

EIR

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Expose 30 years of ADL-Stasi collusion
Clinton pressed to exonerate LaRouche
Trilateral Commission has China in its sights

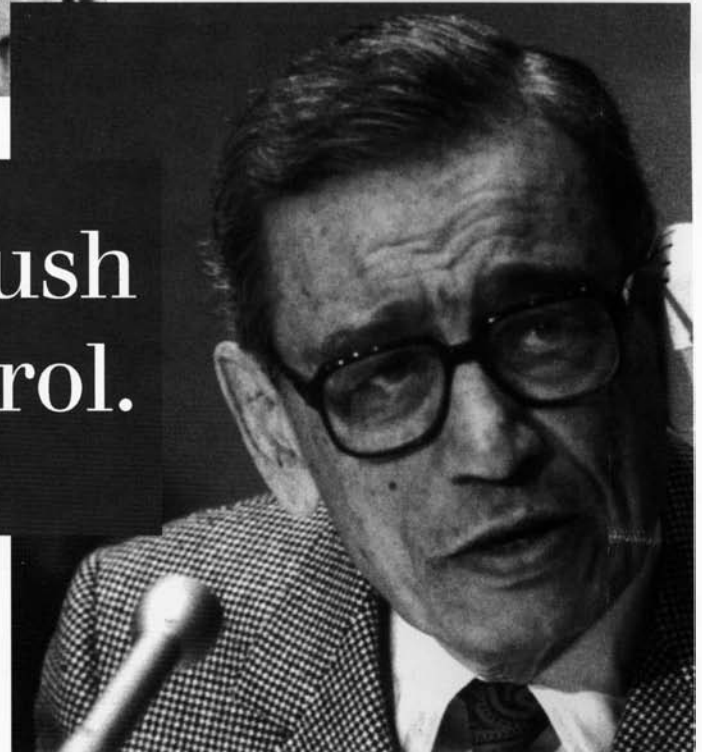
**British intelligence set up
obliteration of Rwanda**





What do these two men have in common?

They both push population control.



Stop the UN's New World Order: Hitler in Blue Helmets.

DID YOU KNOW:

- that the population control movement is nothing but a whitewashed version of the Nazi eugenics policy, which was developed in Britain and the United States, then exported to Hitler's Germany?
- that the United Nations has set up a series of conferences, beginning with the September 1994 International Conference on Population and Development, in Cairo, Egypt, whose purpose is to reduce world population by more than two billion people and institute a utopian world dictatorship?
- that National Security Study Memorandum 200, written under the direction of Henry Kissinger and Brent Scowcroft in 1974, defines population growth as *the enemy* of the

United States, and targets over a dozen Third World countries on its "population enemies list"?

- that since NSSM 200 was written, American dollars have paid for the sterilization of roughly *half* of Brazil's women of childbearing age?

This report, revised and expanded from the 1992 Special Report "The genocidal roots of Bush's 'New World Order,'" is intended to help catalyze a fight for national sovereignty, the family, and human life in the face of the Malthusian onslaught of the United Nations and its one-world imperial supporters.

The new sections include texts of major statements against the Cairo population conference by the Schiller Institute, Vatican, and others, and self-indicting extracts from the planning documents drafted by the United Nations bureaucrats.

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European Headquarters: Executive Intelligence Review Nachrichtenagentur GmbH, Postfach 2308, D-6200 Wiesbaden, Otto von Guericke Ring 3, D-6200 Wiesbaden-Nordenstadt, Federal Republic of Germany Tel: (6122) 2503. Executive Directors: Anno Hellenbroich, Michael Liebig

In Denmark: EIR, Post Box 2613, 2100 Copenhagen ØE, Tel. 35-43 60 40

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From the Editor

The photo on the cover was taken during a special mission to the area in Zaire which is receiving Rwandan refugees, by two of our European-based correspondents, Dean Andromidas and Michael Liebig. Their direct report on the relief operations in Goma and the overall situation in that part of Africa is one of the exclusives in this week's cover feature on Rwanda.

Our other exclusive is the report filed by Linda de Hoyos and David Hammer which lifts the lid off the best-kept secret of the whole sickening crisis, the truth which all the television and magazine media coverage in the world is hiding. This crisis was set up by British intelligence, and worse may yet be ahead. This ought to help readers to focus on the precious potential of President Bill Clinton's recent public rejection of the longstanding "special relationship" with Great Britain, as this has been stressed by Lyndon H. LaRouche, Jr.

Meanwhile, Clinton is under some good constituency and international pressure to reverse certain policies he inherited from the Bush era and which have continued in "autopilot" fashion under his administration. One of these is the political persecution of Lyndon LaRouche and his associates. The ante was upped on Aug. 11 with the printing of a dramatic full-page ad (see *National*) in the *Washington Post* calling for LaRouche's full exoneration of the alleged crimes for which a corrupt judicial apparatus wrongly convicted him in 1988.

A second key area where Clinton needs to make a rapid about-face is the Cairo population conference in early September. In this issue we report on the increasing consensus against the U.N. draft plan, coming from major world religious groups, including the Southern Baptists and the Sunnite Muslims of Egypt (see *International*, *National*, and the interview with Dr. Maldonado in *Economics* for Cairo-related coverage).

The Schiller Institute and ICLC, the philosophical association founded by LaRouche, will meet over Labor Day weekend in the Washington, D.C. area to deliberate on these issues and the intellectual background to them, as it is richly unfolded in LaRouche's new theoretical article, "How Bertrand Russell Became an Evil Man, Reflections Upon Tragedy and Hope," which will appear in the Fall 1994 issue of *Fidelio* magazine.

Nora Hamerman

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Correction: Our issue of Aug. 5 misstated the location of Lyndon LaRouche's seminar on the end of the U.S.-British special relationship. It took place at the Capitol Hilton Hotel.

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Derivatives 'end-users' get stuck holding empty bag

by Anthony K. Wikrent

Just two weeks after the Bank for International Settlements (BIS) issued new guidelines for derivatives dealers, nine U.S. derivatives dealers were slapped with a lawsuit by Charles County, Maryland, which has lost its entire operating budget for the next 45 days because of losses on derivatives contracts in which the county had invested.

Derivatives are contracts whose value is based on the value of other, underlying contracts; and derivatives dealers are the commercial and investment banks that create, price, sell, and trade financial derivatives. The derivatives markets have been unravelling at an accelerating pace since multibillion-dollar losses shattered Italian conglomerate Ferruzzi and German metals firm Metallgesellschaft in the last quarter of 1993. That these derivatives disasters in Europe created shockwaves now being felt in the United States, merely illustrates the warnings of former BIS director Alexandre Lamfalussy and others, beginning in 1992, that derivatives had tied different financial markets in different countries together in a way that makes it impossible to foresee the results of an apparently isolated default on a derivatives contract.

The case of Charles County, however, may represent a new phase-shift in the process of the inevitable, onrushing collapse of the Bretton Woods monetary system, as forecast by economist Lyndon LaRouche (see "Early Disintegration of World Financial Markets," *EIR*, June 24, 1994). The Charles County Treasury had invested the county's *entire* portfolio of \$27 million in various derivatives, about one-third of which are mortgage-backed securities, the market for which virtually disappeared in the first quarter, obliterating the \$600 million hedge fund Askin Capital Management, and torpedoing General Electric's wholly owned subsidiary, Kidder Peabody. When an independent audit uncovered \$2.8 million in losses on the county's portfolio at the beginning of July, the

county's short-term budget was effectively wiped out.

According to county officials, the county now has no money to pay bills for the next 45 days, and is delaying payments to local agencies such as the county school board and the sheriff's office. The political ramifications of the complete insolvency of an entire county (especially so close to the nation's capital) are likely to be dramatic, as the U.S. Congress considers legislation to regulate financial derivatives.

The central legal issue in the Charles County case is a legal doctrine called *ultra vires*. This doctrine, established at the beginning of this century, and affirmed all the way up to the U.S. Supreme Court, holds that parties which conduct business with a government entity are obligated to know the legal authority of that government entity to engage in the business being conducted. In the case of Charles County, Maryland, state law prescribes that local governments shall invest *only* in short-term U.S. government securities that enjoy a very liquid market. This was why Charles County's short-term budget was wiped out: Since the county had no legal authority to buy derivatives in the first place, it now has no legal authority to sell them. In the meantime, however, somebody else now has the county's money, while the county is left holding somebody else's derivatives. Legal counsel for the county has filed for injunctive relief, essentially seeking an expedited legal process, to have the county's money returned to it.

The nine investment firms named in the county's lawsuit are: Lehman Government Securities; Prudential Securities; Donaldson, Lufkin & Jenrette; Smith Barney; Liberty Capital Markets; Ernst & Co.; Meridian Capital Markets; Mabon Securities Corp.; and Murchison Investment Bankers. Some of these are very big names indeed on Wall Street: Donaldson, Lufkin & Jenrette's William Donaldson, for exam-

ple, is chairman and chief executive officer of the New York Stock Exchange. Charles County is being represented by the Baltimore law firm of Smith Somerville & Case.

The derivatives dealers who had hooked the county treasurer as a client (she was fired soon after the losses were uncovered in early July, along with her assistant), clearly either failed to look into the laws of Maryland, or deliberately ignored the law. But given that it was not one, but *nine* dealers involved, it strains credulity to believe that they were all so blissfully ignorant.

Other horror stories

There are more cases besides that of Charles County, Maryland. In Ohio, Sandusky, Putnam, and Portage counties filed suit last year against the Government Securities Corp. of Texas, seeking to recoup losses those counties had incurred on derivatives they had been sold by GSCT. In fact, the treasurers of these three counties had actually bought additional derivatives from GSCT—so-called inverse floaters, which GSCT said would offset losses on other derivatives GSCT had previously sold, which had declined in market value. When the inverse floaters also collapsed in value, the losses could no longer be hidden, and the matters fell into the lap of the respective county prosecutors. Sandusky and Putnam reached settlements out of court, with the Putnam County treasurer now enjoying three square meals a day in the county jail. The Portage County case continues in the courts.

Another case is the Louisiana State Employees Retirement System (Lasers), which suffered \$43 million in losses on derivatives investments early this year, after the state treasurer's office learned about Lasers' huge position in mortgage derivatives in late 1991, and expressed concern to Lasers' board. Lasers' board investigated the matter, and at the end of last year directed its chief investment officer, Vernon Strickland, who had bought the derivatives, to unload them. The resulting loss has sparked a host of lawsuits by retirees and others against Lasers, and the state treasurer, in turn, is considering taking legal action against the derivatives dealers who had done business with Strickland.

The approach of the Louisiana state treasurer to the Lasers imbroglio contrasts sharply with that of Florida, which has lost a reported \$98 million on derivatives holdings of \$3.1 billion. Bruce Gillander of the Florida State Treasurer's Office said that Florida will avoid the loss by holding its derivatives to maturity, at which time the dealers are supposed to pay off the derivatives (in this case, collateralized mortgage obligations—exactly the instruments that sank Askin) at par value. In the meantime, Florida will continue to collect its 7.5% interest for the next five years. What happens if the dealers go under, is left unsaid.

Speculators deliberately ignored the law

The arrogance of the commercial and investment banks and their lackeys in all these cases suggests that they are

deliberately ignoring the law. Recall, for example, the spectacle of U.S. Federal Reserve Bank of New York President E. Gerald Corrigan, before the House Banking Committee last October, defending the practice of Fed officials accepting tickets for expensive sports and entertainment events from the very commercial and investment banks supposedly being regulated by the Federal Reserve System. Or, recall Federal Reserve Chairman Alan Greenspan's attempt during the same hearings to hide the fact that the Federal Open Market Committee has transcripts of all its meetings on file.

