the United Nations, Pakistan's proposal for bilateral talks is a definite change in stance, a shift with various causes. Pakistan has come to realize that Kashmir cannot be pried out of India simply by backing various militant activities within the Indian part of Kashmir, and that Punjab militancy has also lost its sharp edge (see p. 35). In addition, with the dissolution of the Soviet empire, Islamabad's bilateral equation with Washington has undergone a change. In fact, Washington's withholding of economic and arms aid to Pakistan because of the latter's alleged covert nuclear weapons program, has further strained relations between the U.S. and Pakistan. In earlier days, Washington had been a consistent backer of the Pakistani proposal to resolve the Kashmir issue based on the U.N. resolutions.

What, however, has not been pointed out here is Islamabad's growing uneasiness over the trend of the present movement in Kashmir and the support it is receiving from Britain (see *EIR*, Feb. 21, "British-Sponsored Crisis around Kashmir Gathers Momentum"). It could be Islamabad's realization that the Kashmir issue is now being used by the British, through the Jammu and Kashmir Liberation Front (JKLF) to carve out an independent Kashmir.

Optimism notwithstanding, it is evident that New Delhi will move cautiously on the future talks. The following may be the reasons for such circumspection:

- Pakistan has continued to deny involvement with the Kashmiri and Punjabi militants, even when it is accepted in various capitals, including Washington and Beijing, that Islamabad is aiding, abetting, and arming militants who seek secession from India.

- There is uncertainty over the negotiations, since the present Pakistan government is highly unstable and the Sharif government could collapse.

- By raising Article VI, Pakistan is probably trying to bring to the fore the very issue of Kashmir's accession to India in 1947; this may lead to a renewed demand for a plebiscite to determine who has sovereignty over Kashmir.

- Pakistan is also under great pressure because of the backlash from the Afghan war, terrorism in Sindh, and instability in its North West Frontier Province.

- New Delhi would like to see how Islamabad discusses the Kashmir issue in the domestic as well as in the international arenas.

### Enter the Carnegie Endowment

Precisely because India and Pakistan have agreed to continue with talks, the British interest in the Kashmir issue will not wane quickly. This became evident when it was reported on Aug. 16 that the senior fellow of the Carnegie Endowment for Peace, James Clad, has floated a proposal to resolve the Kashmir dispute. Clad, a former New Zealand diplomat, who had worked as a correspondent of the Hong Kong-based weekly *Far Eastern Economic Review*, with a stint at Oxford between jobs, was based in New Delhi as the weekly's correspondent in 1990. According to news reports, Clad had visited India recently and claimed to have had detailed discussions on his proposal with senior Indian diplomats and defense officials.

Clad's proposal, which reportedly has Washington's blessing, calls for both parties to accept the effective border, known as the Line of Actual Control, as their international boundary.

In addition, Clad suggests that India yield a chunk of land in northern Kashmir enabling Pakistan to secure its strategic highway with China, provided Pakistan, in return, accede some land to India in southern Kashmir; India will neither frustrate nor sabotage any future deal between China and Pakistan regarding Kashmir territory; and once the India-Pakistan border issue is settled, India should open dozens of transit points along the 2,912 kilometer border, which currently has only one such transit point.

So far, both the Indians and the Pakistanis have brushed aside the proposal as "vague" and "academic." They also do not see why such a land swap is necessary to resolve the issue. Nonetheless, it has not been denied that Clad was in India discussing his proposal with senior officials.

## Sri Lanka: shedding light, casting shadow

by Ramtanu Maitra

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### Only Man Is Vile: The Tragedy of Sri Lanka

by William McGowan

Farrar, Straus, and Giroux, New York, 1992

398 pages, hardbound, \$25

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William McGowan's book is immensely readable, having the colorful blend of compassion, frustration, anger and romanticism. Nonetheless, the journalistic treatment of a complex ethnic history, further complicated by the centuries of colonial rule in the region, does not provide an outsider, whose concept of Sri Lanka as a nation is not more than a dot on the map, the necessary understanding of why violence continues on this small island.

In his treatment of the Sri Lankan tragedy, McGowan dealt with the five-year period, beginning with the massacre in the capital of Colombo in 1983, ending in mid-1988, when he left the island. The subsequent period—the book was published in 1992—has been summarily treated in a 13-page epilogue. As a result, many important developments, elucidation of which could have helped the reader acquire a bit more insight on the Sri Lankan tragedy, have received summary comments of the author—a fact which makes the book less of a "compelling account of a society consumed by the implacable hatreds of race and class," as the dust jacket suggests, and more of a travelogue with a superficial account of the society consumed in almost four decades of violence.

### British role misrepresented

That is, however, not to say that McGowan did not look at various factors which have played a major role in bringing about the turmoil. His write-ups on *1956: Cultural Revolution* and *The Sinhalese South* are useful. His treatment of Buddhism and the British is not only inadequate but highly misleading. It is misleading because it gives the impression that the British, besides training and "westernizing" a small group of wealthy Sri Lankan elite, had left the island, lock, stock, and barrel, without leaving behind institutions through which they could continue to intervene into the Sri Lankan situation. The readers could have gotten a better sense of such interventional capability of the British if McGowan



had mentioned, in his highly compressed epilogue, that the British High Commissioner to Sri Lanka, a torchbearer of the old Gladstone family, was ordered off the island toward the end of May 1991, within a few days after Indian Prime Minister Rajiv Gandhi's assassination, for interfering in Sri Lankan domestic affairs. McGowan's casual mention of the Sri Lankan government's collaboration with the Keeni Meeni Services, and its links to the still-to-be-exposed Iran-Contra affair, makes mockery of what is pompously described as investigative journalism.

But, McGowan's narrative provides some food for thought and sheds light on some areas which have remained completely unreported. The fanatic Buddhist Sangha's attack on the Catholic Church, and not on the more prominent Anglican Church, provides some handle on the instigations and provocations. It is also revealing to read the account of an interaction between "N," McGowan's "articulate Tamil friend," and "Swami," an Englishman dressed in the saffron robes of a Sinhalese monk. Swami's extreme bias in support of the Sinhala racism against the Tamilians and his total rejection of facts corroborating the systematic anti-Tamil economic and social measures brought about by the Sinhalese elite since 1956 with the help of the Sinhalese chauvinist majority, are eye-openers to those who believe that vile men only reside in Sri Lanka but not elsewhere. It will also act as an eye-opener to those who would like to hold onto the cliché that the so-called socialist policies of Mrs. Sirimavo Bandaranaike in the 1970s were humanitarian and anti-imperialist in nature. Mrs. Bandaranaike's nationalization policies were focused on making public sector jobs exclusive to the Sinhalese. It is during this period that the "Sinhala only" movement had benefited most, and the Tamilians took to arms.

But McGowan's narrative is inadequate in many crucial areas. The Sinhalese JVP movement has been highly romanticized, perhaps because McGowan found it had grass roots among the people. However, the movement has other faces. JVP's connection to the North Koreans terrorists, its collaboration with the Liberation Tigers of Tamil Eelam (LTTE) in India in sharing arms and in anti-India vituperations, had purposes well beyond its grassroots appeal.

### **India's role in the tragedy**

It is also unfortunate, although not surprising from the narratives, that the author chose not to talk to the Indian government authorities in Delhi on the Sri Lankan tragedy. Instead, McGowan chose to report in detail what his hand-picked representatives among the Tamil Tigers and the Tamilians in general, Christians, Muslims, and Buddhist Sinhalese, think about the Indian role in Sri Lanka, particularly since the Colombo massacre in 1983. There is no doubt, and New Delhi would be first to admit it, that the Indian intervention as the Peace Keeping Force, following the signing of the Sri Lankan Accord in 1987, was a failure. However, the failure was not only because the Indians were less

than adequate in dealing with the situation, and in the process had committed various atrocities which further vitiated the atmosphere, but because the accord was seized upon by the Sinhala chauvinists and the Tamil Tigers alike to discredit the Indians. While the Indian failure is unquestionable, the betrayal of the other sides was equally real.

It is also interesting to note McGowan's harping on the Indian hegemonistic tendencies, spoken through the mouth of some of his friends and contacts. There is no doubt that India, with its own domestic problems largely created by the legacy of the British rule and the partition of the subcontinent in 1947, has a right to be concerned about a brewing civil war only 21 miles away from its southern coast. While the concern has been portrayed by India's hands-on/hands-off policies over Sri Lanka during the last decade, it is yet to be confirmed that such moves were driven by India's hegemonistic tendencies. Under much less provocation, the Chinese Red Army had marched across the Tibetan plateau in 1959, not to speak of the European colonialists' lame excuses to traverse thousands of miles in the 17th, 18th, and 19th centuries to colonize.

It is McGowan's "populist" handling of the Indian issue which raises the question why he chose not to tell the readers about the extensive training that the Tamil Tigers had received from Israel. It is widely known that the Tamil Tigers receive their arms from Singapore, a major British and Israeli arms bazaar, and deal with drugs through an international network.

It is this blindness of McGowan's which adds bias to his summary conclusion that Rajiv Gandhi was assassinated because the Tamil Tigers "also feared Gandhi would seek to destroy the LTTE once he had resumed power." It was known to Pirbhakaran, and his elite assassins, that India would oppose tooth and nail any attempt to set up an independent Tamil nation in Sri Lanka. This little fact was known to the Tamil Tigers in 1983, when Mrs. Gandhi had allowed them shelter in the Indian state of Tamil Nadu. It was also known to them that what India, and all its major political leaders, had wanted was to turn the tide of the growing Sinhala racism and pave the way for the Tamilians and the Sinhalese to live on the same island under one flag.

The subcontinent has seen too many assassinations. Beginning with the assassination of Mohandas Karamchand Gandhi in 1948 in India; a series of assassinations of heads of state—Liaquat Ali Khan, Zulfikar Ali Bhutto, and Zia ul-Haq in Pakistan; Mrs. Indira Gandhi and Rajiv Gandhi in India; and Sheikh Mujibur Rehman and Ziaur Rehman in Bangladesh—during the past four and a half decades indicates that the South Asian nations continue to remain a center of political intrigues, hatched domestically as well as from abroad. Obviously, the book is incapable of handling such a broad canvas, but it is important to point out that Sri Lanka occupies a part of the same canvas and not an independent one.

# Modern irregular war and European security

by Roberto A. Marcacci

*The following paper was presented to an EIR seminar on "European Security in the 1990s," held in Oppenheim, Germany on Aug. 6. The author is a security adviser in Zollikofen, Switzerland. His presentation was translated from the German.*

The object of this lecture is to characterize the possible threats to the internal security of Europe, to briefly analyze the new potential for violence that has built up in the former East bloc and in the Balkans, and to show what means can be used to achieve economic as well as military goals, even on the part of "friendly" nations. That this can also happen with the assistance of organized crime and terrorist organizations, is thoroughly conceivable. The boundaries between terrorism, organized crime, and obvious power politics promoted from government offices have become fluid in the last 10 years. In this regard, I would like to distinguish two forms of threat. The first is war on the economic level and the second is war by means of terrorism, commonly designated as *modern irregular war*. In this lecture, I will principally treat the second. . . .

Apart from the revival of nationalism, especially in the East and in the Balkans, various forms of threat in Europe can be distinguished. These are, on the one hand, the military threat from outsiders, the threat from organized crime, and the threat through terrorism operating internationally. Let us now consider these three forms more closely.

## The military threat

The dissolution of the Warsaw Pact as one of the consequences of the glasnost era has lessened the military threat. In addition there is the fact that a military confrontation with conventional means of war in Europe would, first, take too long and, second, could not be carried out without great losses for the aggressor himself. In the present moment and conditional on the civil wars in the Balkans and in the former East bloc, a direct military threat is thus, in the opinion of the author, to be classified as small. This situation, however, could quickly change if the European Community or the United Nations should make a decision for a military intervention in former Yugoslavia. The resulting conflict can,

depending on its duration, develop into a serious threat for all of Europe. The technical considerations of such a scenario, however, I would like to leave, at least in this lecture, to experienced strategists, and turn to the danger that arises from organized crime.

## Organized crime

As a result of the immense economic and political power that organized crime has created for itself since the Second World War, the threat that will appear in a Europe with open borders currently difficult to estimate. The influence of organized crime is particularly apparent in the East bloc, where it has started up in various economic areas and is there engaged in political agitation as well as money laundering and trafficking in human beings and drugs. These intrigues are supported by former members of state security organizations and secret services. The former Soviet criminal organization *Organizatsia*, which in the 1970s and 1980s was especially active in the United States, illustrates this in an impressive way. Organized crime in the West is also being served by experts from the KGB, in the areas, among others, of bugging technology and counter-surveillance. Correspondingly, it should also be stated that western organized crime is strongly active in the countries of the former Soviet Union, and is operating, among other things, successful money laundering there by means of investments in legal businesses.

The special danger of organized crime is its presence in higher levels of security organizations and of politics. For some time, corruption has no longer been an "affair" of the southern states of Europe. It has unfortunately also become a component of central European states, meaning especially the Federal Republic [of Germany] and Switzerland as well as Austria. Through the involvement of these components in some places with, among other things, governmental secret services (in the area of weapons trafficking), organized crime has become a state within a state, and has also further developed this position. It does not hesitate to use outright violence against functionaries of the state. This is impressively documented by the murder of judges and prosecuting attorneys in Italy (for example, [Giovanni] Falcone and [Paolo] Borsellino).

Through the structure of organized crime and its politics of violence and the employment of the means of modern irregular war (guerrilla war methods in the murder of Falcone and Borsellino in Sicily), the various branches of organized crime and its structure could become interesting in connection with the enforcement of power interests of states, and this by means of the murder of economic functionaries and those with social and political responsibilities, and also through the methods of modern irregular war that, with terrorism, are among the most likely methods that can also be employed among states for the assertion of interests.

## Terrorism

By terrorism, we understand the pursuit of political goals through the perpetration and disposition of acts of violence in order to undermine the subjective feeling of security of those directly or indirectly affected and of the public. According to the form of terror, these attempts at intimidation and extortion can be directed against functionaries in politics or the economy, but also against the population itself. The use of terror groups for the enforcement of political goals has already become "habit" in the Arab countries. This is shown particularly by the various kidnappings of American and European citizens in Lebanon. Although here terrorist organizations take responsibility, the negotiations were carried out with Iran, Iraq, Syria, and even Libya, which have always helped such organizations push through their demands. Whether it is a matter of political support against Israel or of economic interests always depends on the individual situation.