More recently, Mark Brickell, director of derivatives operations for J.P. Morgan bank, testifying in his capacity as vice chairman of the International Swaps and Derivatives Association before the House Banking Committee on July 12, exorciated the proposed "Derivatives Safety and Soundness Act of 1994" requirement that derivatives dealers be legally obligated to assess the suitability for their clients of the derivatives sold to them (see *EIR*, July 22, 1994). Such a suitability requirement, Brickell whined, "would introduce an unnecessary and undesirable element into the banker-client relationship"; "would subject banks and their affiliates to heightened compliance costs and likely lead to frivolous litigation"; and would force derivatives dealers to bear a burden none of the competitors had. Brickell quoted Greenspan, who had told Congress on May 25, "For the transfer of risk to be effective and the efficiency to be realized, end-users must retain ultimate responsibility for transactions they choose to make. In a wholesale market, sophisticated *and unsophisticated* end-users alike must ensure that they fully understand the risks attendant to any transaction they enter" (emphasis added).

But Howard Goldberg, of Smith Somerville & Case, said Brickell's was "a ridiculous position." Derivatives, Goldberg said, "are so sophisticated that many of the most astute securities people in the country can hardly figure them out. There are some derivatives that are so complex, we can't even get market prices from some very sophisticated securities firms."

Does Greenspan mean what he says? Is he—the chairman of the penultimate banking regulatory agency of the United States—so ignorant of the law as to assert *caveat emptor* for even "unsophisticated end-users" of derivatives? The Charles County case, if the doctrine of *ultra vires* is upheld, could help demolish not only the positions of Brickell and Greenspan, but also the institutions, and the very system they represent.

And that is exactly the problem. Looked at from the standpoint of what is real economic activity, derivatives are a ghastly abomination. Derivatives are nothing but the process of speculation and looting that the investment and commercial banks developed after the stock market meltdown of October 1987. Now the bills are coming due, and it's the "end-users" like the citizens of Charles County who are being stuck with the bill.

LaRouche: Every human being has the right to health care

The following was extracted from remarks by presidential pre-candidate Lyndon H. LaRouche, Jr. during an Aug. 3 interview on the radio program "EIR Talks." For more on the Hill-Burton program which LaRouche mentions, see EIR, July 29, 1994, "Why U.S. Health Care Must Return to the Hill-Burton Standard."

I concur fully with the President that the time has come, for various reasons, that we must state as a *moral principle*, not subject to debate, that every human being in the United States, in particular, has a right to access to what can be considered health care; and that no one would be deprived of health care that they require for their health and for their life, for reason of not having the right credit card or the right amount of money on some insurance scheme.

Anybody who takes an opposing view, that there should be some kind of a social Darwinism—if you've got money, you get treated; if you don't have money, you don't, or something of that sort; if you're too old, you don't get treated—those people belong together with Adolf Hitler.

The problem is, how to get it economically, and how to eliminate what is happening with the HMOs [health maintenance organizations] and others. If a guy punches some symptoms into a computer, the computer comes back and says, "Diagnosis, as determined by the computer, is the following." The computer then flashes a menu, which tells the physician what he's allowed to do for that patient. If the patient comes in with grievous symptoms, the computer says, "Catastrophic case. Send in two aspirins, carried by a hospice worker." That is what we're getting *very* close to right now, on the basis of people saying, "We've got to cut health care costs, I don't care how many people we have to kill." In the Commonwealth of Virginia, if you go into a hospital, the hospital people are *obliged* to present you with a Living Will to sign. This is Adolf Hitler, pure and simple.

Post-industrial disaster

People say, "We can't afford to pay for it." My answer is, "You'd better look at some of the things that have happened." Why is it that, today, in 1994, we cannot do what we could have done *in 1974*?

For the past 25 years and longer, we've been living under what is called a "post-industrial New Age" society. As a

result of that, the percentage of the labor force which is employed in producing physical goods, has dropped from about 60% at the close of World War II to about 20-25% today. The biggest drop in per capita productivity, and in percent of the labor force employed in producing *real* wealth, not paper stickers or something, has come since 1966-70. So today, the average American, per capita, in households, as against a standard of 1967-69, has approximately *half* the standard of living, per capita. At the same time, the physician is still a highly trained service professional.

The problem is the free-traders. You have people in Washington and elsewhere, such as Sen. Phil Gramm (R-Tex.), a maddened ideologue. The very sound of the word "free trade" is a like a bell being sounded for one of Dr. Pavlov's salivating, decorticated dogs. These fellows will say, "In order to save free trade, Americans must die," of negligence, of lack of health care, or something else. And those of us who are moral, say, "No. If your economic policy says that we have to collapse the U.S. economy for the sake of your ideology, and then, as a result of that, somebody is going to die, because we don't have the means to treat them—for the sake of your ideology," we say, "Buddy, instead of sacrificing American lives, why don't we sacrifice your ideology? How about a little equality of sacrifice, here, on that one?"

People say, "No, the insurance companies have to pay for it." No. The insurance companies don't have to pay for it. The time has come to take the economic policies of the post-industrial society—the no science, and no technological progress—and junk them! And get back to a policy of investing in industry, in agriculture, in employment, so that we get back to, say, 50% of our people producing physical goods. And, even with a very modest increase in productivity, we would have enough to meet our needs. This problem would be solved.

Insurance company rip-off

The problem is that you have half the number producing wealth and, therefore, when one of them goes to a physician, who is still a highly skilled, labor-intensive, service professional, you have to pay the physician with half the amount of wealth you were producing, in effect, 25 years ago; that's why the health costs are so high. Plus, you've got malpractice

insurance, which has driven health costs *wild*—it's an insurance company rip-off. Then you have, also, interest rates, which have driven the costs of facilities for health care, and so forth, sky high.

In the meantime, we have to say, "Okay. It's going to hurt. We have to pay for the health care. But we are *not going to be Adolf Hitlers*." We are not going to set up a category of "useless eaters," of who's last on the line for health care, and, if there just isn't enough money, they're going to die.

Let's get the paperwork out of the system. This whole insurance, and caps, and all the things that have been put in—they don't work. All they do is increase the paperwork for physicians, and they interfere in the personal relationship between the physician and the patient.

Re-adopt Hill-Burton policy

What we have to do is re-adopt, simply, a policy, of which I think there are about five or six pages of legislation, adopted at the beginning of the postwar period, of Lister Hill and company: the Hill-Burton health care policy, which covers hospitals and should cover physicians, too. Reinstate that policy. Go back to the kinds of approaches in Hill-Burton that we had prior to the middle of the 1960s, say, in New York City. There were problems there, but we had a good system, which realized, then, all of the objectives which are desired by President Clinton *now*.

What I shall be doing on this, with my friends, is producing a series of studies which address the logistical, i.e., the economic, aspect of this; also, we'll be working with physicians to bring to the fore, through our publications and through my campaign, the kind of information which I think the Congress and others require, to get a fresh look at how we can realize the objectives which the President has specified.

In the old days, the best medical systems operated very much on the model of the Gaspard Monge Ecole Polytechnique [of late 18th- and early 19th-century France]. The French Jacobin Revolution had decapitated so many scientists in France, that in order to get France back in the science business, the technology business, Monge created brigades, in which everybody was in a training program from adolescence on, to become a skilled engineer. Those who had more than enough skill and potential to become engineers, they made scientists; and they produced the world's greatest scientists at the beginning of the 19th century.

In medicine, it worked pretty much the same: You take anybody who's qualified, and give them access to a program of medical training, until we have enough people going through the pipeline to meet the needs of the United States for medical care. Now, you give them the opportunity, as they go along—and make sure they keep going; if they have the skills and they're performing, we want them; we'll find a way to finance their way through medical school. Some of these kids will be better than others; they all will have good clinical capability, one presumes, but some of them will



A patient undergoing renal dialysis. To solve the health care crisis, we need to look at why it is that today, in 1994, we cannot provide the level of care we did 20 years ago.

have research and scientific aptitudes. As with the Ecole Polytechnique at the beginning of the last century, the medical training institutions and so forth will open doors to enable these bright, young people to have an opportunity to do some research in those areas for which the institutions recognized are competent.

New discoveries needed

We have a problem today, with two aspects. We have a lot of older people, and therefore we have more emphasis on diseases of aging of tissue. We also are faced with resistant strains of disease. We're faced with whole new kinds of problems. We had inoculation, which was developed during the 19th and 20th centuries; then we had antibiotics, which were developed in this century; and, we're running out of options on how to fight some of these clever new kinds of diseases. So, for many reasons, including the ability to master problems we couldn't master before, we need ongoing research. My view of the best way to do it is: You have a healthy medical training system, a healthy hospital system. Then, out of that—in collaboration with good universities, with biologists and equipment designers like Los Alamos's people—you get the materials put together, so that, out of an organic process of research as a factor in the entire practice of the medical profession, you get new discoveries which benefit mankind.

Development, not abortions key to lower maternal deaths

On June 28, Gerald Pechenuk interviewed Dr. Maldonado for EIR in Chicago, Illinois. He is a physician from Guatemala who attended the United Nations Preparatory Committee sessions for the International Conference on Population and Development (Cairo '94), in New York during April. Parts of the interview are followed here by excerpts from a statistical analysis which he prepared for the PrepComm.

EIR: I understand that the Guatemalan delegation was very active in trying to oppose the outlook of the United Nations population conference.

Maldonado: Our President Jorge Serrano Elías opposes most of the U.N. population control notions. Specifically he opposes abortion, because number one, in our country, abortion is not legal. The only way abortion would be legal is if it is to save the mother's life. He decided to send a delegation of experts on population because he felt that the U.N.'s draft and its intentions were not the best for the Guatemalan people.

EIR: Did you find that other countries were similarly opposing this outlook?

Maldonado: Yes, there were several African nations, several Middle East nations, several Latin American nations. From Central America, all the nations except El Salvador were represented by people who fought against this.

EIR: The U.N. issued a number of reports to delegates at the PrepComm conference. Can you tell us what you found in looking at them?

Maldonado: One of their arguments in order to legalize abortion worldwide is the high maternal mortality in countries where abortion is illegal. They tried to show that countries where abortion is legal and permitted on all grounds, have a low maternal mortality rate. These are basically the industrialized nations with a high Human Development Index. On the other side they showed us developing nations, those who have a low Human Development Index, and showed how the maternal mortality is high in those nations. Besides, they say that in most of those nations, abortion on demand is illegal. Their argument is that in order to lower maternal mortality, we have to legalize abortion.

EIR: You say that these statistics are not accurate?

Maldonado: The data is accurate. What is inaccurate is the lack of scientific knowledge in the comparisons. If you want to test how Gatorade will help an athlete, and you give a very well developed athlete Gatorade [to drink] and you don't give Gatorade to a chubby, unathletic person, and then you see how fast they run, the athletic person who took Gatorade will have a better performance than the fat person who did not take Gatorade. They are taking developed nations where abortion is legal and show a low maternal mortality, and comparing these to developing nations where abortion is illegal, and show a high maternal mortality. So I did a study to see if this is true.

EIR: So you compared populations with the same characteristics?

Maldonado: I used the United Nations classifications found in pages 246-248 of *Report on Human Development 1993* of the United Nations Development Program (UNDP), which distinguish industrialized and unindustrialized nations. Then I took countries where abortion was legal and the others where it was illegal, and compared these two groups.