But we must also slowly reconcile ourselves to the idea that possibly "friendly nations" or their intelligence services can also make use of these means, especially if it is a matter of asserting their power interests. The knowledge that a direct military conflict, seen from a free market point of view, can occur only with considerable losses, could thus allow the deployment of methods of irregular war to become thoroughly plausible. Seen from this point of view, we must speak in the definition of terrorism not only of a

*left- or right-oriented* but also of a *governmentally directed terrorism*. A form of terrorism, particularly based on the logistical possibilities of a state (misuse of diplomatic privileges, use of governmental training infrastructure, etc.), is very dangerous. Combatting such a form of irregular war realistically is possible only through direct action (political, military, or economic) against the government concerned. This would be very difficult, especially with the states of the Balkans, of the former East bloc, and also of the Near East. The same is true of measures against a friendly nation.

The three previously named forms of threat are only a small part of the possible threats. . . . The goal of this lecture, however, was to call attention to the problems, and to find a new basis for discussion concerning the threat from organized crime and terrorism and their definition. The borders between governmental and criminal terrorism as well as organized crime have become fluid. In the future, we can no longer absolutely deny the thesis of specialists and strategists on operations staffs against terrorism and organized crime, that these criminal forms are supported for the assertion of government interests (thus irregular war operations) and not by radical groups. That means that combatting these criminal forms must take place also on the diplomatic and political level through economic or military pressure, a task that, in the interest of European security, is unavoidable.

## Experts focus on western role in terrorist threat

The *EIR* seminar on "European Security in the 1990s," held in Oppenheim, Germany on Aug. 6, was the second in a series dealing with questions of security and terrorism. The purpose of the series was to bring security experts from various European countries to examine the security threats to Europe posed not only by the collapse of the Soviet Union and the Warsaw Pact, but, more importantly, the implications for European security of the so-called Webster Doctrine and the Thornburgh Doctrine. CIA head William Webster officially signaled a policy reorientation which committed U.S. intelligence, military, and law enforcement resources to target nations that were once considered American "allies" during the Cold War but are now considered economic "threats." Former Attorney General Richard Thornburgh advanced the doctrine, approved by the U.S. Supreme Court, that the United States could violate national sovereignty by such measures as kidnaping foreign nationals living abroad, in

pursuit of U.S. "law enforcement."

The question of terrorism and its control and deployment by intelligence services of both the East and the West was closely examined. For many years *EIR* has documented such control to an all too skeptical public, but the revelations in Germany on how the German terror group the Red Army Faction was supported and trained by the Communist East German intelligence service, exposed to the general public the lie that terrorism was a sociological phenomenon. The assassinations of leading European political and economic leaders over the past three years were clearly not in the interests of former communist countries of the East, and pointed clearly to a western link that is becoming more and more apparent to the general public.

An important example was the assassination of Deutsche Bank's Alfred Herrhausen, who, as German Chancellor Helmut Kohl's leading economic adviser, was planning a major economic initiative for the former East bloc. These seminars, whose participants included experts formerly in the secret services of several western European countries, discussed the implications of the "western" link in these terrorist operations.

## **Right-wing terrorism—*déjà vu?***

*The Rostock riots signal the rise of new terrorist groups in the neo-Nazi scene—but the m.o. is not new.*

**F**or four nights from Aug. 22 through Aug. 25, the east German city of Rostock, a port on the Baltic coast, was rocked by riots over the issue of driving out several hundred asylum-seeking foreigners housed in a temporary shelter. Several hundred right-radical and neo-Nazi rioters hurled paving stones, bricks, steel bars, firebombs, and flares—not on the 10-story shelter, but at the police.

Police Chief Siegfried Kordus reported that his men were attacked by an apparently well-trained mob, operating in small groups like guerrillas, who assaulted the police, withdrew upon pressure, and attacked again where the police forces offered a vulnerable flank. The attacks were steered through a command center, which monitored police movements, received information from the “battle-ground” and gave orders via walkie-talkies. Police radio was jammed by the mob’s radio scanners.

This, the Rostock police chief said, was no “spontaneous outburst” of xenophobia which the media declared typical for east German youth; it was a clear sign that the same problem that police in the west German states had faced during the 1980s in numerous confrontations with leftist mobs, was emerging now on the right-wing fringe of Germany’s political underground.

Kordus’s apt appraisal was shared by Bernd Seite, the governor of Mecklenburg-Prepomerania, the state where Rostock is located. He said at a press conference Aug. 25, “We know these people—it is the same kind of

rioters we’ve seen in Brokdorf, at the Hafenstrasse in Hamburg, in Frankfurt and in Wackersdorf,” referring to the 1980s showdowns at the nuclear plant project at Brokdorf, the occupied Hafenstrasse buildings at the port of Hamburg, the runway project at Frankfurt Airport, and the nuclear reprocessing plant at Wackersdorf.

The latter two were the scene of civil war-like battles between a brutalized mob using walkie-talkies, radio-jamming equipment, and flares. At one Frankfurt runway clash, two policemen were killed by pistol shots.

In Rostock, radicalized local youth “took over” part of the riot after provocateurs had begun stoning and firebombing the shelter and “set the theme”; then better-trained groups of the mob trained their attacks on the police and on the firemen who tried to fight the fires at the shelter and at private cars parked nearby, which the mob had overturned and destroyed.

The new right-wing mob is using methods that seem to be borrowed from the leftists of the 1980s. And as the radicalization of the leftist anti-state underground went along with the formation of the Baader Meinhof gang and other terrorist groups, the same process of a right-wing terrorism in the making can be observed today.

Politicians at the federal level in Bonn and in state administrations tend to play down the importance of these recent developments. But the fact that an official probe has been launched into some of the most violence-prone groups of the scene, shows that the situation is taken more seriously than

politicians’ interviews would indicate.

The Nationalist Front group of Christoph Schoenborn, which created a National Intervention Command and is training select cadre in underground combat techniques and the use of radio equipment and firearms, is the subject of a probe under article 129 of the German penal code—the specific article used for the prosecution of the Baader Meinhof and other leftist groups in the 1970s and 1980s.

The Schoenborn group’s activities overlap with foreign influences, like underground work in Germany of the Ku Klux Klan, which is also the subject of an official probe. Heinz Anussek, the head of the Berlin intelligence service, said last January that his agency was highly alarmed about “an increasing pattern of right-wing extremist attacks during 1991” and particularly over “the growth of links between local skinhead groups and international neo-Nazi and white-supremacist groups like the Ku Klux Klan.” Meanwhile, the KKK has been put on the official record for trying to build a terrorist network inside Germany. In a reply to a parliamentary question of the opposition Social Democrats at the end of July, the government reported findings related to a KKK underground group.

A police search of the group in Königs Wusterhausen, near Berlin, produced terrorist matériel like pipe segments, chemicals, and explosives ostensibly to be used for the building of shaped charges; also pamphlets calling for “armed struggle” against the government and other state institutions were found. The group is linked to Dennis Mahon, a KKK organizer who made a recruiting tour of Germany last year. He claimed in interviews that he had instructed young German neo-Nazis personally in the use of firearms and other matériel.

## Bush's boy Barletta and drugs

*One reason Bush invaded Panama was to avenge the ouster of Barletta, candidate of the CIA and the drug cartels.*

**T**he Bush administration invaded Panama to make that country safe for drug trafficking. Although much of the relevant information was suppressed by federal Judge William Hoeverler at the Miami, Florida trial of Gen. Manuel Noriega, sufficient evidence did come out to warrant a congressional investigation or the appointment of a special prosecutor. But neither George Bush's Democratic Party opponents nor the major U.S. media have said a word on this issue.

Take the case of Nicolás Ardito Barletta. In the speech he delivered at his sentencing on July 10, General Noriega said that, among the evidence the defense team was not allowed to present at the trial, there was "the trip to Washington in 1984, where the United States chose and gave its backing to Barletta as the presidential candidate against Arnulfo Arias."

Who is this man Barletta and why was he so important that the U.S. government would pressure the Panamanians to make him their President? To understand that, one must understand Panama's place in the international drug-trafficking chain. Panama does not grow drugs, and before the invasion, it had no drug-processing laboratories. While drug consumption has skyrocketed since the invasion, from the cartel's standpoint it is not a major market because of its small population. But Panama is a transshipment point and one of the world's premier drug money-laundering centers.

The man responsible for that is Nicolás Ardito Barletta. Trained in economics at the University of Chicago by drug-legalization advocate George

Shultz, Barletta went back to Panama to run the Bureau of Planning and Administration in the late 1960s under Noriega's predecessor, Gen. Omar Torrijos. At that time, Torrijos was hoping to negotiate with the United States for a new canal treaty to end Panama's semi-colonial status. Those sections of the establishment tied to the New York Council on Foreign Relations and to David Rockefeller's Trilateral Commission, told Panama: "You may have the treaty, but in exchange we want you to establish an international offshore banking center, free from government regulation."

Their boy Barletta delivered. He drafted a law that was passed in 1970, which made Panama, in Barletta's own words, "more secret than Switzerland." Even better was the fact that Panama has no currency of its own; its only money is the U.S. greenback, so the dollars from the cocaine sold to a Wall Street yuppie, or from the crack to fry the brain of a ghetto youth, can go straight into the bank, with no intermediate laundering steps.

His masters rewarded Barletta with a vice presidency at the World Bank in Washington. But his old teacher, Secretary of State Shultz, and others in the Reagan-Bush administrations, including foreign intelligence adviser Henry Kissinger, decided that—to show the rest of Ibero-America how to bend over to the austerity demands of the International Monetary Fund (IMF) and to implement pro-drug flea market economics—Barletta should be made Panama's head of state in the 1984 election.

The CIA spent thousands of dollars to try to buy the elections for Barletta, as was revealed at the Noriega trial. (Judge Hoeverler ruled that the CIA contributions to Barletta's presidential campaign were "irrelevant.") Also contributing big bucks to Barletta were Medellín cocaine cartel kingpins Jorge Ochoa and Pablo Escobar, who gave him at least \$200,000.

"They want to contribute to your campaign because later they're interested in making certain investments in this country," Barletta was told, according to trial testimony. There is even a photograph of a smiling Barletta receiving a suitcase full of cash from cocaine cartel operative Ricardo TribalDOS.

In any case, his presidency was short-lived. By 1985, opposition to his IMF austerity program forced his resignation. Shultz blamed Noriega for the failure of his former pupil. Nor did Noriega win any favor with the administration by pushing to reform Barletta's banking law and by moving against the drug banks in the 1987 Operation Pisces.

Since the 1989 invasion, some \$12 billion in new deposits have come into Panama's offshore banks, and there is a boom in *cash*-financed construction of luxury high-rises and offices buildings, mostly from drug money. Last year, Panama experienced a 9.3% growth rate that everyone admits is drug-based, since unemployment is above 30% and the middle-class has been largely wiped out of existence.

What about Barletta? Was he hurt by the revelations that he was getting money from the Colombian drug lords? Hardly. In April, as Noriega's trial was wrapping up, Barletta was an honored speaker at Rockefeller's Forum for the Americas in Washington, sharing the dais with Kissinger and President Bush.

# International Intelligence

## ***Kenya attacks U.S. Congress for interference***

The Kenyan government has attacked the U.S. Congress for a letter sent to Kenya Prime Minister Daniel Arap Moi complaining that the pace of political reform is "too slow" in Kenya. The country is currently afflicted with a severe drought and waves of refugees from southern Sudan and Somalia. The congressmen are demanding a full aid freeze on Kenya, whose aid has already been cut.

Kenyan Foreign Minister Wilson Ndolo Ayah told the press that "the 103 congressmen are ignorant of the goings-on in Kenya and do not know Kenyan law. They must realize that Kenya is a sovereign state which must not be bullied into anything." Ayah said that he believed that the congressmen were under the influence of Jimmy Carter's International Democratic Institute and the "Kennedy clan" who, he said, support the opposition. Moi has said that the Project Democracy destabilization of African countries would lead to tribal warfare—a warning being borne out by the disintegration of Somalia.

## ***Lebanon to be sacrificed, charges General Aoun***

Lebanese Christian Gen. Michel Aoun warned that Lebanon may be sacrificed to Syria and Israel, in the context of a new "peace accord" in the Middle East, in a commentary in the Aug. 20 French daily *Le Figaro*.

Aoun, who is in exile in France, wrote: "For a long time, I have been denouncing the precursor signs of the placing into liquidation of our country as a nation, as a political, economic, and cultural entity." The "parody" of Syrian-sponsored elections "is occurring at the moment where the Middle East is finally seeing appear the possibility of a settlement of the Arab-Israeli conflict, and risks legalizing, in the eyes of the world, the partition of Lebanon between its two neighbors! Will our country be offered, yet again, to Syria, so that Syria accepts a pro-

cess of peace with Israel, just as it had been promised to Syria so that Syria would accept a process of war with Iraq?"

Syrian-mandated legislative elections, scheduled to begin Aug. 23, are being boycotted by the Christian parties.

Aoun wrote that while "16 years of war did not make Lebanon disappear, two years of the peace of the Taif accords have sufficed to ruin the country and to tear apart the attributes of its sovereignty." The Anglo-American-sponsored Taif arrangement of 1989 gave international approval to Syrian hegemony over Lebanon.

After three years of Taif, Aoun said, the economy is ruined, the militias have not been disarmed, the Lebanese Army has been progressively absorbed by the Syrians, nothing has been done for the return of refugees, and "arbitrary arrests, disappearances, and murders" are rampant. "The opening of Lebanon to the western world that had been realized over the ages, in perfect harmony with its Arab surroundings, has been put into question."

## ***Green 'misanthropes' condemning millions***

A growing "misanthropy" among western policymakers and populations, particularly encouraged by the ecology movement, is consigning millions of people to death, charged commentator Sarah Benton in the Aug. 17 *Sunday Times* of London.

"Nobody reputable has yet proposed in public that the Somalians be allowed to starve to death, the Ugandans to wipe themselves off the face of the earth through AIDS, and the south Slavs destroy each other as long as they keep their violence to themselves. But that does not mean that people, reputable and disreputable, do not think it in private," Benton wrote. "For many in the West, much of the world's population is redundant."

Such attitudes make it into the public policy arena, seen in the passivity toward AIDS in Africa, and in the proposal by Leeds University professor Maurice King, published in the medical journal *The Lancet*, for denying medical care to sick Third World

children, because of the "population-increasing consequences" of saving lives. Benton quotes an Earth First! article, by-lined "Miss Ann Thropy," welcoming the spread of AIDS: "Just as the plague contributed to the demise of feudalism, AIDS has the potential to end industrialism."