For example, among countries where abortion is legal and which are considered industrialized, Denmark has a maternal mortality of 2, Finland 11, Sweden 5, the United States 8. That means 8 maternal deaths per 100,000 live births per year. Then I took nations where abortion is illegal: Poland, Ireland, Israel, Germany, Switzerland, New Zealand, which are considered to be industrialized and where abortion is illegal. The maternal mortality for Ireland is 4, Spain is 5, Germany is 7. . . .

EIR: So these are lower than the countries where abortion is legal?

Maldonado: The average for maternal mortality in countries where abortion is legal is 13.6, and the average where abortion is illegal it is 7.29 deaths per 100,000 live births. But just showing averages is not being scientific. There is a statistical test that compares populations that don't have the same number of individuals per group, which is the z-test. And you see an expected error of 0.01. There was no statistically significant difference. Abortion being legal or illegal does not have any influence on maternal mortality.

If you want to lower maternal mortality, it won't be through legalizing abortion. The factor is that you have to

develop a country. You have to have a very good health care system with very good prenatal, natal, and postnatal control and a good delivery of health care, and there, you will lower maternal mortality.

Another thing they tried to prove was that the more children a woman has, the higher the chance of death. They gave us a total fertility rate, which is a calculation of how many children a woman might have during her lifetime.

I compared the total fertility rate of all the countries which have the data, and the maternal mortality rate of those countries. And I applied the correlation formula. The result was that the correlation was 0.60, which is not statistically significant. Oman is a country which is not considered to have a high Human Development Index. Oman's total fertility rate is 6.7 children per woman. But their maternal mortality rate is 7 deaths per 100,000 live births. In other words, their maternal mortality rate is lower than the United States, with a fertility rate of 6.7. The total fertility rate in the United States is 2.1 children per woman in her reproductive lifetime, and the maternal mortality is 8.

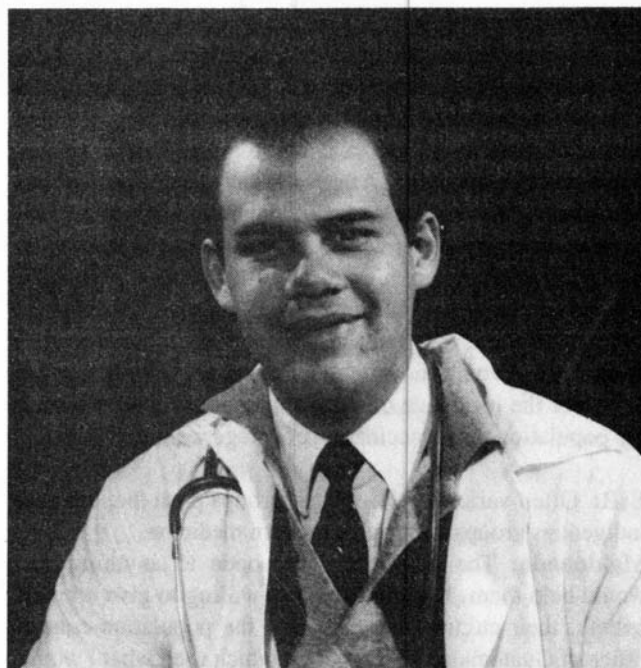
EIR: Can you explain the discussion about when abortion should be legal?

Maldonado: I asked the vice-chairman, who is a doctor, why the limit of 28 weeks? Why after that can't a woman have an abortion if she wants it?

The reason he gave me is that after 28 weeks of gestation a premature infant can probably survive. Before that it is very difficult for them to survive. This is a very ambiguous position. Because the viability of a fetus depends mostly on how advanced the intensive neonatal care unit is. In a country where they have excellent intensive care units for newborns, a child can survive around the 24th to 26th week of gestation. But in places where there is no neonatal intensive unit, a 32-week fetus will probably die. Soon, with all the advances, neonatologists will probably have premature children able to survive with only 20 weeks of gestation. They place the infant in an incubator, give the baby food and medicine, and sometimes place it on a respirator. This tries to simulate the conditions in the womb of the mother. So, if you just leave a premature infant alone, it is not viable. Even a term baby with 40 weeks of gestation, if left alone will die. So the difference between an 18-week-old fetus and a 20-week-old fetus is that the second one is a human being, but anything before that is just tissue that can be removed.

EIR: There have been reports in various press quoting a reporter from Guatemala who has been writing that there has been a series of children disappearing from Guatemala.

Maldonado: I can verify according to what I have read and seen that many children have been kidnapped for adoption. On the other hand there are many children who are given up legally for adoption to couples who are infertile, in developed countries where there are not enough children for adoption, and they go to other countries. This is very a humanistic



Physician Mario Maldonado: Guatemala's indigenous don't want population "blackmail"; they want to learn to make better use of their land, to feed their children better.

procedure if it is done legally. But it has also been done illegally. There have been in this year, some cases of violence in which American citizens have been brutalized by angry mobs in our country because they are suspected of being part of this.

But I want to give my own analysis. If in this country [the United States] there were not so many abortions and there were more support to adoptions, many infertile couples who want to be generous to a child, would not have to go outside the boundaries of the United States to look for children.

EIR: When we speak of infrastructure, we are talking about great projects to transform the globe—like a second Panama Canal, high-speed railroads, energy capabilities, and making sure that every sovereign nation is afforded the full opportunity to develop its capabilities. Do you think Guatemala would support this?

Maldonado: Guatemala is a poor, developing nation, and we need a better-educated, healthier population, with jobs that can come only from better agriculture and industry. Our country has many problems, but stopping the population from growing is not going to succeed. On the one hand, many indigenous are opposed to population control.

EIR: Can you describe your experience in living in a small community?

Maldonado: In 1991, during medical training, I was sent to Montufar, which is a small community of San Juan Sacatepéquez. I was to be the town doctor for four months. At the

beginning I was not having success as a doctor because I did not understand the culture into which I was sent. During the first two weeks when I saw I was not succeeding, I decided to “be an anthropologist” and involving myself in understanding their way of life. Afterward, out of a group of people who got together for Bible studies in the Catholic church, we developed a program in which first the people in that group would be instructed in how to prevent diseases, especially infectious diseases, and they would augment vaccination coverage in their own family, and then when that was successful, they would show it to their neighbors. We were able to reduce the incidence of enteric infections by 50% among the population. Our vaccination coverage went up 100%.

EIR: Often various U.N.-related groups push the idea that indigenous groups are against modern medicine.

Maldonado: The population was open to anything that would help them, but they were not willing to give up their beliefs, their culture. For example, the population control office of Guatemala had a program which used what I would call blackmail.

EIR: This was a Planned Parenthood affiliate?

Maldonado: Yes, a woman wanted food for her children. She had to be doing some kind of population control with them. If she did not use it, she would not get the food. People went to a newspaper and said they thought it was unfair that only the indigenous were being targeted for population control, and not the Latinos or the European members of Guatemalan society. They felt it was a violation of their rights. I asked the people in the program that we did in Sacatepéquez if they wanted to control their families. They told me that for them children were blessings. If they were taught how to make better use of their lands, if people who taught agronomy would be brought in to show them how to make a better, wider, and ecologically safe use of their land, they would still have as many children as they wanted and they could feed them better. We were able to get some of the people from the agronomy faculty in Guatemala to teach them. Their production went up 102%. And they are not “planning” their families, which is a very private matter.

EIR: You lived with a family that had 13 children.

Maldonado: I asked the father, don't you believe that 13 children are way too much? His answer was, I think, irrefutable: He told me that he was an honest worker, a good husband, he did not drink or smoke, he worked hard to provide for his family, and he taught them the ways of the Lord. He took his children to Mass every Sunday and to Bible study. And even now that his children are older and most of them help him, he told me, “When I die I will face God, and I will tell him, ‘I took good care of the children you gave me. Can I come into Heaven?’ And I am quite positive He will say yes.”

Documentation

Is abortion reproductive health?

Excerpts of Dr. Mario Maldonado's statistical study follow (tables and graphics are omitted). It was circulated at the Cairo PrepComm, but ruled out of official deliberations.

The maternal mortality rate is a good measure of the quality of health care services that a country may have. Are elective abortions correlated with low maternal mortality? What are the costs of elective abortions?

Many of the “pro-choice” abortion advocates try to justify abortion with the high incidence of maternal mortality (deaths due to complications of pregnancy per 100,000 live births in one year) in countries where elective abortions—that is, abortion on social and economic grounds and on request—are illegal and not permitted. They believe that unwanted pregnancies will result in unsafe abortions that lead to a septic abortion. They claim that maternal mortality claims the lives of 500,000 women a year in the world, and that a large portion of those lives can be spared by legalizing abortion.

To prove their point they present the low maternal mortality rates in developed countries where abortion is legal on all grounds. . . .

To analyze these data with an objective perspective, one has to analyze the maternal mortality rates not only in the developed countries where elective abortions are legal and in the developing nations where elective abortions are illegal. To be objective, the available statistics of abortion rates and maternal mortality rates from all nations have to be included, including developed nations where elective abortions are illegal, and developing nations where elective abortion is permitted. Finally, to be both objective and scientific, simple presentation of rates is not enough; statistical analysis must be employed.

The correlation formula compares the standard deviations of two sets of data (abortion rate and maternal mortality rate) and grades the correlation from -1 to $+1$. To be statistically significant, a directly proportional correlation must be from $+0.61$ to $+1$; therefore, any correlation between -0.60 and $+0.60$ is not statistically significant, and due to chance.

If by legalizing elective abortions, the maternal mortality rates will diminish, there should be an inversely proportional relation between abortion rates and maternal mortality

rates—in other words, the higher the abortion rate, the lower the maternal mortality rate. Based on the pamphlet “World Abortion Policies 1994,” published by the United Nations Department for Economic and Social Information and Policy Analysis, Population Division, the maternal mortality rates were compared with the abortion rates of most of the nations of the world, regardless of the local policies on abortion, with the correlation formula.

The correlation value that should be obtained if maternal mortality depends on whether elective abortions are permitted is -1 , but this was not the case, since the obtained correlation was -0.07 , or almost zero. Therefore, there is no statistically significant correlation between abortion rates and maternal mortality rates. . . .

Another argument presented by those who are in favor of legalizing elective abortions is that a high rate of fertility is correlated with a high maternal mortality rate. . . . By using the data presented by “World Abortion Policies 1994,” the total fertility rate (the average number of children that would be born alive to a woman during her lifetime if she were to live through all her child-bearing years, conforming to the age-specific fertility rates of a given year) and maternal mortality rate (deaths per 100,000 live births), the abortion advocates’ hoped-for correlation would be $+1$, but the obtained correlation was 0.595 , which is not statistically significant. . . .

The cornerstone is development

Maternal mortality is not only due to septic abortions; in fact the most common causes of maternal mortality are uncontrolled bleeding, pulmonary embolism, puerperal infections, and ectopic pregnancies. Septic shock secondary to unsafe abortions is the fifth cause of maternal mortality. The cornerstone to lowering maternal mortality is development, not legalizing elective abortions. In other words, only by improving reproductive health care can maternal mortality be reduced. It is true that after legalizing abortion in the United States, the number of unsafe abortions diminished. The deaths secondary to unsafe abortions reduced from 18 per 100,000 live births to 3 per 100,000 live births. Impressive, and effective, but at what cost? The actual abortion rate in the United States is 26.4 legal abortions per 1,000 women ages 15-44. There are 58.881 million women ages 15-44, so each year 1.544 million fetuses are murdered, that is, assuming all the abortions were performed in single pregnancies, so the number might get a little bigger. The estimated births per year in the United States is 3.904 million, so the number of abortions per 100,000 live births is 39,805. So, to justify saving the lives of 15 women, 39,805 lives per 100,000 live births are lost. . . . Why, instead of offering an abortion, doesn’t the government offer adoption services so that the woman who does not feel responsible enough to care for a child is given an alternative to putting her life and the life of the unborn child in danger? Could it

be that it’s cheaper to pay for an abortion? Where are the ethics?

An elective abortion is the termination of pregnancy before 28 weeks (viability) on grounds of social and economic reasons, and on request. Viability is considered as when the baby can survive outside the mother’s womb. When is that? It depends on the level of advancement of neonatology. For example, in some developed countries, viability is considered at 24 weeks of gestation, while in some developing countries it is as high as 34 weeks of gestation, due to a lack of technology. Biologically, there are no significant differences between a pregnant woman with 25 weeks of gestation in the developed and developing nations.

So what is the difference between a fetus that has a gestational age of 28 weeks, and the fetus with a gestational age of 27 weeks and 6 days? Is one less human than the other? Well, according to the people who believe in legalizing abortion, there is a difference, since the 28-week fetus is spared, and the one-day-younger fetus can be terminated. . . .

With the advance of technology the gestational age for viability is diminishing. So, meday, in the near future, neonatologists will be able to help a premature baby with a gestational age of 10 weeks.

When does a fetus start to be considered a human? When is he entitled to enjoy his basic human rights? When should the state defend that human? According to the pro-choice advocates, at 20 weeks. Biologically, an individual is defined by having a specific genetic composition, which is unique to that individual and is shared only by genetic twins. So when is it that this individual’s genetic composition is defined? At the moment of fertilization, since it is at conception that the chromosomes of both parents are mixed to initiate a new human being. If pregnancy is not terminated, the most likely outcome is a newborn baby. Every single human being who populates the Earth began at this stage. Every human being has the right to life, and even the unborn fetus is a human being, because he or she has a genetic composition that is unique and makes him or her a human being.

According to the World Health Organization’s concept of reproductive health, “every individual has the right of access to appropriate health care services that will enable women to go safely through pregnancy and childbirth and provide couples with the best chance of having a healthy infant.” We must remember that throughout pregnancy, beginning with fertilization and ending in the birth of a child, there are two individuals involved, the woman and the fetus. Is an aborted fetus a healthy infant? . . .

The key to providing reproductive health to every human being is development: only through the improvement of economy, education, health care, and protection of each individual’s human rights, from the moment that an individual begins to exist—conception—to his death, which should never be in the hands of another human being.

The international financial bubble could cause great damage to Poland

Professor Michna is a member of the Polish Parliament from the Polish Peasant Party (PSL) and a deputy chairman of the Budget, Finances and Banking Committee. He was interviewed in Warsaw on July 13, 1994, by Frank Hahn. The interview has been translated from Polish.

EIR: Can you tell us what the budget situation is in Poland right now, and how do you think the budget can be balanced?

Michna: A few days ago there was a parliamentary debate on the process of meeting the budgetary plan during the remaining five months of 1994. All the deputies who participated in the debate, both from the government coalition and the opposition, came to the conclusion that the budgetary plan is being fulfilled very well, especially insofar as income is concerned, which means that tax revenues are slightly higher than planned. During the first six months of this year, income reached 47% of what was planned for this year, expenses from the budget constituted also about 47% of what was planned.

It is known that during the first half of the year both revenues and expenses are usually lower than in the second half; therefore, 47% is considered as a good result. When I say "good" or "very good," I am referring to general revenue and expenses. However, in several branches of the economy there are certain dangers: For example, a poor cash flow for enterprises presents such a danger. Enterprises which are now being privatized or restructured, instead of increasing their tax payments, are paying less. They are not good enough to provide the kind of income we count on. This is the main challenge we see on the income side of the budget.

As for difficulties with expenses, the budget is not good enough to make corrections in its plans that would allow it to meet certain needs not initially covered in the plans for budget expenses. For example, on March 5, the Sejm [lower house] passed a bill for the government to take under consideration in the second half of the year whether it can increase social expenses, say, increase social support for women with small children. It turned out that despite the fact that the plan for the budget has been fulfilled, there is not enough surplus to make a correction.

I want to add that the Sejm accepted the statement of

the government which has also suggested that after three-quarters of the year it will again consider the possibility of allocating more funds to social needs or investment in human capital.

However, in the second half of the year we will have to face one more burden, namely, we will have to repay a large installment on part of the foreign debt service. In September, we will have to pay 25 trillion zlotys (over \$1 billion) to cover servicing our debts. This will threaten budget expenses. We did not have this obligation in the first part of the year. Generally, we could say that the analysis of the budget in the first half of the year shows that our weakness comes from private enterprises, since private enterprises are suspected of being as imprecise as possible about their income in order to minimize their tax obligations. This makes it more difficult to create a good climate for privatization because over 50% of the people work in private enterprises, including in agriculture. Nonetheless, the private sector of the economy still brings less than 20% of revenues.

We will have to increase demands concerning revenues to the budget while privatizing state companies.

EIR: Don't the majority of privatized firms become part of some foreign company? As far as I know, on the one hand, foreign companies are not expected to pay full taxes, and on the other, this kind of privatization process does not seem to be part of a strategy for development but part of a strategy of looting.

Michna: It is true that in a large portion of enterprises that have been privatized, a significant chunk of capital belongs to foreign companies. It is also true that in the last few years, they negotiated very significant exemptions, very often exemptions which they did not deserve, above all, because they were able to get a large number of shares for a very low price. And then, in addition, they got very long tax grace periods.

As for the privatization process, in my mind, we have made a strategic mistake. In March 1990, French experts from the Central Planning Office arrived in Poland. They advised Poland to first strengthen [state-owned] enterprises and then privatize them. However, for unknown reasons,

previous governments did the opposite. This led to the destruction, to the collapse of enterprises, which were then sold as bankrupt. Hundreds of companies, especially because of the shock approach to the economy (which was Balcerowicz's strategy), were run into bankruptcy and then privatized. As a result, enterprises were sold for nominal sums to domestic or, more often, to foreign companies. As an example here we can use a company in Kostrzyn that produces cellulose: Exactly a year ago, before the September parliamentary elections, it was sold for \$40—an enterprise employing 1,700 people!

Here is a good example. First, enterprises were subjected to a shock therapy, which had two characteristic elements: first, on Dec. 19, 1990, tariffs on 8,000 goods were eliminated entirely. Second, interest rates on credits for enterprises were increased in 1991 in monthly terms in January to 60%, in February 45%, and in the following months 30-40%. Those two elements: on the one hand, opening the borders to industrial products from all over the world—not only the European Community and the United States, but also Asia—our industry, which was not the most modern, was doomed to lose its own market. Second, costly credit. Those two elements led to huge unemployment and a dramatic collapse of enterprises.

I do not want to go into the details of this history now; I want to go back to our present budget policies. On March 5, this year, the Sejm passed the bill on monetary policies, namely, it was decided that if inflation is no higher than 23% for this year, which means in six months it should be no higher than 11%, then the flow of money into the economy will equal the GNP. There is still discussion going on as to whether the priority should be put on stopping inflation or on stimulating development. This question was not solved by the Parliament, and we will discuss it again during one of the first sessions after the summer holidays.

EIR: This question is obviously connected to the question of credit, and in this respect we see the collapse of financial structures globally on the monetary and financial markets, and the fact the speculation is growing astronomically while the expense of production is obviously shrinking available credit for real investment. Can you comment on the question of the financial bubble and the imminent international collapse of this bubble? After all, the shock therapy was a part of this financial bubble.

Michna: Before I move onto the world situation, I will say something on our 1994 budget. This year, credit for enterprises has also been in decline. Therefore, I myself think that we should increase the flow of money into the economy such that credits to enterprises are not lower than last year. This phenomenon you just described, namely, that flow of money for production and development is decreasing because it is directed into a stock exchange, which is speculation to a certain degree, is confirmed as well in our microeconomy.

We are seeing a situation in which banks are willing to get involved in the stock exchange and to buy securities issued by the state treasury, but they are least willing to give credits to enterprises. I think that during the next session of the Sejm, we will manage to find means to reverse this tendency a little bit.

Recently I had an opportunity to learn points of view of Polish economists about this global financial bubble. To tell the truth, Polish economic circles are not well informed about the techniques which led to the growth of the bubble. I think it would be very helpful for us to have a report on the fictitious money and its role, as well as dangers resulting from it. I am afraid that this fictitious capital, although it is fictitious, can change the ownership very easily. With the help of this fictitious capital a large part of the Polish nation can be expropriated—as can happen in Bulgaria or the Czech Republic, or in other nations. In this sense it is not fictitious, being fictitious it can still cause something real.

This is my fear, how to properly recognize fictitious capital from non-fictitious. We, as Poland, want to integrate with western and eastern Europe first of all—we do not want any free capital; however, we do want fair play. Still, we are aware that this huge bubble hanging over Europe and the world can move Polish property very easily to other countries, which also means dividends. There is nothing, in our university programs that would alert students to this fictitious capital. We want to develop a stock exchange, and we also want foreign capital to have access to this stock exchange, but we—and I personally—have a lot of fear that this fictitious capital could cause a great deal of damage to our country.

I read the statement of [French Nobel Economics laureate] Maurice Allais who claims that banks spend annually or daily 40 times more on speculative capital than on normal operations, and, I must say, that for a country like Poland, this represents a lot to fear. In Poland we had cases of speculation; the most classic example was the Slaski Bank. The shares were sold for 500,000 zlotys, and in a few days they were worth 6 million zlotys—somebody was able to get 13 times more money in a few days. Of course, one could say that that was a coincidence, or even that this is the rule on a stock exchange, but there were certain non-coincidental problems there, because the bank employees benefitted from this: They were aware that something like this could happen. The prosecutor who is investigating this case is finding reasons to get involved in it. I do not want to say anything before the court does, but this case is being investigated, so it means there are suspicions that there was speculation going on.

EIR: One way to get away from the system of the fictitious capital is obviously to allocate credits to projects that create real physical wealth, and that means having the government channel credit through a national bank; the kind of projects

into which such public credits would be channeled are obviously public infrastructure projects. In this respect, it should be of major interest for Poland that the governments of France and Germany especially are reflecting a proposal that Mr. LaRouche made in 1990 for the development of eastern Europe; and what they are discussing is to extend a high-speed railway project connecting Paris and Berlin to Warsaw and Moscow. What do you think about those kind of development projects?

Michna: I read a joint statement by Kohl and Mitterrand regarding a high-speed railroad for Paris-Berlin-Warsaw-Moscow. I understand that this is the first element of this great infrastructure project. I used this statement of Mitterrand and Kohl's in the PSL Club statement in Parliament during the budget discussion. I said that the Sejm is for government support for this kind of infrastructure. I understand that all participants will have their interests in this project; for example, France is the author of the technology of high-speed trains, it has the license for this technology—the engines, carriages. The Germans can expand the market for their exports, but Poland, too, would benefit during the construction phase, and, also afterwards, thanks to vast exports to the East, and to imports. Those projects will find much support in Poland, I think, because Poles support the idea of solving problems in Europe through a process of integration of western, central, and eastern Europe. I think that Europe, as well as the whole European-Pacific civilization, together with the United States, would benefit just as it benefitted from the Marshall Plan; now it can benefit from building huge infrastructure networks, or rather the huge integration of Europe from Spain to the Urals.