The green movement has "sheltered many a misanthrope," and "green groups have been surprisingly silent," on these crises, she charged. Greenpeace says it has "no guiding principles" on any issue without "immediate environmental consequences," while Friends of the Earth has said "nothing on Somalia, African famine, or East European war."

## ***Maastricht will put Europe under 'new order'***

The Maastricht Treaty will subordinate Europe to the "new world order" designs of George Bush against the South and East and will put Europe under the effective control of the International Monetary Fund, warned France's Roger Garaudy, a member of the "Council for Another Europe," in the Aug. 20 *Le Figaro*.

Garaudy warned that Maastricht means "the destruction of the European dream" that had been conceived after World War II by France's Robert Schumann, Germany's Konrad Adenauer, and Italy's Alcide de Gasperi. Unlike that earlier design, which was based on the idea of a "common culture" of Europe, Maastricht places Europe under "the sole imperatives of the market and of money," and submits all activities, in culture, in politics, in agriculture and in industry, to a "Darwinian single European market."

Maastricht will not increase "the weight of Europe," but reduce it to a supplementary military force as it was during the Gulf war. Maastricht means an undermining of "all the efforts of de Gaulle" to escape this fate. The irony, he said, is that Europe has "already proven its impotence to prevent a real war in Yugoslavia, by waiting for an American strike." Europe could find itself dragged into a "military action against the South, or against the East, if the unlimited market

## Briefly

economy were to meet some obstacles."

International Monetary Fund "adjustment policies" are ravaging the Third World. Now, Europe is threatened with the same problems, he warned.

### **British royals would be voted 'out of existence'**

The antics of the Duchess of York, Sarah Ferguson, have brought the British monarchy to a crisis of proportions not experienced since the Abdication Crisis of 1936, the Aug. 22 *International Herald Tribune* reported.

Echoing a commentary in the Aug. 21 *London Times*, Harold Brooks-Baker, publishing director of *Burke's Peerage*, the Who's Who of the British aristocracy, stated: "This may not be the straw that broke the camel's back, but it could be the penultimate straw. If it was not for the great respect and affection enjoyed by the queen, if you had a referendum today the royal family would be voted out of existence."

Queen Elizabeth II personally intervened on Aug. 20 to contain the damage caused by latest press revelations of royal family sex romps and infidelity. She criticized the *Daily Mirror* and *The Sun* for publishing pictures of the Duchess of York showing her semi-nude and embracing her new boyfriend, John Bryan. She is currently estranged from Prince Andrew.

A *Mirror* company spokesman said, "The photos are being published all over the world, why not in the one country where it really matters?"

### **India hits back against Amnesty International**

Armed with detailed police accounts, Indian High Commissioner to Britain L.M. Singhvi has launched a counter-campaign against an Amnesty International report on alleged human rights abuses in India. Singhvi has written to British Members of Parliament and others saying the attitude of Amnesty "was lacking in objectivity and its methodology was demonstratively flawed."

The recently released Amnesty report refers to victims' deaths in police stations and police outposts which do not exist. In one case, Amnesty reported that Indian police had supposedly beat someone to death, while in fact this case turned out to be a criminal case in which three persons had beaten someone else to death and the three were arrested.

In another case, Amnesty claimed that someone had died in a jail cell, while the records show the person died of a cardiac arrest while he was in a hospital.

Another alleged torture death was found in the post-mortem to be a victim of meningitis. In Punjab, for example, Amnesty cites the death of Bahadur Singh at the hands of police on Feb. 26. Police records say that no such death occurred.

### **U.N. soft on Khmer Rouge, says paper**

General Loridon, the former second in command of the U.N. military force in Cambodia, left in a bitter mood in July, and a "minimalist" policy toward the Khmer Rouge has prevailed since under Yasushi Akashi, the Japanese head of the U.N. operations in Cambodia, the French daily *Le Monde* reported Aug. 19.

Loridon had advocated a tough policy to force the Khmers to "play the game." Now, the U.N. Transitional Authority in Cambodia (UNTAC), under Akashi's authority, will not go beyond writing polite letters to the Khmer Rouge to "express regret" for their uncooperative attitude.

Prince Norodom Sihanouk, head of state of Cambodia, called the current situation in Cambodia disastrous, in an interview with reporters, Radio Moscow reported Aug. 20. Sihanouk said that it was very unlikely that the Khmer Rouge would give up its battle. He recalled a meeting he attended several years ago of the leaders of the Khmer Rouge and other groups opposing the Vietnam-backed government then in control in Phnom Penh, in which Chinese leader Deng Xiaoping told them to go on fighting for 40-50 years if it were necessary, and eventually they would win. The Khmer Rouge will continue on that path, Sihanouk said.

● **THE SPANISH** government has no intention of opening embassies in the Baltic states, said Marcos Gómez, a Spanish Foreign Ministry official, in an interview with the Aug. 17 daily *El País*. Relations will be handled by other embassies in Scandinavia.

● **MORE DANES** now oppose the Maastricht Treaty than in the June referendum, a survey published Aug. 17 in the financial Danish newspaper *Borsen* showed. Opposition has risen from 51% in June to 57% now. If the pact means sacrificing the national currency, the Danish crown, to the ECU, only 31% favor Maastricht.

● **CHINA** plans to deploy Chinese into Mongolia. The *Economic Information Daily* in Beijing in August said Mongolia needed a 777,000-strong labor force but had only 648,000 workers. Populating the country with Han would be consistent with the Beijing policy toward Tibet.

● **CATHOLIC BISHOPS** came out against plans by Philippines President Fidel Ramos to restore the death penalty, in a recent letter. "We know . . . how the rich who can literally get away with murder, while the poor have few, if any, to defend them. The ones who will suffer the death penalty will rarely be the rich who have committed crimes, but the poor who have no adequate defense."

● **CITIZENS** Electoral Councils national chairman Maurice Hetherington announced his candidacy for the Australian federal Parliament on Aug. 11 for the Hinkler electorate, heart of Australia's sugarcane industry. Hetherington has made the freeing of U.S. political prisoner Lyndon LaRouche an issue in his campaign.

● **SOUTH KOREA** Minister of Foreign Affairs Lee Sang-ock traveled to Beijing on Aug. 24 to sign a protocol with his Chinese counterpart Qian Qichen to establish diplomatic relations, the South Korean government announced. South Korea is the last Asian country which maintains formal ties with Taiwan.

## Bush sees 'no genocide' in Bosnia, as death toll rises

by Joseph Brewda

"Is the West procrastinating so that the hidden agenda of the Serbs can be achieved?" So asked Bosnia's envoy in London Paul Trvtkovic, in an Aug. 11 interview with BBC, in analyzing the United Nations Security Council consultations on the war in former Yugoslavia. Shocking photographic documentation of Serbian concentration camps had been exposed in the world press that week, and embarrassed British, French, and U.S. government spokesmen were forced to issue vague and contradictory claims that they would be taking action.

"The international community cannot stand by and allow innocent children, women, and men to be starved to death," Bush proclaimed on Aug. 5. By Aug. 7, he said that he was considering the use of force "very carefully," but did want to see the U.S. "bogged down" in "some guerrilla war." He claimed to fear any "reckless use of force."

Then, in an interview with *U.S. News and World Report* published on Aug. 17, the President announced, unbelievably, "In all fairness I have to say to the American people there is no evidence that what's happening [in the Serbian concentration camps] is genocide."

British Prime Minister John Major demurred on Aug. 7 that "we cannot use force without disproportionate risk to lives of civilians."

On Aug. 11, the Security Council finally passed a resolution calling on unnamed countries to take "all measures necessary" to facilitate delivery of humanitarian assistance to Bosnia. But all that such militarily protected humanitarian convoys would do, even if they were to materialize, would be to "feed people in their abominable state," Bosnian diplomat Trvtkovic noted. In sharp contrast to its resolutions against Iraq, the Security Council refrained from even mentioning Serbia, the aggressor, by name.

More importantly, the "even-handed" United Nations continued to impose an arms blockade on all parties, under the claim of acting to contain the war. A proposed amendment to the resolution by the Organization of Islamic Countries



## The Balkan powderkeg



to lift the embargo on Bosnia never saw the light of day. Tiny Bosnia, which now controls only 30% of its territory, has no arms, and no army. Serbia, the former seat of Yugoslavia, on the other hand, has a large, heavily equipped army, regularly supplied by Greece.

### Mass death continues

One week following the resolution, Bosnian Foreign Minister Haris Silajdzic flew to Washington to meet with Acting Secretary of State Lawrence Eagleburger in a desperate effort to obtain military aid for his dying country. "Nobody is asking for ground troops," Silajdzic explained to the press, "only air cover and weapons to defend ourselves." Commenting on a U.N.-sponsored peace conference to be held in London on Aug. 26, Silajdzic said that his government would continue to seek assistance. However, if these efforts fail, "we will ask the international institutions to no longer concern themselves with Bosnia-Herzegovina, because we know how to die alone. This we do well."

While western politicians hem and haw, what have the Serbians been doing on the ground in Bosnia?

Since the war began in April, Serbia has seized 70% of Bosnia's territory. At least 100,000 people are being held in 38 Serbian concentration camps, according to Bosnian Red Cross officials interviewed by Agence France Presse. Food is distributed every 3 days, and life expectancy is 12 days. The situation, one eyewitness told the agency, is "like Dante's Inferno."

Here is one typical account of the camps, reported in an Aug. 18 Senate Foreign Relations Committee report: "Killings occurred regularly in the prison camps. In many cases, the killings were recreational. R.B., a 38-year-old mother, spent 8 days at the Luka camp at Brcko, not far from the Serbian border. According to her testimony, paramilitary groups from Serbia would enter the camp at night and make the men sing Chetnik [Serbian guerrilla] songs. Those judged insufficiently enthusiastic would be pulled outside and made to fight in what was effectively a human cockfight. Two men

would take turns slapping each other. The man judged the weakest slapper would be killed. One time, the Serbian paramilitaries cut off the loser's ears and nose before slitting his throat."

Over 100,000 people, mostly civilians, have been killed since Serbia began its aggressive wars, with its attack on Croatia in June 1991. Approximately 2,180,000 people are now fleeing the region, according to the estimates of the U.N. High Commission for Refugees. This is the highest number of European refugees since the end of World War II. At least 400,000 refugees have already fled to other countries, primarily to Germany. Some 200,000 Bosnians alone will be expelled from Bosnia by Serbian "ethnic cleansing" campaigns in the coming weeks, according to the commission. Moreover, it adds, food shortages and the weather will "kill even more people than the whole war" this winter—that is, more than 100,000 people.

If that were not enough, the war is spreading, and threatening to engulf not only the other former Yugoslav republics, but also Albania, Greece, and Turkey.

A Serbian military assault against the Albanian-ethnic Muslim population of Kosovo is expected over the coming weeks. Kosovo was annexed by Serbia a year ago, but the oppressed population is overwhelmingly in favor of independence. The President of Kosovo, Imbrahim Rugova, stated in July that war will spread if Kosovo is not recognized as an independent state. A Serbian assault on Macedonia, another former Yugoslav republic, is increasingly possible. The invasion of either Kosovo or Macedonia could spark a Serbian war with neighboring Albania. These conflicts could then draw in Serbia's ally Greece on the one side and Turkey on the other.

In an Aug. 5 press conference, a representative of the London Institute for European Defense and Strategic Studies elaborated on these themes. A war between Serbia and Albania is "almost certain" and "perhaps imminent," gloated Marko Milivojevic. An "even more formidable threat" is posed to Albania from Greece. "Greece and Serbia are collaborating more closely on both political and military issues, having a common interest in preventing the emergence of a Greater Albanian state."

Greece has led a successful campaign to block the European nations' recognition of Macedonia, claiming that only it has the right to the name. Greek Prime Minister Konstantinos Mitsotakis opposes independence for Kosovo or any other former Yugoslav republic. "We must not recognize the absolute right of self-determination of the Albanians in Kosovo," he said on June 15. "The borders of the former Yugoslavia—both the external and internal ones—must be respected." Greece continues to claim southern Albania, which it terms "northern Epirus."

Last spring, Turkey formed a military alliance with Albania which, like the rest of this region, it had once ruled. Unlike the rest of the NATO countries, Turkey is continuing

to call for a military intervention against Serbia to protect Bosnia. "Turkey has an army of 700,000 to 800,000," Turkish Defense Minister Nevzat Ayaz stated on Aug. 15. "We can send as many troops as we like."

## How the war was created

The accompanying chronology of representative statements by U.S., British, and French spokesmen gives some indication of how those countries prepared the war and fanned its flames. Here, we summarily list the key imperial considerations and events that shaped the war.

1) In June 1991, U.S. Secretary of State James Baker traveled to Belgrade, Yugoslavia to give Serbia the go-ahead to crush the then imminent secession of Slovenia and Croatia from the Serbian-run Yugoslav federation. Without such guarantees, both publicly and confidentially made, Serbia would have never dared to begin the war. The fact that both then-Deputy Secretary of State Lawrence Eagleburger and National Security Adviser Brent Scowcroft had been business associates of Serbian President Slobodan Milosevic, indicates some of the reasons why those guarantees were believed.

2) The Anglo-Americans' strategic purpose in sparking the Balkans war, like the developing war in the Transcaucasus and the earlier U.N. war against Iraq, has been to envelope newly reunified Germany and newly liberated eastern Europe with military conflicts, thereby to contain their power and influence. In line with this objective, a vicious propaganda campaign was launched by the British, charging that Germany was out to create a "Fourth Reich," with imperial designs on the Balkans. This charge was used to blunt any German effort to stop Serbia, and to block any European nation that might have wanted to follow Germany's line. Today, we see the hideous outcome of this British policy, as Serbia carries out its "ethnic cleansing" and mass extermination on the model of Hitler's fascism.

The imposition of savage International Monetary Fund conditionalities over eastern Europe had a similar strategic purpose. These IMF "scorched earth" policies, Lyndon LaRouche warned as far back as 1988, would lead to a Yugoslav civil war.

3) In the fall of 1991, Germany began to campaign for the diplomatic recognition of Slovenia and Croatia. This recognition was intended, as German Chancellor Helmut Kohl said at the time, to show that Europe would not tolerate Serbia's aggressive war of conquest. The initiative was bitterly fought by the U.S., British, and French governments, which continued to reiterate their support of Serbian sovereignty over the breakaway republics into the spring of 1992. Without this continuing support, Serbia would not have continued the war.

4) The "peace-keeping" missions of both the U.N. and the European Community have continued to support Serbia. U.N. envoy Cyrus Vance (the former U.S. secretary of state), together with European Community envoy Peter Lord

Carrington (the former British foreign secretary) have condemned both sides equally. This is de facto support for Serbian aggression. The truces and arms embargoes imposed have selectively favored the much more heavily armed Serbia, which continues to acquire arms from Greece.

5) Throughout this bloodbath, Anglo-American media have claimed that the mass death was the necessary result of the rise of nationalism following the collapse of the Berlin Wall and the Soviet Union. The images daily broadcast on television screens in Central Europe, and in the press, are intended to induce a sense of impotent despair, as war again returned to Europe.

6) Then, in an abrupt public policy shift in the spring of 1992, the British and U.S. governments demanded that sanctions and even military action be taken against Serbia. This shift was coupled with the shameless lie that Europe in general, and Germany in particular, were responsible for the do-nothing approach to Serbian aggression. The argument was made that only action by the U.N., NATO, or some other supranational, Anglo-American-dominated entity, could contain nationalist wars throughout Europe. Yet, it is unlikely that force will be used, if at all, until after Bosnia is exterminated. On Aug. 25, U.S. government officials leaked to the press that Britain, the United States, and France had abandoned any coalition effort to deliver even humanitarian aid.

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## Documentation

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# A history of lies about Serbian genocide

*Anglo-American instigation of the war in Yugoslavia can be traced to June 21, 1991, when U.S. Secretary of State James Baker gave Serbia the "green light" for launching war against Croatia and Slovenia. The following chronology traces the perfidy of Washington and London, with the full acquiescence of the Anglo-Americans' junior partner, French President François Mitterrand. Of the principal NATO powers, only Germany has bucked the State Department line, as the time line shows.*

### **U.S. Secretary of State James Baker, June 21, 1991:**

"The United States would like to help in whatever way we can in assisting Yugoslavia to democratize, to maintain respect for human rights, and to preserve the unity of the country." So stated Baker in Belgrade, Serbia—the capital of former Yugoslavia. The statement was made in a speech to the Yugoslav parliament which was televised and broadcast live throughout the country. Slovenia and Croatia, then

two republics of Yugoslavia, had announced the previous week that they would each be unilaterally declaring their independence from Yugoslavia on June 25. Baker also stated that the United States would not recognize the independence of either republic.

Baker's statements were interpreted by Serbs, Croats, and all other knowledgeable European observers, as giving Serbia the go-ahead to crush Slovenia and Croatia. Five days after the speech, the day following their declarations of independence, Slovenia, and then Croatia, came under a full-scale assault by the Yugoslav (Serbian) Army and Air Force. Serbian irregular, guerrilla units had been involved in sporadic actions against Croatia since August 1990, but it was only after Baker's address that a full-scale war involving government troops began.

### **European Community "peace negotiator," former British Foreign Minister Peter Lord Carrington, Oct. 5, 1991:**

"Logically there is nothing to fight about now . . . but frankly I wouldn't bet my shirt on it!" Lord Carrington told the BBC, commenting on a just-forged "Yugoslavia peace agreement" he had sponsored earlier that week, following the three months of fighting between Serbia and Croatia that began after Baker's June 21 speech. "What we must hope, is that now that the motive for fighting seems to have very largely disappeared, that good sense will prevail." Lord Carrington claimed that Serbian President Slobodan Milosevic "for the first time" has publicly acknowledged Croatia's right to independence, while Croatia guaranteed the protection of ethnic Serbs, so the agreement, he said, was successful.

Even the *Washington Post's* Zagreb (Croatia) correspondent felt embarrassed in reporting the statement, writing the next day that "the failure today to stop or even reduce the level of fighting, struck many Croats here as a signal that the entire political agreement was doomed. Reflecting that pessimism, Croatian media today relegated the peace deal, which is being described by European diplomats as a major breakthrough, to the end of gloomy reports about federal air and artillery attacks."

### **EC mediator Lord Carrington, Oct. 10, 1991:**

On the eve of his visit to New York to meet with U.N. special envoy to Yugoslavia Cyrus Vance, Carrington rejected the recognition of Slovenia and Croatia: "The position of the European Community has been that nobody is going to recognize the independence and sovereignty of any of the republics until there is a solution to the whole problem."

### **U.N. special envoy and former U.S. Secretary of State Cyrus Vance, Nov. 5, 1991:**

Vance had been appointed U.N. Secretary General Javier Pérez de Cuellar's envoy to Yugoslavia in October. At the conclusion of his mission in November, Vance had declared that he opposed sanctions against the Serbs on grounds that

they would hit other nations, too. Vance claimed that it was “not at all clear who is the aggressor and who the victim in this conflict.”

**EC mediator Lord Carrington, Nov. 5, 1991:**

Carrington stuck to his policy of “equidistance” between aggressor and victim. “The problem we have . . . is that we don’t really have [the possibility of] any sanction. We don’t have any weapons with which we can stop this.” He spelled out his solution: “I am going to see both the Croatian and Serbian ministers of defense and the chiefs of staff and I am going to do what I can to bang their heads together.”

**German Chancellor Helmut Kohl, Nov. 6, 1991:**

Speaking to the German parliament in a major foreign policy address, Kohl called for the immediate recognition of Croatia and Slovenia. The chancellor said that such recognition was a necessary precondition to stop the war. “The point is above all to convince the Serbian camp that their policy of force is in vain,” Kohl stated. To this end, he said, “the German government will continue to press for speedy international recognition of those republics that want it.”

The day before, Serbia rejected a European Community-sponsored peace plan for the third time. The EC had threatened sanctions against the party who rejected it. Under the sponsorship of the European “mediator,” Lord Carrington, the plan dropped any demand to respect the autonomy of the ethnic Albanian region of Kosovo, and the predominantly Hungarian Vojvodina, which Serbia annexed a year earlier. This was rather ironic, as Serbia’s war against Croatia has been based on the pretext of defending the Serbian minority there—a minority that voted to a large extent for Croatian independence.

**U.S. President George Bush, Nov. 9, 1991:**

Speaking in The Hague on Nov. 9, Bush condemned nationalism as the problem in the former Yugoslavia. There is no room, he said, for nationalism that “feeds on old, stale prejudices, teaches intolerance and suspicion and even racism and anti-Semitism. There can be no place for these old animosities in the new Europe. We see in Yugoslavia how the proud name of nationalism can splinter a country into bloody civil war.”

**Deputy U.S. Secretary of State Lawrence Eagleburger, Nov. 18, 1991:**

There must be no outside interference in Yugoslavia, it is an internal conflict, said Eagleburger in a German television interview. He disavowed any advocacy of the deployment of either a United Nations or a European peacekeeping force into former Yugoslavia. “This should be fought out among the peoples of Yugoslavia themselves,” declared Eagleburger, saying that was also the view of the State Department.

**French President François Mitterrand, Nov. 29, 1991:**

Croatia has a Nazi past, whereas Serbia hasn’t, said Mitterrand in an interview with the *Frankfurter Allgemeine Zeitung*. Mitterrand stated his view that the Yugoslav conflict is an internal one and does not require international intervention, as was allegedly needed in the case of the Iraq-Kuwait crisis. Refusing to name the aggressor, Mitterrand said: “All I know is that the history of Serbia and Croatia has been filled with such dramas for a long time. Especially during the last world war, many Serbs were killed in Croatian camps. As you know, Croatia was part of the Nazi bloc, Serbia wasn’t. . . . Since the death of Tito, the latent conflict between Serbs and Croats had to break out, once again. The time for that has come now. I do not think that Serbia intends to launch war to keep Croatia, but rather to achieve a redrawing of the borders and some kind of direct or indirect control of the Serbian minorities.”

**German government spokesman Dieter Vogel, Dec. 5, 1991:**

“The chancellor confirmed that the German government was ready to take the definite step [of recognizing Croatia and Slovenia] along with as many EC states as possible and to do so before Christmas.” Chancellor Kohl made the same promise to Slovenia two days earlier. Germany at that time was pressing the EC to recognize the sovereignty of both republics by Christmas as a way to end

**U.S. State Department spokeswoman Margaret Tutwiler, Dec. 5, 1991:**

The Reuters news agency reported that “the United States, taking a firm stance against German Chancellor Kohl, said it strongly opposes recognition of Croatia and Slovenia.” Said Tutwiler, “We believe the best hope of ending the violence in Yugoslavia and making progress towards a just and comprehensive solution is to stick to the principles we have been advocating since this crisis began.” The principles are: “no recognition of changes in the internal or external borders achieved through force, intimidation or threats; resolving disputes through negotiation; respect for the human rights of all citizens including ethnic minorities.” civil war.

**U.N. Secretary General Javier Pérez de Cuellar, Dec. 10, 1991:**

The secretary general sent a statement to the German government, demanding that Germany not recognize Croatia and Slovenia. He claimed that recognition “could have grave consequences for the Balkan region as a whole, and it would seriously undermine my own efforts and those of my personal envoy.”

**German Foreign Minister Hans-Dietrich Genscher replied to Pérez de Cuellar on Dec. 13, 1991:**

“Dear Mr. Secretary General. . . . I would like to express my deep concern that [your] statements—and their subsequent publication—are apt to encourage those elements in Yugoslavia which have been vehemently resisting the suc-

successful conclusion of the peace process. . . . To refuse recognition to those republics which desire independence must lead to a further escalation of the use of force by the Yugoslav National Army, which would construe it as a validation of its policy of conquest.”

According to news coverage, President Bush personally intervened against the German government at this time to force its capitulation. He also launched a series of last-minute telephone conversations, including with British Prime Minister John Major, in an effort to block recognition.

**U.S. Ambassador to Yugoslavia Warren Zimmerman, Dec. 23, 1991:**

In an interview with the Serbian Vreme news agency, the ambassador claimed that recognition of Croatia and Slovenia could deepen the war, and assured the Serbs that the U.S. government was pressuring European countries against this recognition:

“We have been concerned about the dangers of unsecured recognition because we were worried about the possibility of increased violence this could cause. We are saying to the Croats in this period that choice of a military option by Croatia, because of the recognition or any other reason, would be a disastrous choice. It would certainly bring no military support from the western countries and it could only cause greater devastation to Croatia. . . . We have felt that unsecured recognition could increase the dangers of violence.

“We made an effort with all of the members of the European Community to get them to see the dangers we felt were inherent in a rush to recognition. You can call it pressure if you will, but I would say it was primarily an effort to make absolutely certain that our views were well known.”

**U.N. envoy Cyrus Vance, Dec. 31, 1991:**

Vance traveled to Yugoslavia where, according to the Yugoslav government press agency Tanjug, he proposed that Croatia, Slovenia, and Bosnia remain within Yugoslavia under a redesigned confederation. Vance “carried a proposal for a three-tier solution, with Serbia and Montenegro as the core of a new Yugoslavia, Bosnia-Herzegovina and Macedonia in confederation with them, and Croatia and Slovenia in loose association with them all,” the news agency reported.

Vance also refused to condemn Serbia for the continuing war. “It seems both sides are violating the cease-fire,” he told reporters after meeting with Serbian President Slobodan Milosevic. Vance continued to rule out any deployment of U.N. peacekeeping troops in Yugoslavia until a solid cease-fire was in place. “I have said many, many times that until we have a durable cease-fire we cannot go forward with a peacekeeping operation and that is not happening.” For his part, Milosevic said, “I can say that there is not a single point of contention concerning Cyrus Vance’s plan from the point of view of the policies of the Republic of Serbia.”

**State Department spokeswoman Margaret Tutwiler,**

**Jan. 14, 1992:**

Immediately following recognition of Croatia and Slovenia by Germany, the Vatican, and a handful of other European states, Tutwiler commented: “Concerning the United States—I’m speaking today—our policy on recognition has not changed. We will accept any outcome that is chosen peacefully, democratically, and through negotiation.” Repeating the Serbian claim that Croatia was mistreating Serbian minorities, she added that “any settlement must include strong protections for the rights of all national groups in all republics.” Tutwiler repeated the Bush administration claim that recognition of Slovenia and Croatia would encourage further violence. “The United States would not want to do anything that, in their opinion, could somehow be misinterpreted and could contribute to any violence.”

**U.S. Deputy Secretary of State Lawrence Eagleburger, April 23, 1992:**

Eagleburger summed up the position of the Bush administration concerning Serbia’s increasing attacks on Bosnia, which had also seceded from Yugoslavia. Eagleburger told the MacNeil-Lehrer News Hour television program that Serbia’s war with Bosnia would only end through mutual exhaustion. “The only issue that finally made a difference” in the Serbian war with Croatia was that Croats and Serbs “got tired of killing each other,” he said. “They were exhausted, and the U.N. and the European Community were there—once the situation reached the stage where the two were prepared to stop killing each other.” He added that it was only then that “the U.N. and the EC could find ways to separate the parties and bring some sort of at least temporary solution.”

**State Department spokeswoman Margaret Tutwiler, May 5, 1992:**

Tutwiler was asked what had been the followup of an April 14 statement by Secretary of State Baker that he would make Serbia an “international pariah” if the aggression against Bosnia was not stopped. The statement followed Baker’s meeting with the Bosnian foreign minister. Tutwiler replied: “When the minister was here, we made quite clear that our effort was an emergency humanitarian effort. We have consistently called on all parties, all groups to stop the violence, to stop the fighting. Now, I don’t know, what will ever eventually cause them to stop. But in the meantime we have innocent people being killed.” She added that it was an error to blame the Serbs for the violence. “There are also others who have been involved in contributing to the violence,” she said, “and in fact, excuse me, some of them were Bosnian armed individuals.”

**Secretary of State James Baker, May 24, 1992:**

In an abrupt, dramatic change of policy, Secretary of State Baker called for mandatory U.N. sanctions against Serbia to end the war in Bosnia. Speaking at the end of a Lisbon

conference on aid to former Soviet republics, Baker told other countries to stop looking for excuses for not taking action that the U.S. allegedly had always advocated. He said:

“There are 35,000 diabetics now who have no insulin. There are 6,000 women and babies who have no medicine, baby formula, or milk. There are reports in the last 48 hours of hunger-related deaths. . . . Anyone who is looking for reason not to act, or arguing somehow that action in the face of this kind of nightmare is not warranted at this time . . . is on the wrong wavelength.”

Mooting the possibility of military action against Serbia, Baker added, “We are having discussion with others at the United Nations in New York about the possibility of some Chapter 7 [military] actions.”

Baker’s claim that certain parties were reluctant to act against Serbia was an allusion to France and Germany, according to widely reported unattributed comments by State Department officials. “The Germans blew it,” “the Europeans are impotent,” were typical of these comments at the time.