EIR: This kind of development of integrated Europe needs new ideas in the field of economic theory. How do you view the theory which is called physical economy?

Michna: I read with a great interest LaRouche's book on physical economy, *So, You Wish To Learn All About Economics?* I think it is very creative. From the standpoint of educating students or as a new thinking in economics, it is very important and instructive. It is possible to derive from it various thoughts concerning integration, since it gives the basis for economy without speculative capital. It requires a reader who would be prepared to translate physical economy into the program for today and tomorrow, because the concept of physical economy gives a certain foundation and on this foundation one has to build a program for today and tomorrow. There is no program for today and tomorrow in this book yet, and when an inexperienced economist reads it, he may feel that something is missing. But I think the second volume should be developed as a program for today and tomorrow: Building infrastructure may be such a program for today. There was no thesis in that book which I would disagree with, it is the basic, general principle of economics.

Conference Report

Bankers turn screws on Russia, Ukraine

by Richard Freeman

Boris Fyodorov, the former finance minister of Russia, complained to a meeting of international "financial experts" in Washington, D.C. on July 22, that his only objection to the austerity conditionalities of the International Monetary Fund (IMF), is that they are not harsh enough. He and others who spoke at the July 20-22 conference of the Commission on the Future of Bretton Woods Institutions targeted Ukraine as the next victim of the shock therapy policies that Fyodorov so relishes.

The commission is a ghoulish gang of one-worlders who wish to rework the IMF and World Bank, joined to a newly created World Trade Organization, into a new Roman imperial triumvirate, exercising a global economic dictatorship over previously sovereign nations.

Fyodorov, who weighs at least 240 pounds, forgets to tuck in his shirt, and looks like a plump schoolchild in an adult's body, presided over draconian shock therapy while Russia's finance minister from 1992 through early 1994. He told the Washington audience: "I have friends in Russia who say the IMF is too strict. But I say it is not strict enough. I told [IMF Managing Director Michel] Camdessus that 'you should be tougher demanding of Russia a sound economic policy.' Our inflation rate in Russia is reportedly down to 6% per month from 100%. I told the IMF you must demand it go lower. People say Russia is poor. Russia is rich. It has \$20 billion in American bank notes. There are mansions. There are Rolls Royce dealerships. I have nothing against the IMF. In Russia there are too many privileges and too many unorthodox strategies"—in contrast, presumably, to the IMF's strait-laced genocidal strategies.

As a result of Fyodorov's policies, Russian industrial output is down 49.7% from its January 1992 level; 80% of Russia's critical machine tool sector is in bankruptcy; one in five Russian infants is born ill, as opposed to one in seven in 1991; and, in 1993, Russia's population shrunk by 300,000 persons.

Fyodorov: Shut down heavy industry

In an interview with *EIR*, Fyodorov exulted that the military-industrial complex is disappearing. This complex is Russia's manufacturing core, embodying unique capital-in-

tensive machinery, manned by a skilled workforce found nowhere else in Russia. He stated that the number of workers in the military-industrial complex (not counting the Armed Forces) has been halved from 6 to 3 million during the last three years. "It has a core of 1,000 firms, but many of those firms now only produce 5% military," and many produce nothing at all. As for Ural-Mash, one of the biggest machine-tool companies in the world, which the government has subsidized to keep open, Fyodorov said, waving his hand, "Shut it down. Let the Russian government pay the 100 million rubles that it is spending to keep Ural-Mash open to Caterpillar to build a new plant. We don't need a Russian plant."

Though booted out as finance minister on Jan. 26, 1994, Fyodorov is chairman of the Committee on Monetary Policy and Central Bank Policy in the Russian parliament, the Duma. From that position, he wrote and passed a new law in July that will convert the central bank into an institution along the lines of the Bank of England. Fyodorov confirmed that the 1992-93 "shock therapy reforms" that he and former Deputy Prime Minister Yegor Gaidar applied with such destructive force, were drafted at IMF-World Bank headquarters in Washington in 1991, when Fyodorov was serving as Russia's executive director to the World Bank. "Wouldn't people be amused to know that?" he asked.

Applying the lash to Ukraine

The financial wizards at the conference made clear that now is the time to apply the Fyodorov version of shock therapy to Ukraine. Anders Aslund of the Stockholm Institute of East European Economics, an adviser to the shock therapy reformers inside Russia, sharply criticized the IMF for: 1) poor application of the shock therapy program to Russia, and 2) almost no application to the other 14 countries of the former Soviet Union, with the exception of the Baltic nations. He said that five of the countries in 1993 had inflation rates of between 7,000 and 11,000%: Armenia, Turkmenistan, Ukraine, Tajikistan, and Georgia. Aslund complained that the IMF had sent teams into these countries, but then failed to implement the necessary "conditionality" and "adjustment" measures. He neglected to mention that City of London and Wall Street bankers unleashed the hyperinflation by imposing sharp deregulation of prices starting in 1992.

Aslund told *EIR* in an interview that Ukraine is now a big test case, "if the reform process in the former Soviet Union is going to get back on track. In the next few months, what happens in Ukraine is a very important event."

Aslund's view on Ukraine was seconded by Strobe Talbott, the number two man at the State Department. Talbott caused a stir in December 1993, when he spoke out about the economic disaster that the IMF was causing in Russia. Talbott said that there should be "less shock, more therapy." But, unfortunately, Talbott did not mention a peep about that in his July 21 address. Instead, he praised "the IMF's disciplined, enlightened, patient engagement with Russia."

He singled out Ukraine as the place where the U.S. State Department, Treasury, and IMF would work as a team, bringing the same program and "benefits" as those applied in Russia.

Global speculator George Soros, who attended the conference and defended Aslund's critique of "insufficient discipline" in the newly independent former Soviet states, asserted after the panel in a private discussion that, whereas Talbott had criticized the IMF in December 1993, "those remarks are in the past. Strobe Talbott is doing a very good job with regard to the Ukraine. I know." Referring to Leonid Kuchma, who won the presidency of Ukraine with 52% of the vote in the July elections, Soros stated, "Kuchma is a personal friend of mine. I will be visiting him and working with him."

According to an Interfax newswire on July 19, industrial production in Ukraine for the first six months of 1994 had fallen by 40% from levels of the first six months of 1993. Steel pipe production was down 64%, machine tool production down 72%, and tractor production down 74%. But Kuchma declared that a further 25% of industry could be closed in the near term during his term, through additional market reforms.

Kuchma's policy has the stamp of approval of Boris Fyodorov, George Soros, Anders Aslund, the IMF, and apparently, for the moment at least, the financial policy planners of the U.S. government.

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Trilateral Commission targets China

The infamous Trilateral Commission has published a report putting China in the crosshairs for looting and destruction. Michael O. Billington reports.

The Trilateral Commission in May 1994 released a report called "An Emerging China in a World of Interdependence," prepared by Trilateral Commission members Michel Ok-senberg, president of the East-West Center in Hawaii and ex-China desk officer for the U.S. National Security Council; Yoichi Funabachi of the Japanese newspaper *Asahi Shim-bun*; and Heinrich Weiss, the German industrialist who chairs the China Committee of the East Committee of German Industry.

The Trilateral Commission has served, since its founding in the early 1970s by David Rockefeller and others, as one of the leading institutions of the Anglo-American financial elite, shaping policy in Europe, Japan, and the United States in the direction of free trade and the "post-industrial society." The commission's China report is an overt declaration of intent to impose upon China—as with the entirety of the developing sector—a new colonialism, through the auspices of the U.N., the International Monetary Fund (IMF), the General Agreement on Tariffs and Trade (GATT), and similar global institutions generally under their control. The report demands that China be forced to accept policies which will assure that it remains largely an impoverished nation, lacking real industrialization, and sustained as a source of cheap labor for export-oriented process industries.

The report also contains vicious insults against Chinese history and culture, such that anyone even slightly familiar with China should recognize the duplicitous and evil intent of the Trilateral authors.

The circulation of this report coincides with the dramatic developments in Europe over the past months, which threaten the ambitions of the utopian "world government" advocates at the Trilateral Commission. President Clinton, in announcing a special relationship between the United States and Germany (and overturning the old "special relationship" with England), during his visit to Europe in July, opened up the potential for vast rail and other infrastructure development projects covering all of Europe and extending to the east, as the basis for a future of peace. Chinese Prime Minister Li Peng and a team of 160 Chinese industrialists and specialists visited Germany in the same period, signing agreements for collaboration in transportation, energy development, space travel, and other areas of heavy industry and infrastructure. What is emerging is a potential for rebuilding

the old Silk Routes as the basis for the continent-wide development of the Eurasian land mass, which represents the only policy which could be successfully put in place when the current bubble in the world financial markets collapses, taking the "China bubble" with it.

It is precisely such a Eurasian development perspective, potentially supported by the United States, which the Trilateral Commission views as the greatest danger for its interests. Twice before in history such a policy was implemented, and both times the Venetian and British mentors of today's Trilateral Commission moved to crush it. In the late 17th century, G.W. Leibniz coordinated the efforts of Jesuit missionaries in China who were working closely with the great Ch'ing Emperor Kang Hsi, together with European and Russian leaders, to implement his "Grand Design," uniting East and West in development and cultural collaboration.

Only many decades of subversive Venetian operations against the Vatican and against Leibniz and his circles succeeded in breaking the alliance between the "Renaissance faction" in Europe and its co-thinkers in China, leaving China isolated and (ultimately) vulnerable to the British opium dealers and gunboats of the 19th century.

In the beginning of the 20th century, plans for Eurasian development reemerged in Europe, centered on the East-West rail development policies of Russia's Count Sergei Witte and his French and German allies, with support from the Vatican. This current was picked up by Dr. Sun Yat-sen in China, who led the Republican revolution in 1911 on a program for the international development of China centered on multiple rail connections with Europe and the Near East. The British orchestrated World War I to destroy this potential, and deployed Bertrand Russell and other intelligence operatives to disrupt Sun Yat-sen's work and foster a Jacobin opposition in the form of a Communist Party of China.

The 1994 Trilateral report on China should serve as a warning that equally deadly means are being prepared today to prevent any real development of the Eurasian landmass.

The U.N. utopians

The report adopts the now standard battle cries of those committed to imposing U.N./IMF world government: "sustainable" development (a euphemism for various forms of

anti-industrial policies); population control; limits on "greenhouse gases" and other anti-industrial policies premised on fraudulent environmental arguments; and restrictions on military technology and arms sales. The Trilateral intent is captured in their statements ridiculing China as having an "obsession with economic development above all else," and references to "irresponsible industrialization." The report heaps praise on the southern coastal trade zone policy of "export-led growth strategies," which has in fact created a speculative bubble economy based on low-skill, low-technology coolie labor, real estate speculation, drugs, crime, and corruption. The problem with the rest of the country, they contend, is that there is a real industrial base which Beijing has stubbornly refused to shut down.

The Trilateral strategy is to force Beijing to impose a variant of the shock therapy policy which destroyed the eastern European economies over the past five years. The primary means for this task is to bring China into GATT and the new World Trade Organization (WTO), but not on China's terms. "The most pressing issue," the report says, is "getting China into the fold of the WTO . . . as rapidly as possible, by agreeing to GATT rules." The problem for the Trilateral Commission is that, under GATT rules, developing countries are permitted to join GATT without meeting all the free-trade requirements. The report states: "China's insistence that it be characterized as a 'developing country' is another potential problem. This would allow China to maintain tariff protection for 'infant industries,' such as automobiles, machinery, and electronics." These domestic industries, and others, are slated by the Trilateral bankers to be eliminated, to be replaced by either foreign-owned production or imports.