**U.S. State Department spokesman Richard Boucher, May 27, 1992:**

“We think the time for excuses and procrastinations has gone, and that we need to move forward,” said Boucher, regarding possible military actions against Serbia. Asked if Washington might again take unilateral action, he said: “It will depend on how quickly we move with others and how quickly things move at the United Nations. We said last week that we were willing to consider concrete measures alone or in concert with others. We’ve taken some steps alone. We’re also discussing steps we can take in consultation and coordination with others, but I don’t want to limit the options for what might transpire.”

**U.S. Ambassador Warren Zimmerman, May 29, 1992:**

Commenting on a U.S.-sponsored resolution to impose a total embargo on Serbia, Zimmerman said in a television interview: “The resolution essentially gets to economic sanctions on Serbia. It calls for a trade embargo; it calls for some other things as well, most important, perhaps, an embargo on oil supplies. . . . But it’s basically intended as a message to the Serbian leadership and to the Serbian people that they’re going to isolate themselves economically if they continue in this aggressive course.”

Asked about potential military actions, Zimmermann said this would be “a very difficult choice. Our view is it would be better to at least try to exhaust the political and economic options before we put ourselves into a quagmire which a military intervention would be.”

**U.S. Sen. Richard Lugar (R-Ind.), June 11, 1992:**

Lugar called for a “Desert Storm” against Serbia in a guest column in the *Washington Times*. The ranking Republi-

can member of the Senate Foreign Relations Committee, Lugar wrote: “The time for drawing the line has come. The United Nations should authorize the use of force. NATO should draw up plans for a comprehensive use of force as thorough as that formulated for air, sea, and ground forces in Desert Storm. . . . If the Yugoslavia-Serbian government does not yield, it should face sufficient military force to ensure its certain and swift defeat.

“The United States should take leadership of the process immediately. We alone have the military and moral authority needed for peaceful settlement. . . . We should prepare now for strong diplomatic and, if necessary, military action in Yugoslavia.

“I argued during November and December 1990 that the U.S. should promptly debate authorizing President Bush to use military force to push Iraq out of Kuwait. . . . Some will argue that Yugoslavia is not Kuwait. . . . But now the United Nations has concluded that such civil warfare does have international security consequences. This finding comes at the same time that NATO leadership is trying to determine future missions for the alliance. The mission for NATO currently should be provision of stability and expanded human freedom in Europe.”

**British Foreign Secretary Douglas Hurd, Aug. 16, 1992:**

Speaking on BBC to motivate the convening of an international conference on the Balkan war, Hurd said, “We have to make it absolutely plain to the Serbs that they are not going to be allowed to retain land they have grabbed and their policies—I refer to ethnic cleansing—are a disgrace and they will be treated as a pariah state until these policies have been reversed.” Yet, still condemning the Bosnians, he added, “one of the problems is at the moment the Bosnian Muslims are not willing to talk, whereas the other two [Croatia and Serbia] say that they are.”

**President George Bush, Aug. 17, 1992:**

In an interview with *U.S. News and World Report* published on Aug. 17, the President disputed reports that the Serbians are committing genocide. “We’re trying very hard to get whatever intelligence we can on the charge that there’s a genocidal wave sweeping through these [Serbian concentration] camps. But in all fairness I have to say to the American people there is no evidence that what’s happening is genocide.”

**Acting U.S. Secretary of State Lawrence Eagleburger, Aug. 21, 1992:**

“I think there’s a real chance that this conflict can spread,” Eagleburger said, referring to possible Serbian moves against the Serbian-controlled province of Kosovo. “I don’t think this tragic situation is going to end in any short period of time,” he told *Voice of America*, “no matter what we do to try and bring it to an end.”

# EIR exposed the drive to Balkan war

*Since 1988, EIR has documented the deliberate instigation of war in the Balkans. Here are some highlights of our coverage, featuring interviews with many Croatian leaders.*

**Oct. 14, 1988:** "Moscow Aims Toward the Balkan Flank." Lyndon H. LaRouche, Jr. forecasts a Soviet operation to destabilize Yugoslavia, including the partition of the country along cultural lines of division, and the placing of Serbia under Soviet protection.

**Oct. 21, 1988:** "Yugoslavia on the Verge of a Serbian Coup and Civil War." Konstantin George warns that Serbian Slobodan Milosevic will attempt a legal coup to seize power of the Yugoslav League of Communists, leading toward "either a military coup, civil war, or both."

**July 5, 1991:** "Yugoslav Civil War Process Can Still Be Stopped." Reporting on the declarations of independence by Slovenia and Croatia, and U.S. Secretary of State James Baker's backing of "Yugoslav unity," Konstantin George calls for Europe to offer political and economic incentives to bring the individual sovereign republics toward a solution to the crisis.

**July 19:** "Superpowers Create Civil War in the Heart of Europe." Nancy Spannaus analyzes the geopolitical strategy of the Anglo-Americans: to smash Germany. To prevent Germany from taking an independent approach to the Yugoslav crisis, the British and Serbian media are slandering Germany as a "Fourth Reich."

**Aug. 2:** "Greater Serbia's Power Grab Heralds War in Europe." *EIR's* cover feature exposes the role of the International Monetary Fund, the British aristocracy, and U.S. Deputy Secretary of State Lawrence Eagleburger, in setting up the crisis.

**Aug. 9:** "Why Croatia Wants National Independence." Interview with Franjo Golem, the official representative of Croatia in the United States and Canada.

**Aug. 9:** "Baker Is to Blame for Croatian Crisis." Interview with Josip Cvitan, vice president of the Croatian Democratic Party.

**Sept. 20:** "Anti-Semitic Slander Supports Genocide." Interview with Deputy Foreign Minister of Croatia Michael Montillo and Antun Irek, an American in Zagreb.

**Sept. 27:** " 'It Is Genocide Going on Against Croatia.' " Interview with Zarko Domljan, president of the Parliament of the Republic of Croatia.

**Oct. 4:** "Croatia Is Reaching Out to Rejoin Western Civi-

lization." Interview with Marko Veselica, president of the Croatian Democratic Party.

**Oct. 11:** "Dubrovnik's Mayor: 'SOS! Act Now!'" Mayor Pero Poljanic issues an appeal to save his ancient city from the Greater Serbian aggressors.

**Oct. 18:** " 'I Would Like to See a Regional Central European Community.' " Interview with Croatian Foreign Minister Dr. Zvonimir Separovic.

**Nov. 1:** "A Prosperous, Free Croatia: a Boon for the World." *EIR's* cover feature highlights the siege of Dubrovnik and Vukovar by Serbian forces, calling for international action to stop the aggression.

**Nov. 1:** " 'J'Accuse': A Croatian Leader Denounces American Hypocrisy." By Srecko Felix Korpar, a Croatian journalist living in exile in the United States.

**Nov. 8:** "Serbia Conducts Its War of Annihilation." Croatian citizens' documentary reports of Serbia's attacks on unarmed civilians.

**Nov. 8:** "Found an International Committee to Save Croatia!" An appeal by Helga Zepp-LaRouche, president of the Schiller Institute in Germany.

**Nov. 15:** "Croatian Medical HQ Appeals for Truth" against the lies of the Serbian government.

**Nov. 22:** "Europe's Neglect of Croatia 'Criminal.'" Interview with Zlatko Kramaric, mayor of besieged Osijek.

**Dec. 20:** "Serbia's Unadmitted War Aims in Croatia." Interview with Franjo Zenko, chairman of the great council of the Croatian Social Liberal Party.

**Dec. 20:** "Schiller Institute Calls on U.S. to Back Croatia." Lyndon LaRouche compares the current world situation to the eve of World War I. "We are looking potentially at World War III. Not a simple replay of 1914, but something which follows the same pathways, in the way that a new flash flood follows the pathway of the old flash flood."

**Jan. 24, 1992:** Mersudin Pajo, a Croatian Muslim living in Canada, predicts that his native Bosnia-Herzegovina will be the scene of the most ferocious war, in an interview detailing Chetnik atrocities against Muslims.

**Jan. 31:** " 'Croatia Must Be Included in the Productive Triangle.' " Interview with Alexander Shiroka, coordinator, Croatian Information and Cultural Center, Montreal.

**Feb. 7:** "Croatia Needs New Model, Free From Collectivism and Unbridled Capitalism." Interview with Franjo Cardinal Kuharic, the archbishop of Zagreb.

**May 22:** "The War in Croatia Is Not Over: An Appeal for International Help." Interview with Josip Cvitan, vice president of the Croatian Democratic Party.

**July 24:** "U.S. Civil Rights Leaders Vows Effort to Save Condemned Croatian Soldiers." Amelia Boynton Robinson, winner of the Martin Luther King freedom medal, tours embattled Croatia.

**July 31:** "Zepp-LaRouche: Stop the Genocide in the Balkans." An appeal by Helga Zepp-LaRouche to governments and parliaments of Europe.

# Death stalks California; will your family be next?

by Brian Lantz

On Nov. 3, in the midst of a state budget crisis and skyrocketing bankruptcies and unemployment, California voters will consider Proposition 161, a ballot initiative which would legalize physician-assisted murder of terminally ill patients. In tandem with another ballot initiative, Proposition 165, which would mandate brutal 25% cuts in public assistance, Proposition 161 is aimed directly at the constitutional mandate of "the inalienable right to life."

California ballot initiatives 161 and 165 are a paradigm of the cold-blooded direction being given to health care and public assistance "reform" across the nation. Unless the U.S. economy is quickly turned right-side-up, the writing is certainly on the wall for everyone to see. Virtually every state in the union is suffering a major budget crisis. New Jersey and Wisconsin have similar initiatives which would institute draconian cuts in already inadequate public assistance to poor families, the physically and mentally handicapped, and the elderly. A consensus has been reached among the presidential candidates, with the exception of the LaRouche-Bevel independent ticket. Bill Clinton and the Democratic Party now call for "ending welfare as we know it." Clinton argues that "controlling health care costs" is the key to a U.S. economic recovery. Ross Perot demands \$200 billion in cuts in Medicare and Social Security payments. All propose that putting welfare recipients to work will solve some part of the problem. As total unemployment and underemployment stand at over 22 million Americans, one must ask, "where?" Twelve years of Reagan and Bush have given us a crisis which has, in terms of the homeless, literally spilled over into the streets.

## **Nazi euthanasia**

Proposition 161 is officially titled, "Physician-Assisted Death. Terminal Condition. Initiative Statute." Whether it

passes or not, it epitomizes the low point to which the value of human life has been brought. The number of California children living in extreme poverty has increased 50% in the last decade.

According to the Washington, D.C.-based Food Research and Action Center, some 13% of California's children go to bed hungry every night. Another 15% are "at risk," a total of almost one-third when combined. The state's program for the mentally ill last year was rated behind those of Alabama, South Carolina, and the District of Columbia, and "moving backward."

Proposition 161 would authorize any mentally competent person, diagnosed as terminally ill and at least 18 years of age, to request "aid in dying." Physicians are authorized, "if properly requested," to terminate a life in a "painless, humane and dignified manner," or provide the means so that a patient can "self-administer," i.e., kill himself. Initiative supporters contend that "the quality of life" is more important than life itself. They argue that the measure is written so as to protect health professionals and facilities from civil, criminal, and administrative liability for murder. Amazingly, the initiative declares that assisted death is "not suicide."

In an unprecedented action, the Catholic Bishops of California have intervened by sending a formal letter to all 1,070 parishes in the state. The letter, read to all services, asks the faithful to "to enter actively into the debate." The bishops ask that individuals consider personal contributions to defeat Proposition 161. The bishops' letter of July 29 reads in part: "We prefer that moral issues be settled in the hearts of men and women. However, the issue allowing doctors actively to take the lives of people has pushed into the public policy arena by proponents of the initiative, and this must be debated. Legislation may be passed which not only contradicts traditional Catholic morality, but also



attacks the principles underlying our system of government and threatens the lives of the poor and powerless in our state.”

### Proposition 165

In the third week of August, demonstrations occurred in the state capital of Sacramento, as well as San Francisco and Los Angeles. In San Francisco, wheelchair-bound citizens chained themselves to the doors of a state building. Was this another San Francisco left-wing cause, as pooh-poohed by President Bush in May? Two weeks before, the state had cut payment to 155,000 *minimum wage* workers providing home care to 171,541 disabled Californians. “People are being left in life-threatening situations. People are ending up spending nights and days lying in their own excrement because there is no one there to help them,” charged Stan Greenberg, executive director of a Los Angeles self-help center, in the Aug. 26 *Los Angeles Times*. On Aug. 25, a San Francisco judge ordered state officials to resume payments. Gov. Pete Wilson’s office is immediately appealing the ruling!

An irony is that these the disputed payments to home care workers, averaging less than \$25 a day, save that state the cost of convalescent home care which would cost \$200 a day. Governor Wilson, however, a close supporter of George Bush, has bigger game in mind.

Since July 1, the California budget crisis, a projected two-year, \$10 million-plus deficit, has grabbed national headlines as the state government has turned to paying its bills in scrip—over \$3 billion worth to date. California’s major banks stopped honoring that scrip in early August, unwilling, they said, to finance the paralysis in Sacramento which was preventing agreement on a draconian budget. On Aug. 11 the State Comptroller announced that the state would hold up Medicare (MediCal) payments, even in the form of IOUs, to doctors, hospitals, nursing homes, and other health care providers until a new state budget agreement was reached. Wilson stated that he will do nothing to soften the pain caused by the budget crisis, as to do so would only prolong it.

Wilson is demagogically demanding, both through the permutations of his two-year budget proposal and his ballot initiative, Proposition 165, that welfare checks be slashed by 25%, and MediCal be cut over \$1 billion. He is trying to figure out how he can get away with cutting \$1-2 billion out of the education budget. Proposition 165 would *deny benefits to children conceived after their mother goes on welfare*, adopting a feature of the genocidal one-child-per-family policy of communist China. If a mother is not defined as permanently disabled by the state, her family’s check will be cut by 25%, unless she finds a job. If she finds a part-time job, her check will be cut by “only” 10%. As jobs are scarce, and dependable child care practically unavailable, most mothers would be forced to accept a 25% cut. Wilson is selling his proposal—very similar to “Slick Willie” Clinton’s—as creating incentives. The cruel reality is that Cali-

fornia public assistance now pays a mother and two children maximum total benefits of \$850 a month. A one-bedroom apartment consumes two-thirds of that money in urban areas. With Wilson’s 25% cut in public assistance, many more families will have to choose between living on the street or starving.

### Evading the moral issue

Without a reversal of the economic crisis which determines the state budget crisis, the only question is whether “the right to die” will be implemented de jure or de facto. Tuberculosis is now epidemic in California; statewide TB is up 40% and last year was 50% above the national average, as Governor Wilson and the Democratic-controlled legislature prepare a \$1 billion cut in MediCal. California’s workmen’s compensation program pays out less than 45 other states. The AIDS epidemic has been costing the state over \$500 million a year.

Ominously, over 567,000 signatures were gathered to place Proposition 161 on the ballot, and a similar number for Proposition 165. Polls show that the majority of Californians, after years of media brainwashing, favor the idea of physician aid in dying. California already has laws which give patients and their families the right to “pull the plug” on medical treatment. In the early 1980s, only associates of Lyndon LaRouche strongly lobbied against “right to die” legislation as a “crime against humanity,” as defined under the Nuremberg Code under which the Nazis were tried. Now, however, almost every organization representing health care professionals has come out against taking another step down this primrose path. Even the state organization representing hospices—which offer palliatives instead of treatment to the very sick—oppose Proposition 161. In a belabored statement, the California State Hospice Association argues, “Laws are symbols of what society values. Measures such as this can cause us to dehumanize the process of dying and as a consequence, ultimately devalue human life.”

Most opposition, as with the Hospice Association, evades the real moral and economic issues. The California Medical Association stresses the lack of sufficient provisions to protect physicians from criminal and civil complaints. As no witnesses are required to be present at the time of the “request to terminate,” or at the time the person’s life is terminated, the CMA is rightly concerned that doctors could be charged with coercion and cold-blooded murder. Attempting to plant its feet firmly in similar moral quicksand, in a formal statement, the “No on 161” coalition states: “The No on 161 coalition is working to defeat Prop. 161 because of *the initiative’s many flaws and ambiguities*. Whether people have a right to ask for physician-assisted suicide is not at issue in this campaign” (emphasis in the original).

The crisis will not be solved with such sophistry. As a nation, we will either fight for the right to every single, precious life, or we shall surely lose everything.

# Hurricane Andrew exposes bankruptcy of U.S. policy, says candidate LaRouche

*Independent presidential candidate Lyndon LaRouche made the following comments on Aug. 25.*

I think it worthwhile to share with you some observations which I've made as of Tuesday afternoon, Aug. 25, respecting the progress of Hurricane Andrew. My remarks are based on what I saw on the television screen, from news reports, including reports of a Federal Emergency Management Agency press conference on this subject in Washington, D.C.

What I have seen, from these aerial views and other views of regions of Dade County and so forth in Florida, is a devastation which is awesome. The figure put upon it by the news media is *\$15 billion* in damage. I translate that into what I see in the pictures on the television screen, of these people who have lost everything. And I look at, in a sense, how pitiful the picture is.

I see mobile homes and similar types of housing, shredded like matchsticks; and I look at the faces of people—so many of them senior citizens my age or slightly younger or older—and I know that this is, essentially, *all they had*. These few pitiful sticks were all they had. And I see it obliterated—tract after tract—by the 150-mile per hour winds.

And I look on the map, across the Gulf of Mexico, and I see this storm headed toward my friends in Louisiana and parts of Texas. My concern for them is obvious as I look, and think of what's going to happen there. I know a little bit of the area; I know what the devastation of hurricane winds of up to 150 miles an hour will mean in that area, in terms of flooding and other kinds of destruction. I remember Hurricane Camille, I remember Hurricane Betsy, and so forth. And there, people with their few pitiful possessions, if they're not killed or do not face a tragic loss, will be shredded by winds. And what was maybe \$15 billion in damage reported in Florida, will probably aggregate to about \$50 billion of damage—just in property damage and equivalent—to people, most of whom will lose almost everything. Their few pitiful possessions and their matchstick dwellings lost in this business—\$50 billion worth of damage, perhaps, in the course of a few days, to our nation. That's about one-tenth of the estimated federal budget deficit for the current fiscal year. It's a lot of money.

## **Washington's response is doubletalk**

And I know Washington: It won't be spent. There's not \$50 billion in relief coming to these people who have lost

almost everything in the path of the storm. It just isn't there. And the government will *pretend* to meet the problem with \$50 billion, but they won't help with \$50 billion; they'll help with loans on some of it, to some people who are creditworthy, and leave it to others to scratch up what they can—a tiny fraction of the damage will actually be covered by relief programs.

This is very clear in my mind, as I watch the Federal Emergency Management Agency press conference. I know this agency, and know government agencies generally. I listen to this doubletalk—oh, I suppose it's sincere in some way, but effectively, respecting the problem being addressed, it's doubletalk. We're taking the few shards of remaining relief capability from various parts of the country, and we're throwing it in, hither and yon. A little war surplus from supplies from Operation Desert Storm and so forth, we're throwing that in as a sop to the whole problem. Much ado about nothing. I suppose some people will get some help which they desperately need from these efforts. But they're *pitifully inadequate as against the magnitude of the problem*.

## **Twenty-five years of post-industrial economy**

Then I think about this thing on a deeper level. Why do people have only such pitiful things? I'm not going to deprecate what they had; it was all they had, and I've never had any money, never had anything to speak of myself, especially over the past 20-30 years. And therefore, there's a certain dignity in what they had. But they had so little and it was so vulnerable, so easily blown away.

Why is that the case with our nation? We're supposedly this great, rich powerful nation. I know about technology, I know about manufacturing, I know what *could have been done* in the past 25 years, with the kinds of technology we were beginning to spin off, with the aerospace programs, before they were cut off over 25 years ago, when the guns that shot down President Kennedy were aimed implicitly at the head of President Johnson and he capitulated to the thing called the "Great Society," and we've been going downhill ever since.

*People didn't have to live that poorly.* They didn't have to have houses that were that vulnerable to that kind of wind-storm. They didn't have to be so helpless in the wake of that storm and its onset. The people in Louisiana didn't have to be so helpless. We could have done things; we could have had greater mastery over our environment. We could have

had an economy which is capable of producing. We didn't have to destroy our industry. We didn't have to destroy our agriculture. We didn't have to destroy our infrastructure. We didn't have to bleed our government down to the point that the emergency relief capabilities are a pitiful drop in the bucket against the magnitude of a storm of this type. That didn't have to happen.

And then people will go out with hand-wringing exercises in public. All the politicians, saying, oh, how much we're trying to do, we have so little, but we're trying to do so much to help these poor people, our fellow citizens who have been victimized by this storm.

Doubletalk! Are they willing to learn the lesson, that our people in the future must never be left as vulnerable as they were in this case? Never have to live in such poor conditions in the next generation as they came to in this? And that our government never had to be so poor, that we had to doubletalk our way around the fact that we didn't have adequate resources in the budget on the state and local level to meet the catastrophe represented by a storm or something else similar, such as this one?

In watching these reports on this storm, I thought about such things. I thought about the bigger picture. And I wish you would, too. Let's get rid of the kind of policy thinking which has brought us to this low pass. Let's get rid of the kind of policy thinking which was pointed at the head of Johnson, like the guns that shot down Kennedy, that began to turn us down with this post-industrial society nonsense that has ruined us over the past 25-odd years. Let's get rid of the nonsense which has come out of the mouths of every presidential candidate nominated by either the Republican or Democratic Party since; by Nixon, by Ford, by Carter above all, by the Reagan people, especially by the Bush people, by Carter-Mondale in 1980, by Mondale in 1984, by Dukakis in 1988. And above all, by that silly Clinton and Gore of 1992.

Are you going to be complicit in casting your vote for either set of those jokers and to perpetuate the kind of policy that has brought us to this mess, which is so disgusting and so pitiful today? The pitiable character of our nation—so clearly exposed in my view, by the sights of the progress of Hurricane Andrew.

## Bring some sanity to environmental policy

*A supporter asked Lyndon LaRouche about his policy toward the development of the Artic National Wildlife Area Refuge. The opening up of ANWAR for oil development is a major political issue in Alaska. It is the region on the North Slope of Alaska, east of Prudhoe Bay, bordering Canada. Currently Prudhoe Bay is about two-thirds depleted, and Alaskans fear a shutdown of the state's economy if ANWAR is not opened up. The entire wildlife refuge is 19 million acres; the area to be developed is 1.5 million, directly on the coastal plain. The candidate gave the following reply on Aug. 23.*

The idea of a wilderness reserve is a piece of ecological insanity, to which some people are greatly attached. From the standpoint of the environment, the so-called ecology, and the economy combined, the more intelligent and sane outlook is the multiple-use reserve areas. And the area in question, and the question of oil development, should be classified as a multiple-use area for recreation, for wildlife, for maintaining natural cover, and so forth; and maintained in the same sense that one maintains a modern farm.

Within that, there should be a rational allocation for development of natural resources, with a provision to protect these resources from filth and destruction; but otherwise, mankind should get the benefit of this.

What people have to understand in this era of irrationalism in the name of environmentalism, is that the basic policy that mankind and nations such as our own, in particular, ought to take on these questions of environment, is that we have to live in the number of square kilometers which are allotted to our nation and to our state, respectively. We don't wish to turn any of this into a desert—or into a wilderness, for that matter. We do wish to do those things which are necessary to maintain the land we have, and to improve it, in the same sense that an intelligent, modern farmer does it; and, at the same time, to get our economic needs satisfied by this use of land.

There really is no conflict in doing that. All it amounts to, as any farmer can tell us, it takes a certain amount of work, or a certain amount of investment—however you're accounting it—to maintain the land you're using in healthy condition. And obviously that can be done on this North Slope question. We can maintain this area the way we wish to leave it to our posterity, but at the same time, we can get the vital economic uses out of it that we require. We simply have to figure the cost of maintaining the area as a part of the cost of using the natural resources which it has available for us.

Obviously, I would view the shutting down of Alaska's sources of income for its development as a piece of insanity. There is a sane, rational solution. We don't have to go to these extreme, environmentalist wilderness ideas; nor do we wish to allow somebody to make an uninhabitable, disgusting, and unusable site out of an area which we wish to leave to our posterity.

# Citizen candidates run for office on LaRouche program

Pledging to give voters a choice that is not between “the lesser of two evils,” dozens of independent candidates for public office are campaigning for state and local office in the November election, supporting the programs of independent presidential candidate Lyndon LaRouche. Here are some recent developments:

## Illinois

A challenge to three Illinois incumbent politicians was filed on Aug. 3 in Springfield, when independents Sheila Jones, Rose Marie Love, and Barbara Goudeaux filed 25,000 signatures among them.

Said Jones, who is a candidate for Congress in the 9th Congressional District: “We are viewing this campaign as a means to give leadership to the citizens of the State of Illinois so that we can together end the tyranny, repression, and genocidal racism of the enforcers for the Eastern Liberal Establishment bankers and the Anti-Defamation League of the B’nai B’rith. Too long has this faction terrorized the black population of Chicago and anointed its leaders so that the policy of urban decay and depopulation can go unchallenged.”

Rose Marie Love, a former Cook County commissioner, filed as a candidate for Congress in Chicago’s 7th C.D. “I question why money appropriated under HUD [Housing and Urban Development] for the poor in this district is going to build luxury high rises,” she said. “The 7th C.D. includes the poorest and the richest sections of Chicago. The imbalance is unnatural. The largest share of Chicago’s homeless is here, and yet what government money there is goes to build luxury high rises like Presidential Tower, which is right next to one of the poorest projects in the city—ALBA. I intend to use this campaign to fight for national policies which can change conditions here.”

Barbara Goudeaux is running for State Senate in the 31st District. A missionary and community activist, she has traveled the world to help the poor. Since 1988, she has been active in Food for Peace efforts to bring farmers and eaters together, in an alliance which can break the grip of the grain cartels over food production.

## Iowa

Iowa farm and education activist Sue Atkinson is campaigning for the Iowa Senate seat now held by Republican Charles Grassley, an advocate of brutal “deficit reduction.”

Atkinson worked for 14 years as a finance officer in the Omaha Farm Credit District in Iowa, but left her job when it became clear to her that Farm Credit was intending to liquidate thousands of family farmers. She says the liquidations were unnecessary and that the Wall Street investment banks, the bondholders of the Farm Credit System, would benefit, while the farmers lost everything.

In announcing her campaign, Atkinson said, “We have to recognize that our banking system is bankrupt. As long as we are intent on sacrificing people in order to save the banking system, then we are morally corrupt. Our first secretary of the treasury, Alexander Hamilton, emphasized that no economy functions without investment in basic economic infrastructure. They established a national bank with authority under the Constitution to regulate the currency of the nation in order to bring about investments in such areas as maintaining productive family-farm-based agriculture and education. The best recommendations for regaining the morally sound economic policy on which this country was founded come from slandered political prisoner and candidate for President Lyndon LaRouche.”

## Virginia

Alan R. Ogden is campaigning as an independent candidate for Congress in the 10th C.D., running against incumbent Rep. Frank Wolf (R) and Democrat Ray Vickery, who was drafted by the District Committee only after Ogden announced his intention to run.

Ogden explained the purpose of his campaign, when he was certified at the end of June: “The issue in this election is justice. Concern for justice has been evaporating in our country for some years. The barbaric use of the death penalty by the likes of the Rehnquist Supreme Court and our monstrously evil Virginia Attorney General, Mary Sue Terry, to execute prisoners whom they know are probably innocent, and whose constitutional rights they knowingly and explicitly violate, is intolerable.

“The Loudoun County Democratic Committee, of which I am a member, took one step toward ending this horror last week, by voting up the resolution to abolish the death penalty, which will also be proposed at the National Democratic Convention next month in New York.

“I am confident,” Ogden said, “that the voters of the 10th District will repudiate any candidate who condones the slaughter of innocents under the cover of the death penalty. In the communist countries and in the countries where the communists and their death penalty have been overthrown, it is well known that the death penalty is an instrument of brutalization and tyranny. Also in America, a fight for justice is necessary, to stop tyranny. This is the fight of my campaign.”

Nancy Spannaus, a candidate for the 1993 Democratic gubernatorial nomination, is challenging Mary Sue Terry, the so-called front-runner in that race. Spannaus has made the issue of the death penalty a principal focus of her campaign.

# Morris Dees: the paradox of a 'Klan-watcher'

by George Canning

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## **A Season for Justice**

by Morris Dees with Steve Fiffer  
Charles Scribner's Sons, New York, 1991  
355 pages, hardbound, \$24.95

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What's happened to Morris Dees? This question has echoed through the civil rights movement, as old friends and admirers face the awful truth of Dees's endorsement of Edward Carnes for a judgeship on the U.S. Court of Appeals' Eleventh Circuit. Carnes is notorious to the civil rights movement, as head of the Alabama Attorney General's Capital Litigation Unit, which fights to uphold death sentences on appeal. Carnes has denied the existence of a tilt toward executing black men convicted of capital crimes, and has denied the existence of what is a national scandal, the inadequacy of legal representation (particularly in the Deep South) for the black, the poor, the retarded, and the uneducated capital defendant. Carnes has fought to uphold convictions by racially selected juries (except, apparently, in a Dees/Department of Justice case), and has campaigned to eviscerate the "Grand Writ" of *habeas corpus* for the unjustly convicted. For a searing indictment of Carnes's unfitness, and the shock of a Dees admirer, I urge everyone to read a newspaper article by Brent Newton entered in the Aug. 7, 1992 *Congressional Record*, beginning at page S11908.