The Trilateral Commission has a solution to this impediment: Purchasing Power Parities (PPP), an accounting method adopted by the World Bank last year (see box). According to this magician's sleight-of-hand, the Chinese economy virtually tripled in size overnight. Suddenly, the financial press in the West began reporting China as the third-largest economy in the world, and many began proclaiming that China is no longer a developing country. The Trilateral report introduces PPP accounting on page one, and claims that the remarkable growth of China's economy is "further blurring the distinction between developed and developing nations." (To appreciate how repulsive this statement is, one need only consider the 150-200 million unemployed Chinese peasants who are recycled in and out of the trade zone sweatshops, or the genocidal collapse of much of Africa, in relation to the fact that PPP methods also accredit the African economies with an "overnight tripling" in size!) The report concludes that China must be held to advanced sector rather than developing sector standards: "We favor insisting that China make firm commitments to meet GATT/WTO standards."

The use of Purchasing Power Parities covers for the fact

that the "New Great Leap" of the past 15 years has not been based on developing the real economy, but on looting the resources and the population in a downward process leading to disaster. If the Chinese economy is measured in real terms, there has been a falling rate of agricultural production per capita since 1984, and as well as a falling rate of rail construction. The production of certain consumer goods has boomed as a spinoff of the cheap-labor export industries, but this does not affect the critical crisis in infrastructure. Even in those areas where gross output has increased significantly (if not adequately), such as steel and energy production, the output has been utilized primarily in the trade zones rather than in the development of necessary national infrastructure.

The result is that the potential population density in China is literally decreasing. The current "redundant labor" in the countryside is somewhere between 150 and 200 million. The government acknowledges that if current policy projections are maintained, another 10 million will be added to this total every year at least through the year 2000. The Trilateral solution, of course, is not to launch great infrastructure projects or nuclear-powered city building, but to do away with the people.

The commission is particularly incensed at the bad publicity and adverse actions taken against China for its bestial forced population-reduction policies. The report insists that the West must end the "unconstructive ideological barriers, [such as] U.S. withholding of funds . . . to protest China's population control methods." After all, they argue, "Its coercive tactics to control population growth, while widely condemned in the international community, have been effective." Although they are glad to see the continuing, virtually unlimited supply of cheap labor flowing into the coastal trade zones, the report's authors reflect the recurring fear of the oligarchy that "a mass exodus of Chinese would surely overwhelm the world . . . in a world already awash in migrants."

A related concern of the Trilateral Commission is that the massive unemployment, together with the economic crises in agriculture and in the state sector industries, may feed political unrest. The report warns against any moral response from the West in such a situation, but insists the well-known methods of violent suppression used by Beijing must be understood as acceptable in the "Chinese context": "When confronted with disorder, the challenge for both China's rulers and the outside world will be not to panic, not to conclude the regime's survival is at stake, but to place the unrest in its Chinese context and to respond accordingly." This is not surprising, since author Michel Oksenberg, together with his friend Henry Kissinger, were the two most visible figures on worldwide television in the hours following the military operations at Tiananmen Square in 1989, arguing for full support for Deng Xiaoping's bloody tactics against the student demonstrations.

The Trilateralists do not overtly endorse communism, but they are hopeful that the Communist Party of China can “transform itself into a corporatist party, incorporating the natural elites of the various sectors of society and thereby playing an invaluable integrative role.” “Corporatism,” of course, is generally associated with fascism, of the Mussolini variety, a model in high favor among the utopians of the Trilateral Commission.

The Trilateral report lends its authority to the potential splitting of China into several parts, a favorite project among British intelligence China hands, especially Gerald Segal of the International Institute for Strategic Studies, who is listed as a “consultant” by the report’s authors. They follow Segal in defining Guangdong and Fujian provinces as constituting a separate entity from the rest of China: “A trans-state economic zone exists in South China, with the Hongkong dollar circulating in Guangdong and the Taiwan dollar in Fujian.” Hongkong, the authors muse, has “extended its economic

system into southern China, moving outward and fuzzing the boundary between Hongkong and the rest of China.”

Cultural assault

The most disgusting aspect of the Trilateral report is its fraudulent and insulting profile of Chinese culture and historiography. The fact that the authors felt compelled to degrade the Chinese people in a public report about their country is symptomatic of the colonial mentality guiding the Trilateral Commission ideologues.

Despite the general chaos which has characterized China in the 150 years since the first British Opium War, the nearly 5,000-year recorded history of China is one of recurring periods of dramatic developments in science and culture. Nowhere in the world was this history as carefully and extensively recorded for posterity than in China, beginning with the histories of antiquity prepared by Confucius and his collaborators in the 5th century B.C. This scholarly tradition of

The magical ‘purchasing power parity’ of the IMF

In the spring of 1993 the International Monetary Fund (IMF) released its annual “World Economic Outlook,” announcing a change in procedure for measuring and comparing a nation’s aggregate output of goods and services. Overnight, most Third World nations’ economies doubled or tripled in size, according to these IMF wizards. As demonstrated in the accompanying article on the Trilateral Commission’s China policy, this accountant’s trick has been used both to justify the disastrous policies of the IMF over the past 25 years and to force the developing nations to be treated as developed nations in relations with international trade and financial institutions.

The IMF’s “Purchasing Power Parity” (PPP) approach is presented as a more accurate measure of the relative size of each nation’s economy, due to distortions which exist in the currency exchange ratios. The IMF’s “World Economic Outlook” explains these distortions as follows: “In the case of developing countries, market exchange rates may deviate from their PPP values because of differences in the relative price of traded versus non-trade output. For example, the price of services in developing countries is typically very low in foreign currency terms, and this implies a negative bias in exchange-rate-based estimates of living standards.”

Using the PPP method, the IMF claims to have established a “universal value” for each item of production and

each service. Their method ignores the level of technology and the quality of the workforce which is invested in the production of such goods and services, considering instead only the final product. This method, therefore, ignores the actual cost to the national economy in producing such goods. For example, the price of a ton of rice in an advanced economy reflects a stored-up value in the infrastructure of the economy, the technologically advanced machinery, and the educational level of the farmer, which makes it possible to produce a greater relative quantity of rice with a smaller relative expenditure of the national energy resources (although there is a greater gross energy utilization), and a smaller number of man-hours employed. Thus, the higher monetary value of this rice over a ton of rice produced in China reflects a cheaper cost to the national economy of the advanced sector nation than the lower-priced Chinese rice actually costs the Chinese economy. Although the Chinese rice is produced and distributed with a smaller total energy expenditure for such things as farm machinery, irrigation, storage, and transportation, this nonetheless represents a relatively high proportion of the nation’s available energy resources. This deficit in technology and skill level is made up through a gross waste of manpower, deployed as unskilled labor to do work better done mechanically.

In regard to services, the IMF’s PPP method is even more ludicrous. For example, the severe crisis in Chinese education and health services, aggravated by the massive deficit of professionals due to the 15 years without any college graduates during the Cultural Revolution and its aftermath, can in no way be placed on a parity price level with the advanced sector.

historiography becomes the subject of ridicule to Mr. Oksenberg and his co-authors.

Referencing the view of Harvard's recently deceased Sino-ologist John Fairbanks, the report states that "the Chinese awareness of their own past is as much myth as reality." It proceeds to list four "distortions" which "recent scholarship" has exposed—each of the four being vacuous and pedantic points that are, in any case, debatable at best. The report concludes: "These four distortions that the Chinese have perpetuated about their history . . . were crucial in promoting imperial bureaucratic rule and facilitating the unity of the country. . . . Since time immemorial, Chinese leaders have instructed intellectuals to write history not for accuracy but to make moral judgments and draw lessons for the present." It is understandable that the Trilateraloids would object to making moral judgments and drawing lessons from history, since, if the citizens of the western nations would utilize such criteria, they would immediately remove anyone advocating

the policies of the Trilateral Commission from any positions of influence.

The report's authors then proceed to create their own distortions of Chinese history. They begin with a fraud-by-omission: They refer to "the continuity of the civilization and glory of [China's] accomplishments in the Han, Tang, Ming, and Qing dynasties." Missing is the Sung (960-1279 A.D.), which was the era of the Confucian Renaissance, the golden age of the Confucian school of Chu Hsi and his predecessors, of dramatic economic expansion, overseas exploration, rapid population growth, and a scientific revolution.

Perhaps the Sung was left out by an oversight. But further such omissions tend to demonstrate an intentionally selective presentation. In discussing Confucian philosophy, the report states: "In the Confucian lexicon, filial piety, loyalty, ritual or propriety were among the most esteemed virtues." This is true—but far more important are benevo-

Shadow play

In fact, the choice of the Purchasing Power Parities values is totally arbitrary. There were several different methods of PPP calculations made by different institutions, with wildly different results. The method chosen by the IMF for China was that of J.S. Taylor, published in 1991 by the Center for International Research in Washington under the title "Dollar GNP Estimates for China." Despite many charts and tables, comparing the values of goods in China and on the "world market," the entire exercise ultimately comes down to choosing a different exchange rate. Taylor, showing considerable *chutzpah*, says in his own report: "Fortunately, recent research by Taylor on shadow prices in China provides us with an alternative." This "shadow exchange rate," says Taylor, is 2.23 yuan/dollar, as opposed to the current real exchange rate of 8.64 yuan/dollar. Thus a unit of rice which costs 100 yuan, or \$11.50 under the real exchange rate, is instantaneously revalued at \$44.84, and the average peasant's consumption just went up fourfold!

Any claim that this "shadow exchange rate" is determined by scientific criteria must be rejected out of hand. The IMF admitted when they adopted the PPP system that they had a hard time choosing the Taylor system over other alternatives. One of the other methods would have made the Chinese economy seven times bigger than it really is, which they judged to be simply too much to be believed. Another would have only doubled the economy, which would not have been adequate to declare China to be no longer a developing country. Therefore, having decided upon the result they needed for their political purposes, they chose the "method" which provided

that result.

The IMF ignores the fact that the recurring devaluations of the Third World nations' currencies in every case are forced upon these nations by the IMF itself, as part of the "conditionalities" and "structural adjustment" demanded of them, under the threat (often carried out) of an organized cutoff of all credit and external aid. These nations are thus forced to export their raw materials and the products of their low-skilled workforce at a fraction of their previous value, while paying back previously contracted debt service severalfold without borrowing a cent. And, of course, imports become more expensive, holding back the import of desperately needed technology and contributing to inflation.

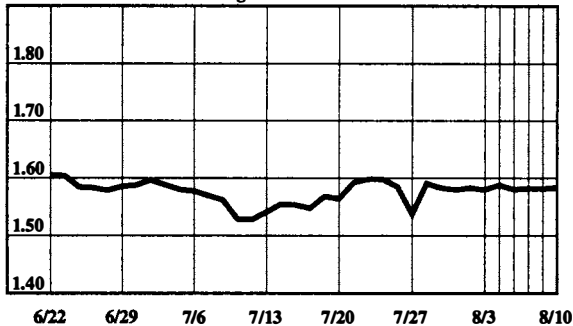
Although it is, in fact, necessary to find a more accurate measure for comparing economies than that defined by the artificially manipulated currency exchange rates, the IMF's monetarist sleight-of-hand is demonstrated by its "World Economic Outlook," which insists that, while non-traded items and services should be evaluated by their version of the PPP standard, export goods and debt payments—i.e., the source of loot for the international banking interests—must remain at the devalued real exchange rate: "It would not be appropriate . . . to use PPP-based weights to aggregate measures of international trade and capital movements, which are transacted at market exchange rates, or data for external debt and debt service."