Reading Morris Dees's memoirs, *A Season for Justice*, published last year, is useful in understanding the shock that's gone through the civil rights movement, and to begin a resolution of the issues involved.

## **His civil rights career**

Civil rights leaders have reason to view Dees as a hero. Among the more notable legal fights Dees recounts in his book, were the integration of the Montgomery YMCA, the integration of the Alabama State Troopers, and the defense of poor and black capital defendants, including the celebrated Joan Little case. In 1969, in the course of fighting these and

other civil rights cases, Dees and a partner formed a non-profit law firm, the Southern Poverty Law Center.

In late 1979, as Dees tells it, he began to focus on a new problem, the resurgence of the Ku Klux Klan after more than a decade of decline. While Dees and his center may—as he claims—indeed spend most of their time on traditional civil rights cases, it seems evident to me, that Dees's preoccupation, and indeed his present fame or notoriety (depending on your point of view), centers on his role as a private "prosecutor" of the Klan. Dees and an associate developed a program at the center called "Klanwatch" to monitor Klan activities, and to sue Klan members and KKK organizations for violations of civil rights.

At first blush, such an initiative seems an important one for the civil rights movement, for obvious reasons. The movement has its roll call of honored dead, murdered by the Klan; anonymous tens and hundreds of thousands of black citizens have been terrorized into accepting second-class citizen status.

But the problems of the "Klan-fighter" strategy are several. First and perhaps foremost, is the question of whether, on its own terms, it can ever succeed. While it attacks a real problem, that problem is but a manifestation of greater underlying problems. Dees in an early chapter of his book, introduces the early 1980s resurgence of the KKK with the explanation, "Hard times often inspired the Klan's rebirth, and we were in hard times. Jobs were scarce. Inflation pushed up the price of everything. To many people mired in what President Jimmy Carter called a 'malaise,' it seemed that minorities were getting all the breaks through affirmative action programs. The rhetoric of savvy new Klan leaders . . . struck a responsive chord with an increasing number of whites hungry for a better life."

What to do about this situation, has evidently caused splits in the Southern Poverty Law Center, as Dees admits:

". . . other Center lawyers had been opposed [to the Klanwatch program]. They argued that the Klan was nothing more than a symptom of a sick social order. What we needed to focus on, they contended, were the conditions that had always fueled the Klan—poverty and ignorance. In many

ways I agreed with this assessment. But I found it hard to turn my back on the real-life victims of Klan intimidation.

"I could not content myself with the idea that, in the long run, the Center's traditional civil rights work would help eliminate these conditions. Part of the reason for the Klan's rise in the late 1970s and early 1980s was bound up with some of the gains of the civil rights movement. . . ."

Dees thus finds himself in an endless cycle of creeping progress for non-whites, and backlash by whites.

Here I fault Dees, because he's not just some liberal storefront lawyer. By his own description, he is a man with some "juice" in the Democratic Party. He was the fundraising director for the presidential campaigns of George McGovern, Jimmy Carter, and Edward Kennedy; because of his influence with President Carter, he was able to argue (unsuccessfully) for a blue-ribbon national commission on the death penalty, and sat in on at least one cabinet meeting. So why hasn't Dees used his influence in the Democratic Party to fight for economic development? By refusing a fight allying the black population with the poor whites now recruited by the KKK, Dees has condemned himself to good guys/bad guys theater, which goes nowhere. Thus, Dees sees in Edward Carnes, only a man who has opposed racist judges; Dees forgets the black, poor, and retarded on death row, whom men like Carnes kill as joyously and as surely as any bedsheet-wearing Klansman at a lynching.

### Who really controls the Klan?

But the deeper problem with the role of Klan-hunter which Dees has taken on, explains a lot to me about his support of the Bush administration's Carnes nomination. The fact is that the Klan/anti-Klan arena in which Dees operates is under effective control of the Department of Justice (DOJ) and the U.S. intelligence community.

It became a notorious fact to FBI-watchers in the 1970s that the Church Committee which looked into operations of U.S. intelligence agencies against American citizens, found that in the 1960s the FBI carried out a large-scale infiltration and disruption program into the KKK and similar "white hate" groups (along with such alleged "black hate" groups as Martin Luther King's SCLC and the Black Panthers), going so far as to set up dozens of KKK "Klaverns" in the state of North Carolina alone. Additional evidence indicates that FBI infiltration was supplemented by the efforts of the FBI's favorite private "snitch" and "dirty tricks" organization, the Anti-Defamation League of B'nai B'rith (ADL). Also notorious, was the fact that when civil rights worker Viola Liuzzo was murdered by Klansmen, one of the men in the Klan car was Gary Thomas Rowe, an FBI infiltrator.

It is my belief, that after Congress slapped the FBI and the intelligence community's collective wrist for wholesale violation of the First Amendment rights of American dissidents of all persuasions, the FBI "went private," shopping out the same activities to the ADL. I also think that a key part

of the FBI-ADL program, particularly in the "resurgence" period Dees talks about, has been to replace the dormant traditional Klan organizations, with synthetic organizations headed by individuals either directly government or ADL operatives, or otherwise under their control. I'm aware of about half a dozen cases of ADL-bankrolled individuals attempting to incite white vs. black or anti-Semitic vs. Jewish violence. I found interesting for this "replacement" hypothesis, that while the rank-and-file Klansmen sued by Dees remain the type that have trouble finding the right end of the pillow case, the "new Klan" leaders whom Dees profiles nearly all have military and/or intelligence backgrounds.

It is also apparent, from highly redacted FBI documents I've read, that the FBI and ADL's current *bête noire* among Klan-type groups, the murderous Aryan Nations umbrella of Klan and neo-Nazi groups, is investigated by the FBI and the intelligence community as possibly under Libyan or other hostile foreign control; it is also apparent that, as expected, the Aryan Nations are deeply penetrated by government informants, possibly at the highest levels. The Aryan Nations have put Dees on the short list of targets for assassination, and he has been provided protection by the FBI and the Alabama State Police; the troubling question, raised time and again about government informants, is whether the FBI is protecting Dees from assassins the FBI ultimately controls.

Perhaps the most effective way to fight the KKK in the legal arena would be to go after the ultimate controllers and funders of the new Klan. Dees successfully argued that the entire United Klans of America was liable for damages (thereby bankrupting the UKA), when its members violated a Negro teenager's rights by murdering him. Why not then the next step: Determine through the discovery process to what extent the targeted organization and its leaders are steered by the ADL and the FBI, and sue them under the same theory of liability? That, I think, would collapse the modern Klan in short order.

Since Dees is a man who seems to do his homework, this hypothesis must have occurred to him. But Dees is completely entwined with state and federal prosecutors and investigators; they share information and witnesses back and forth. Dees's connection to the Feds is so tight, that he is able to locate KKKers (including Gary Rowe) in the Federal Witness Protection Program, and was given an opportunity to argue (unsuccessfully, it turned out) for FWPP-style protection for one of his own civil lawsuit witnesses. Time and again, Dees has fought cases using Justice Department information and Justice Department witnesses, and played out the government's agenda to limit the civil rights movement to Klan/anti-Klan theater. The government is able to thus ignore the real solution, to rebuild the shattered economy, and provide justice for all. To break with the Justice Department, Dees would have to forgo their present relationship, and this, apparently, he refuses to do.

# Elephants and Donkeys

by Kathleen Klenetsky

## He's b-a-a-ck—maybe

Ross Perot has jumped back into the presidential race—sort of. Just a few weeks after stunning his followers by declaring that he was terminating his officially unannounced candidacy, the Texas billionaire began telling various media outlets he was once again considering getting into the fray.

That's not as far-fetched as it might at first seem. Perot never stopped funding efforts to get his name on the presidential ballot. Right now, he's financing 64 offices across the country which are coordinating petitioning efforts to put him on the ballot.

Perot has qualified for the ballot in 36 states, so far; petitions have been filed in a number of others. Conceivably, Perot's name could appear on the ballot in all 50 states come November.

Perot's efforts are not confined to petitioning, however. During the week of the Republican convention, a million copies of his newly published program, *United We Stand: How We Can Take Back Our Country*, began to inundate the nation's bookstores.

## Same austerity story

Described by Perot as "a plan for the 21st century," the program smacks of the same kinds of austerity policies that have emerged as the liberal establishment's "answer" to the U.S. economic collapse. Specifically, Perot proposes to:

- Cut Medicare and Medicaid by a whopping \$141 billion over five years. (He claims this will somehow "improve both the quality and delivery of medical services." He also

states, "Our biggest problem is entitlement programs. These include Social Security, government retirement, Medicare, and Medicaid.")

- Raise taxes on Social Security receipts for individuals who earn more than \$25,000 and for families earning more than \$32,000—hardly the "rich" Perot claimed to be targeting; in fact, these income levels barely qualify for middle-class status.

- Establish a "national health board as an independent federal agency to oversee cost containment and comprehensive health-care reform efforts." Health care must be "reformed" because "our companies are forced to divert money from jobs, higher wages, and research and development because of skyrocketing health and insurance costs."

- Increase the gasoline tax 50¢ a gallon.

- Eliminate Space Station Freedom entirely, one of many important scientific programs Perot describes as "nice but not necessary."

- Require all federal departments to cut 15% from their discretionary budgets.

- "Encourage environmental protection," by "support[ing] business strategies for sustainable economic development and assist[ing] local communities in making the transition away from dying industries." Further, "American companies should be at the forefront of emerging global markets for environmental technology."

- Continue U.S. help to "countries that seek to stabilize their population growth to decrease poverty," since this is "in our best interests."

- Enact a "real deficit reduction law" and a "line-item veto."

Perot bluntly describes his program as "a plan that includes shared

pain for everybody." "There's nothing pretty in my plan," he told CBS News on Aug. 13. "If you find you have cancer, the idea of chemotherapy is not pleasant. You'd like aspirin, right? But you've got to do it. . . . We've got to go from way down the ladder in terms of competitiveness to the top. That takes more money. That's going to take a number of years of pain and sacrifice. Let's do it. The American people are ready."

## 'Greenie' Gore rakes it in from mining

Democratic vice presidential candidate Al Gore receives \$20,000 yearly from a lucrative lease which his father, Al Gore, Sr., arranged with the late Armand Hammer.

According to the Aug. 15 *Washington Post*, the lease, which has been paying Gore, Jr. \$20,000 a year since 1974, is "unusually valuable." The zinc lease amounts to \$227 an acre, "much more than the \$30 an acre Occidental Minerals, part of Hammer's oil company [on whose board Gore, Sr. has served since 1972] paid the senior Gore and some neighbors a few years before," the *Post* commented.

Moreover, Occidental didn't mine the property for the first 11 years of the lease, during which time it paid Gore, Jr. nearly \$200,000.

Gore, Sr. told the *Washington Post* that his lawyer advised him to prepare a statement about the arrangement with Hammer for Clinton aides who were checking his son's background prior to tapping him for the vice presidential slot. The lawyer felt that the "unusual" amount of the royalty, "might appear . . . as questionable or might arouse curiosity."

Can't imagine why. . . .

# National News

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## Blueblood Republican Weld a top 'gay' activist?

Massachusetts Gov. William Weld is portrayed as a top gay activist in the European edition of the *Wall Street Journal*, which has a lengthy column on the state of the Republican Party and its apparent problems in formulating a party program, today.

"Mr. Weld's activism on gay rights is equally controversial," the *Journal* wrote. "He has appointed a number of gays and lesbians to high office, including at least two judges, and appointed a gay man, Michael Duffy, to head the state Commission Against Discrimination."

The daily quotes Weld: "If that makes me the most pro-gay governor in the country, and it must, because I read about it every day, then so be it."

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## ADL big wigs flip over 'Dopebusters' patrols

Anti-Defamation League (ADL) leaders Abraham Fox and Mira Lansky Boland co-authored an opinion column in the Aug. 19 *Washington Times*, which complains that federal money is being used to pay Fruit of Islam security guards in housing projects that receive Housing and Urban Development (HUD) funding. The column is a continuation of ADL slanders that the Nation of Islam (NOI) is "anti-Semitic." The slanders have been escalating in response to the success and popularity of the anti-drug organizing being done by the NOI's "Dopebuster" operations.

The two mouthpieces for the ADL—which oversees millions of federal dollars transferred to their criminal activities by the FBI and other agencies that employ them as "consultants"—argue: "As Congress considers the Department of Housing and Urban Development appropriations bill in the next few weeks, one of the issues it might consider is whether HUD rules should permit a HUD contractor to spend \$644,000 to hire Louis Farrakhan's Nation of Islam to pro-

vide security for a federally subsidized housing project in Los Angeles, and whether there should be similar arrangements elsewhere."

In a related development, Washington Mayor Sharon Pratt Kelly has distanced herself from unspecified "anti-Semitic" statements made by the NOI's Health Minister Dr. Abdul Alim Muhammad, under pressure from the ADL, according to the Aug. 22 issue of the Washington paper *Afro-American*. Kelly has not rescinded an award to Dr. Muhammad for his work in combating AIDS, as the ADL demanded, however. Dr. Muhammad, responding to the continued attacks, pointed out that: "The new Ku Klux Klan (KKK) seems to be the ADL, they attack all black leaders," and referred to its "longtime association with mobsters and crime figures."

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## NIH withdraws funding for eugenics conference

The National Institutes of Health (NIH) has been forced to suspend funding for a conference which proposes to look at the relationship between heredity and criminal behavior, according to the Aug. 19 *Washington Post*. Originally scheduled for Oct. 9 at the University of Maryland, the conference was titled "Genetic Factors in Crime: Findings, Uses and Implications." The racist premise of the conference was articulated in the original brochure for the event, which referred to the "apparent failure of environmental approaches to crime" and stated that "genetic research holds out the prospect of identifying individuals who may be predisposed to certain kinds of criminal conduct, of isolating environmental features which trigger those predispositions, and of treating some predispositions with drugs and unintrusive therapies."