Ironically, if the IMF were to utilize their fraudulent "shadow exchange rate" to evaluate debt service payments over the past 20 years, many Third World countries would be shown to have paid off their foreign debt many times over.

Currency Rates

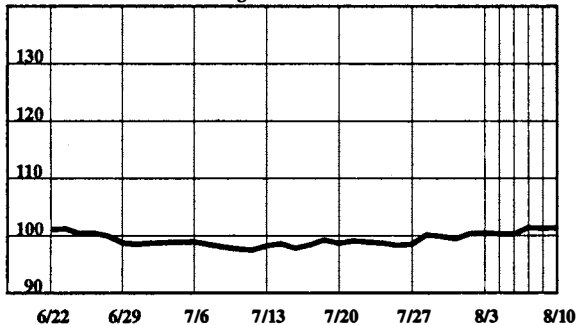
The dollar in deutschmarks

New York late afternoon fixing



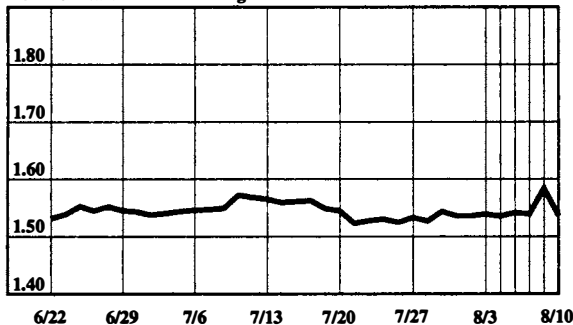
The dollar in yen

New York late afternoon fixing



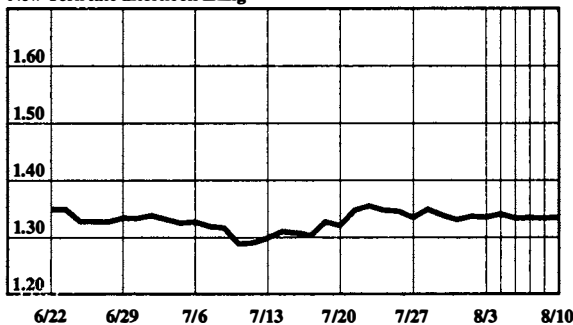
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



lence, or agapic love (*jen*), righteousness (*i*) and wisdom (*chi*). Why are these left out? The authors are attempting to justify their distorted and perverted characterization of the "Chinese character": "Certain powerful tendencies in thought and practice traceable to Confucius and his disciples are widespread: the dominant Chinese tradition asserts that human identity is derived from the network of social relations in which one is inevitably enmeshed. . . . Human beings, according to this view, do not have innate characteristics; they are malleable."

This degraded concept of man has nothing to do with Confucianism, which views man as being born fundamentally good by reason of the inborn virtues of agapic love (*jen*), granted by Heaven, which subsumes wisdom, righteousness and propriety, and which distinguishes man from the beast. The notion of man as a malleable tool of the state is associated not with Confucianism, but with its opposite, Legalism, the ideology of the infamous Qin dynasty of the third century B.C., which enslaved much of the population, burned the Confucian Classics, and buried alive the Confucian scholars who resisted. Not surprisingly, the Qin Emperor was the idol of Mao Zedong, who advised his subjects to conceive of themselves as screws in a machine. Since the Trilateral Commission so clearly expresses its preference for a docile Chinese workforce, along the lines of the Legalists and Mao Zedong, it is to be expected that they would falsify Confucianism to make it appear to be Legalist, its opposite.

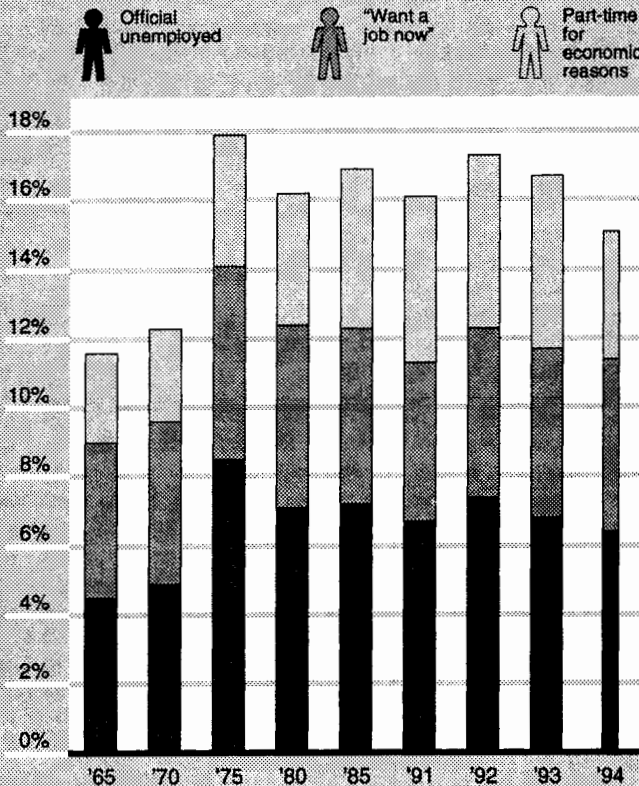
The authors are undoubtedly also aware that the Anglo-American establishment which they represent contributed significantly to the destruction of the Confucian tradition and the creation of the Communist Party. Beginning in the 1920s, radical positivists such as Bertrand Russell, John Dewey, and, later, Joseph Needham, both directly and through institutions such as the United Nations which they created, filled China with a distorted view of "western science," while denigrating the Confucian tradition in favor of the Taoist and Legalist ideologies.

The oligarchical families who created the Trilateral Commission are just as intent today to prevent any renewal of the Confucian tradition which, they fear, could facilitate collaboration with the pro-growth enemies of the Trilateral Commission in the West, based on a shared commitment to the massive development projects needed throughout the Eurasian landmass. The final chapter of the Trilateral report on China states in blunt colonialist terms:

"Both China and the Trilateral nations must work together to build sustainable, rather than astronomical growth in China. . . . But the Trilateral countries must also recognize that a cooperative approach may not elicit a constructive Chinese response. . . . Such classic considerations as balance of power, realism, and a keen sense of the Trilateral interests must also govern western and Japanese thinking about China."

U.S. Unemployment Coverup

Total unemployed and partially employed (percent of total civilian labor force)



MAY 1994

Official unemployed	8,005,000	6.1%
<i>Last month</i>	<i>7,817,000</i>	<i>6.0%</i>
"Want a job now"	6,026,000	4.6%
<i>Last month</i>	<i>6,498,000</i>	<i>5.0%</i>
Part-time for economic reasons	4,425,000	3.4%
<i>Last month</i>	<i>4,785,000</i>	<i>3.7%</i>
Total	18,456,000	14.1%
<i>Last month</i>	<i>19,100,000</i>	<i>14.7%</i>
Civilian labor force	130,457,000	
<i>Last month</i>	<i>130,248,000</i>	
Employed	122,452,000	
<i>Last month</i>	<i>122,430,000</i>	
Non-farm payroll employees	113,566,000	
<i>Last month</i>	<i>113,330,000</i>	

Source: U.S. Bureau of Labor Statistics

Note: Data from the Household Survey for 1994 are not directly comparable to data for 1993 and earlier years, because of a major redesign of the BLS Survey, and the implementation of new data collection procedures.

Compiled by Anthony Wikrent

What the graph shows

The U.S. Labor Department's monthly unemployment rate (U-5b) is based on a statistical sampling of approximately 57,000 households. But in order for someone to be counted as *unemployed*, the respondent member of the household (often not the person who is out of work) must be able to state what specific effort that person made in the last four weeks to find a job. If no specific effort can be cited, the jobless person is classified as *not in the labor force* and is ignored in the official unemployment count. But over 6 million of these discarded people are also reported on the quarterly survey indicating that they "**want a regular job now.**" These appear in the graph in dark gray shading. In addition, over 6 million more people are forced into **part-time work for economic reasons**, such as slack work or inability to find a full-time job. These people show up as *employed* in the official statistics, even if they worked only *one hour* during the survey week. These appear in the graph in lighter-gray shading.

Total unemployed and partially employed (1965-94)

(in thousands)

Year	Civilian labor force (a)	Official unemployed		"Want a job now"		Part-time for economic reasons		Total unemployed and underemployed	
		(b)	% (b/a)	(c)	% (c/a)	(d)	% (d/a)	(b+c+d)	% (b+c+d)/a
1965	74,455	3,366	4.5%	na	—	1,928	2.6%	na ¹	—
1970	82,771	4,093	4.9%	3,881	4.7%	2,198	2.7%	10,172	12.3%
1975	93,775	7,929	8.5%	5,271	5.6%	3,541	3.8%	16,741	17.9%
1980	106,940	7,637	7.1%	5,675	5.3%	4,064	3.8%	17,376	16.2%
1985	115,461	8,312	7.2%	5,933	5.1%	5,334	4.6%	19,579	17.0%
1990	124,787	6,874	5.5%	5,473	4.4%	4,860	3.9%	17,207	13.8%
1991	125,303	8,426	6.7%	5,736	4.6%	6,046	4.8%	20,208	16.1%
1992	126,982	9,384	7.4%	6,181	4.9%	6,385	5.0%	21,950	17.3%
1993	128,040	8,734	6.8%	6,319	4.9%	6,348	5.0%	21,401	16.7%
1994 ¹	130,606	8,271	6.3%	6,580	5.0%	4,807	3.7%	19,658	15.1%

1. Cumulative average.

Business Briefs

Technology

Food irradiation backed by Public Health Service

The U.S. Public Health Service has endorsed food irradiation to curb foodborne illnesses. Assistant U.S. Secretary for Health Philip R. Lee, M.D. wrote in the July 27 *Journal of the American Medical Association*: "Foodborne illness is one of the largest preventable public health problems in the United States."

Lee emphasized that food irradiation is "critical to achieving cost containment in health system reform" because it will reduce the incidence of foodborne illness—now estimated at 9,000 deaths and 6.5-8.1 million cases of diarrheal illnesses that cost the economy \$5-6 billion per year.

"It is the U.S. Public Health Service's responsibility to use what we know to protect and improve the health of the public. Each modern food-processing advance—pasteurization, canning, freezing—produced criticism. Food irradiation is no different. It is up to leaders in the health professions to dispel the myths," Lee said.

Health

New cholera serogroup emerged during 1993

A new strain of cholera, *V. cholerae* 0139, emerged during 1993, the World Health Organization said in its "Cholera in 1993" report. Immunity to the familiar strain, *V. cholerae* 01, is no help in resisting the new strain. While there was an 18% reduction in the number of reported cases and a 16% reduction in the number of reported deaths compared with 1992, the number of countries reporting cholera was the highest ever recorded in any one year.

The first reports of epidemics caused by *V. cholerae* 0139 were from Madras, India in October 1992, and the epidemics subsequently spread to other parts of the country in early 1993. The new strain was later reported to be the predominant serogroup in five Indian states, and was reported by

seven countries in Asia in 1993 (Bangladesh, China, India, Malaysia, Nepal, Pakistan, and Sri Lanka). Imported cases were reported by Estonia, Germany, Singapore, the United States, and Hongkong.