*New Dimensions*, a black-oriented weekly in the Washington, D.C. area, reported in its Aug. 13 issue that the eugenics conference was part of the broader "Violence Initiative" announced by Attorney General William Barr, as part of the Bush administration's new crime-fighting public relations campaign. *New Dimensions* re-

ports that the "Violence Initiative," includes funding for a program that "would target more than 100,000 black youth, ages 5 to 9, for treatment with depressant drugs as a cure for potential 'violent' or 'hyper-aggressive behavior.'"

*EIR* plans a further exposé of the cynical "Violence Initiative" in future issues.

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## Crips, Bloods offer 'facelift' for Los Angeles

An item in a Aug. 25 *Washington Times* gossip column (which has been known to leak material from Jack Kemp's Housing and Urban Development office on occasion) relates that a "report from California" has it that Los Angeles' two leading drug gangs, the Crips and the Bloods, have issued a "Proposal for L.A.'s Facelift" that "demands an end to welfare. The platform calls for state funds to go only to 'invalids and the elderly.'"

The program, according to the report, also supposedly calls for teachers to be tested for competency and asks that high school curricula be reoriented to focus on "advanced sciences and additional applied math, English and writing skills." The *Times*'s columnist praises "even their more socialist ideas . . . like a recommendation that government establish factories that would provide materials and jobs to rebuild the inner city."

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## Va. death row inmate agrees to appeal sentence

Virginia death row inmate Mickey Davidson has reconsidered his decision to abandon his appeals, and will appeal his conviction to the U.S. Supreme Court, thus stopping his scheduled Aug. 20 execution. Davidson pleaded guilty to murdering his common-law wife and her two daughters in 1990. The Virginia Supreme Court upheld the sentence in June, when the case was automatically submitted to it. Now that Da-



vidson has reconsidered, he has virtually the entire appeal process before him.

Since the strong sentiment in the state against the execution of Roger Coleman in May, where letters to Gov. Doug Wilder ran 15,000 to 300 *against* Coleman's execution, Virginia Attorney General Mary Sue Terry, a gubernatorial pretender, has chosen victims who have no claims of innocence. She has also begun briefing the press to propagandize the vileness of the crimes, while stepping up the pace of executions to one per month. The next person scheduled for execution is Willie Leroy Jones, on Sept. 15. Terry's office has announced that two still-unnamed people will be executed before the end of October. Some sources report that in addition to these, Terry plans to execute yet two more, unnamed people before the end of the year.

## 'Milk-lift' for Iraqi children arrives in Phila.

Philip Valenti, the local Philadelphia spokesman for the Committee to Save the Children in Iraq, announced that the one-ton cargo of non-fat dry milk organized by U.S. farmers was delivered on Aug. 21 to the Philadelphia International Airport for shipment to children in Iraq. He said this is the fourth shipment of milk powder to Iraqi children, who are still being starved by the continuing U.N. embargo.

The shipment started out on Aug. 18 from Mitchell, South Dakota, followed by a car caravan of supporters. Several stops were made for rallies and press conferences in the farm belt, before the trailer carrying the cargo left on its 1,200-mile trip to Philadelphia. The "milk-mobile" was met Aug. 19 by Wisconsin dairy farmers for a press conference at the State Capitol in Madison.

The farmers' "milk lift" to Iraqi children started in October 1991, as an alternative to ineffective farmer protests, like "dumping" milk. The "milk lift" is intended to save the lives of innocent children and to protest the use of food as a weapon against them, as well as to dramatize the desperate economic condition of independent farmers in the United States. This milk lift was organized

with the help of LaRouche independent congressional candidate Ron Wieczorek, a South Dakota grain farmer. In addition to mobilizing farmers around the milk lift effort, Wieczorek has just successfully campaigned to stop the FmHA from forcing a foreclosure on his own farm, through its manipulation of "loan restructuring" mechanisms.

The farmers chose the dramatic gesture of trucking the milk across the country to highlight their opposition to politically motivated threats of renewed war against Iraq by both Bush and Clinton. Valenti said that shipments will continue and that donations can be sent to: Chaldean Catholic Church Milk Relief Fund, 25585 Berg Road, Southfield, Michigan 48034.

## Anti-cult cults sue psychology associations

Psychologist Margaret Singer and sociologist Richard Ofshe, leading "anti-cult" experts for the Cult Awareness Network (CAN) and the American Family Foundation (AFF), have filed a \$5 million RICO suit in federal court in New York against high-ranking officials of the American Psychological Association and the American Sociological Association. According to the Aug. 12 issue of the *Bay Area News*, the CAN pair charge the two professional groups with conspiring with the Unification Church and other groups "to keep the two well-known cult experts from testifying in court about brainwashing techniques." The two claim that officers of the professional groups convinced their board of directors to file "false court documents" attacking Singer and Ofshe as charlatans and incompetents. Since 1986, the CAN "anti-cult" experts have been prevented from testifying as expert witnesses.

Both the CAN and AFF have been prominently involved in lobbying for legal restrictions in political organizing and fundraising. The lobbying is part of an ongoing campaign to cut associates of Lyndon LaRouche off from a major source of funding, which is literature sales.

● **PHYLLIS PIOTROW**, for whose anti-natalist 1973 book *George Bush* wrote the foreword, attacks Third World babies as the cause of environmental degradation, in the *Washington Post* Aug. 24. Piotrow calls for a propaganda barrage to convince the world's poor not to have children: "For the inner-city teenager and for the woman in Rwanda . . . the messages must be clear, entertaining, engaging, specific and pervasive."

● **THE ARABIC** news magazine *AlAslam*, which is printed in London has published a full-page article on the judicial railroad of Lyndon LaRouche. The article identifies the political motivations of the "Get LaRouche" task force, including his SDI program and policies to develop the Third World. The article details the networks associated with the FBI which organized the frameup.

● **FIREFIGHTERS** in California, who are battling raging brush and forest fires, are increasingly unable to find restaurants that will take the state's IOUs during meal breaks.

● **BILL CLINTON** tried to defend his execution of a lobotomized inmate, Ricky Ray Rector, during an Aug. 21 meeting with black journalists. Clinton denied deliberately allowing the execution of Rector during the New Hampshire primary campaign as a "strike against the Willie Horton" image pinned on Dukakis by the Republicans in 1988, UPI reported.

● **THE AMERICAN** Civil Liberties Union has brought a lawsuit in California claiming that the use of poison gas for executions amounts to cruel and unusual punishment, according to a commentary in the Aug. 16 *Los Angeles Times*. The suit points out the similarity between the cyanide gas used and the Nazis' Zyklon B.

● **THE JURY** in the Iran-Contra trial of former CIA deputy operations director Claire George declared itself deadlocked on Aug. 25 and again on Aug. 26, leading to a mistrial. A new trial has been set for October.

# *The shame of America*

It is a national disgrace that there appears to be broad-based support between the Democrats and Republicans for ending so-called entitlement programs. In other words, they agree, with the enthusiastic concurrence of Ross Perot, that American working people should be forced to face grinding poverty without any social safety net to support them and their children. Soon we will see the beggars going from door to door, about whom Perot likes to tell sentimental family stories.

"Entitlements" include Social Security, Medicare, Medicaid, unemployment compensation, food stamps, Supplemental Security Income, veterans compensation, farm price supports, Aid to Families with Dependent Children, and civilian, military, and railroad retirement pensions.

The United States is now in the midst of a depression which threatens to become far worse than any of this century. This is the result of a decision following the assassination of President John F. Kennedy to transform the United States from a nation poised on the frontiers of space, to a "post-industrial society." A mythology of a "New Age" of personal liberation was created to replace a work ethic and the acceptance of responsibility for the well-being of one's fellow men and women and their children, born and unborn. The vitality and very existence of U.S. industrial might was deliberately eroded.

There is no question but that unemployment and the growth of welfare rolls, the bankruptcy of state and local government, and the huge federal budget deficit are all byproducts of the failed economic policies of a succession of administrations in the United States—Democratic as well as Republican. There is also no question that the kind of ruthless austerity which is being proposed will not reverse the economic decline of the United States, but only further impoverish its hapless population.

One aim of present U.S. electoral politics is to convince Americans that ending entitlements will somehow reverse the depression, and to batter them into accepting the inevitability of the planned brutal austerity. Indeed, entitlements are being ended at the

state and local level. The most dramatic case is in California, a state which has the ninth largest economy in the world.

As of now, a deadlock between the state legislature and the governor has led to a situation in which California can no longer pay its bills. Not only are state employees being paid in worthless scrip, but state payments to medical institutions and nursing homes are being withheld as well. To make matters worse, the Bush administration is withholding federal funds until the present crisis is resolved.

In the early 1980s, California looked to be the paradigm for high-technology industry. At that time California had a budget surplus. The California high-tech economic "miracle" was eroded by a combination of Federal Reserve chairman Paul Volcker's high interest rates and the speculative binge of the 1980s. In the last year and a half, cuts in defense spending have added over 100,000 layoffs, but the roots of California's troubles go further back.

California was built by major infrastructural investment, especially in the areas of fresh water management and irrigation. Failure to invest in programs to ensure a continued, adequate supply of water, are now adding to the economic woes of the state. It is not California or other states' budget deficits which are the problem, but the failure to use tax money to support major infrastructural investment which can guarantee the forward thrust of technology and the productivity of the work force.

Balancing the budget at the cost of the destruction of infrastructure of a nation and the destitution of its population, is to start a downhill trend from which there can be no recovery. Trying to pay for such investments by triaging a part of the population by cutting social support payments, is equally unacceptable.

In contrast, Lyndon LaRouche, now running for President as an independent, has called for a major investment program in public works, to immediately create 3 million new jobs. This would have the effect of rebuilding the tax base and creating a \$1 trillion ripple effect through a rejuvenated economy.

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Tues., Sept. 15—9 p.m.  
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Thurs., Sept. 24—10 p.m.  
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## MARYLAND

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MCTV Channel 49  
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Thursdays—2:30 p.m.  
Saturdays—10:30 p.m.

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*The LaRouche Connection*  
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Carroll Community TV Ch. 55  
*The LaRouche Connection*  
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## MINNESOTA

- **MINNEAPOLIS**—  
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*EIR World News*  
Wednesdays—6:30 p.m.  
Sundays—9 p.m.

## NEW YORK

- **BUFFALO**—BCAM Ch. 32  
*The LaRouche Connection*  
Tuesdays—6 p.m.
- **DANSVILLE**—  
Cooney Cable Ch. 6  
*The LaRouche Connection*  
Wednesdays—afternoon  
Fridays—afternoon
- **MANHATTAN**—  
Manhattan Cable Ch. 17D  
*The LaRouche Connection*  
Fridays—6 a.m.

- **QUEENS**—  
Queens Public TV Ch. 56  
*The Oil Weapon*  
Fri., Sept. 25—6 p.m.  
Mon., Sept. 28—3 p.m.  
*The Holes in the Ozone Scare  
Hoax*  
Tues., Sept. 29—3 p.m.
- **ROCHESTER**—  
Greater Rochester Ch. 12  
*The LaRouche Connection*  
Thursdays—7 p.m.  
Greater Rochester Ch. 19  
*The LaRouche Connection*  
Sundays—11 a.m.  
Mondays—7 p.m.

## TEXAS

- **HOUSTON**—  
Public Access Channel  
*The LaRouche Connection*  
Mondays—5 p.m.  
*Who Owns Your  
Congressman?* Tues., Sept.  
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Thurs., Sept. 10—1 p.m.  
Sat., Sept. 12—6 p.m.

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Wednesdays—12 noon

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ACC Ch. 40  
*The LaRouche Connection*  
Thursdays—8 p.m.
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Storer Ch. 6  
*The Schiller Institute Show*  
Tuesdays—9 a.m.
- **FAIRFAX COUNTY**—  
Media General Ch. 10  
Wednesdays—6:30 p.m.  
Fridays—2 p.m.  
Sundays—6 p.m.
- **LEESBURG**—  
MultiVision Ch. 6  
*The LaRouche Connection*  
Mondays—7 p.m.
- **RICHMOND & HENRICO COUNTY**—  
Continental Cable Ch. 31  
*The Schiller Institute Show*  
Thursdays—6:30 p.m.

## WASHINGTON

- **SEATTLE**—  
Seattle Public Access Ch. 29  
*Genocidal Roots of Bush's  
New World Order*  
Sun., Sept. 13—7 p.m.  
*LaRouche's Motion for  
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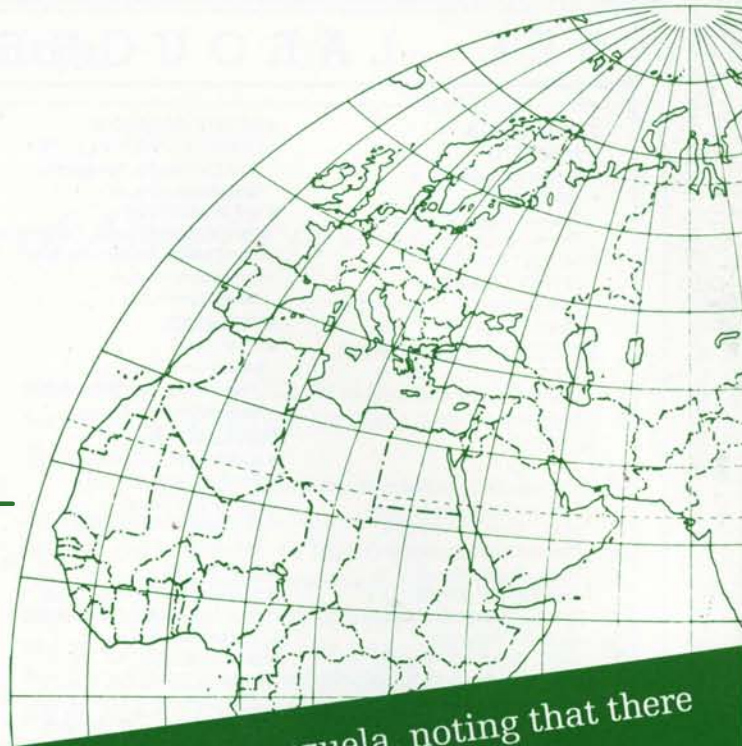
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**December 5, 1991**

EIR Alert reports coup rumors in Venezuela, noting that there are constant meetings among the lower ranks of the army about a military coup, but that the high command opposes it.

**February 4, 1992**

A "colonels' coup" against Venezuela's Carlos Andrés Pérez takes over a large part of the country, but is suppressed by the high command.

**October 22, 1991**

EIR Alert reports that Lord Carrington is considering a "Cyprus" model to resolve the Serbian war against Croatia.

**January 1992**

The United Nations decides to send troops to Croatia to enforce a Cyprus-style partition of Croatia.

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