Since WHO does not require separate reporting of cholera caused by *V. cholerae* 0139, it remains unclear what proportion of all cases reported from Asia are caused by this serogroup. The clinical disease and the mode of transmission appear to be similar to those of *V. cholerae* 01, and for that reason case management and prevention caused by the two organisms can be the same, according to the WHO.

Of particular concern, however, is the fact that individuals who have been exposed to *V. cholerae* 01 in the past, and who therefore have substantial immunity to infection by this serogroup, have no immunity to the 0139 serogroup. Additionally, the available injectable vaccines and oral vaccines under development that are directed against *V. cholerae* 01 provide no protection against *V. cholerae* 0139.

Banking

Costa Rica's largest bank goes under

The Anglo-Costa Rican Bank (BAC), the nation's largest, has failed for reasons related to the Venezuelan banking crisis. The failure occurred on June 13, but the news is just now leaking out, the Venezuela daily *El Nacional* reported on Aug. 3.

The bank's problems stem from its having purchased close to \$58 million in Venezuela's secondary debt instruments between October 1993 and May 1994; when their value collapsed over a period of time, the bank folded. It made its first purchase of Venezuelan paper at 78% of its value; the second purchase was at 75% of its value, and the third at 52% of its value. When the value continued to drop, the bank tried to sell off some of the debt to recover some of its investment, but ultimately lost close to \$54 million—an amount greater than its own capital.

Total losses amount to 1% of Costa Rica's GNP, and the economy is feeling the impact

of the collapse. A series of lawsuits has been brought against the bank's board of directors and against the Chilean-based Ariana Trading and Finance Co., which mediated the purchase of the debt paper. They are charged with illicit enrichment and fraud. Costa Rican banking law prohibits the type of risky operations carried out by the BAC.

Aerospace

British cabinet in row over proposed cuts

A policy war has erupted in the British cabinet after Employment Secretary Michael Portillo, a Thatcherite who until recently had been chief secretary to the Treasury, insisted, in a letter leaked to the London *Guardian*, on massive cutbacks in support subsidies for British industry provided by the Ministry of Trade and Industry. The latter is headed by Michael Heseltine, who has disagreements with the more radical aspects of Thatcherite "free market" nostrums.

In an unusual move, Portillo confirmed the authenticity of the letter.

At stake is some £400 million for industry, which is conducted through Heseltine's ministry. Officials in the British Space Agency and other agencies are protesting that the cuts proposed by Portillo will badly undermine what remains of British high-technology potentials.

Russia

Crackdown against MMM signals policy turn

Sergei Mavrodi, the head of the MMM "investment fund," the biggest in Russia, was arrested on Aug. 4 in a policeraid on his Moscow apartment. The arrest is seen by the Russian "business" community as the latest signal in a shift away from insane "Wild West" radical free market structures. Andrei Volgin, president of Adamant, one of Russia's leading financial firms, told the Aug. 5 London *Finan-*

cial Times that broader crackdowns are coming: "I am afraid that in the wake of the MMM crisis there will be a movement toward strict state regulation of the stock markets. . . . The MMM scandal will not be the last one in Russia."

Mavrodi was charged with withholding taxes on profits from the state, estimated at about \$25 million. He had refused all cooperation with the authorities investigating MMM, which ran on the basis of a classic pyramiding scheme, i.e., money that pours in from many investor-suckers, is at first shelled out to give exorbitant "returns" to the first batch of "investors," thus creating the aura of fantastic easy money returns for all who invest.

Prof. Marshall Goldman, under the title "Russia's MMM Grew in a Culture of Rot," wrote in the Aug. 5 *International Herald Tribune* that the MMM fiasco is a lawful result of the past years' reforms. He said Russia is inundated with Russian versions of Michael Milken and other swindlers. "Moscow has become the shell-game capital of the world. But the roots of the problem go beyond avarice and naiveté. Russia's poorly conceived and rapidly applied economic reforms play a role. . . . These new 'owners,' along with a new class of financial manipulators, have come into great wealth while all around them industrial production is collapsing. Unemployment, formerly disguised, has come into plain view. Today, Moscow streets are jammed with the Mercedes-Benzes, BMWs, and Cadillacs of the new ruble billionaires." Goldman said that the Yeltsin regime is deeply implicated in the process, as "government corruption is equally blatant, especially in Moscow."

Middle East

Arafat warns that aid pledges must be met

Palestine Liberation Organization Chairman Yasser Arafat warned that an explosion is coming if steps are not taken by Israel and donor countries to deliver promised aid to the Palestinian-administered areas of Gaza and Jericho, Reuters reported on Aug. 3. The "moment of truth has arrived, and alarm bells are ringing," Arafat said, referring to the lack of economic

investment which could provide jobs and stabilize the situation.

Arafat told the Israeli daily *Haaretz* that he is finding it harder and harder to go on in this situation, and "the explosion is liable to come." Arafat said violence of the sort that erupted at a Gaza Strip border crossing in July would recur.

Arafat charged that officers of the Israeli Shin Bet secret police were engaged in an "organized plot" to hamper self-rule, delaying or stealing equipment and shipments intended for Palestinian institutions.

Environmentalism

Two German infrastructure projects are threatened

Two important infrastructure projects in Germany are being threatened by environmentalists in the Social Democratic Party (SPD), the Green Party, and the Party of Democratic Socialism (PDS, the former communists).

A new SPD-Green coalition in the state of Saxony-Anhalt has declared its intent to stop the construction of the planned superhighway to connect Halle and Göttingen, and Halle and Magdeburg. These routes have been serious bottlenecks in the nationwide transport system since unification. Before any big infrastructure or construction project can start, the coalition is first demanding an environmental compatibility study. The head of the Greens in the state parliament, Hans-Jochen Tschiche, emphasized to the economic daily *Handelsblatt* on Aug. 2 that this is a rejection of the "mystery of economic growth by superhighways."

Additional transport infrastructure is of vital importance for the region, including the new "Leuna 2000" chemical industry complex, and has already been approved by both houses of parliament.

Another project at risk is the planned Baltic Sea superhighway in northeastern Germany. The SPD, Green Party, and PDS in the state of Mecklenburg-Vorpommern have declared their opposition to it, and these parties could win control of the government in the upcoming elections. *Handelsblatt* reported that polls are showing that 90% of the population and the majority of the cities in the state support the project.

● **TURKISH** Prime Minister Tansu Ciller's "new economic policy" of accelerated privatization and budget cuts has eliminated 500,000 jobs in three months. Strikes are officially banned but spontaneous warning strikes have been reported.

● **ROMANIAN** mine workers are on strike, demanding employment guarantees against privatization plans, increased pay to compensate for inflation, improved social benefits and health care, and investments in equipment and improved safety measures. Union leader Cosmas threatened on Aug. 2 that workers may seek to replace the government.

● **APPROVAL** for two standardized advanced light water reactor designs was sent to the U.S. Department of Energy from the Nuclear Regulatory Commission on July 28. The designs will be used to build new nuclear plants without having each individual plant go through a design licensing process.

● **COLOMBIA'S** central bank policies are leading to the "concentration of rural property . . . in the hands of drug traffickers," Farmers Society President César De Hart said in a letter to Central Bank President Miguel Urrutia, Reuters reported on Aug. 1. He said that they had bought 7.5-10 million acres of the 67.5 million acres used for grazing.

● **BRAZIL'S** space agency and NASA will conduct experiments between Aug. 15 and Oct. 20 to study the space environment over the Earth's magnetic equator, NASA announced on Aug. 1. Thirty-three rockets launched from Brazil will measure electric fields, electric currents, electron densities, neutral winds, and ionospheric instabilities.

● **OIL AND GAS** drilling activity in the first half of 1994 in the United States was more than 20% below 1993, the American Petroleum Institute reported on July 26. The demand for oil and oil products rose 4.2% in the same period.

The British hand behind the horror in Rwanda

by David Hammer and Linda de Hoyos

The annihilation of the country of Rwanda—the mass slaughter of hundreds of thousands of its people, the dislocation of 5 million of its 7 million people in disease-ravaged refugee camps both inside and out the country—is the direct result of operations put into place by British intelligence, an *EIR* investigation has determined.

The key regional linchpin in the operation is Ugandan President Yoweri Museveni, who for his own delusionary motivations, has been recruited to carry out British geopolitical ambitions in the region. The policy is being case-officered by Lynda Chalker, Minister of Overseas Development, formerly the British Colonial Office.

The British operation was launched with the October 1990 invasion of Rwanda by the Rwandan Patriotic Front (RPF) from Uganda, with the full knowledge and approval of British intelligence. That invasion, in turn, set into motion the series of events, reviewed below, which have led inexorably to the incomprehensible levels of human mental and physical suffering seen in Rwandans today.

Military interventions from France since 1990, in an attempt to defend Rwanda and the government of Juvenal Habyarimana against the RPF, only worsened the crisis. Based on the same geopolitical “sphere of influence” assumptions as the British gameplan, French policy, reportedly in the hands of President François Mitterrand’s son, Jean Christophe Mitterrand, never openly challenged or exposed the British gameplan, but did succeed in encouraging Rwandan weapons procurement. France stood by and watched as the Rwandan presidential guard organized the Hutu militias, the Frankenstein monster that then carried out the systematic murder of hundreds of thousands of Tutsi men, women, and children, in the path of the RPF blitzkrieg into the country this spring.

Without *effective* intervention to bring a halt to British geopolitical designs for the destruction of the African nation-states and depopulation of the African continent, the horrific events that have taken place in Rwanda since early April 1994, will be repeated, on a far greater scale, in country after country.



Rwandan refugees seek water and food on the road near Goma, Zaire, where refugee camps are located. The crisis was manufactured by British intelligence, using Uganda as its tool.

In East Africa, the immediate goal for British intelligence is to use Uganda, which was first leveled by the British-sponsored barbarian Idi Amin (1972-79) and has now become the major British financial and political outpost in the region, as the springboard for the destabilization of the region. This involves: the destruction of both Rwanda and Burundi, turning the remains into functional satellites of Ugandan (British) domination; the destabilization of Kenya, including the elimination of Kenyan President Daniel Arap Moi and instigation of tribal warfare; and possible seizure of mineral-rich eastern Zaire. In addition, British intelligence, with aid of Project Democracy outlets in the United States, is creating the conditions for tribal warfare in the keystone nation of West Africa, Nigeria, where 3 million people died during the Biafran war of 1967; and in South Africa, whose fragile stability rests on President Nelson Mandela.

As of this writing, the potential for British aims to be fulfilled is very high. Already, U.S. Agency for International Development (AID) director Brian Atwood told the U.S. Congress on July 26, that the Rwanda debacle has the "potential to destabilize the entire region. The massive movement of refugees and the continuing threat of renewed civil strife could trigger similar situations in Burundi, Zaire, Uganda, Tanzania, and Kenya, and could spill quickly across borders throughout the Horn [of Africa] and Central Africa." And as *U.S. News and World Report* prepares its readers: "Zaire has been tottering on the brink of collapse since rioting and Army-led looting swept the country in 1991. . . . A frustrated opposition may be spurred into using more radical measures against

[President] Mobutu [Sese Seko]. . . 'If Zaire goes,' says one analyst, 'it will make Somalia look like a Sunday picnic.' "

Globally, the Rwanda crisis, since it erupted in full force with the April 6 double assassinations of Rwanda's President Habyarimana and Burundi's President Cyprien Ntaryamira, has served as "justification" for British intelligence to press for depopulation and one-world U.N.-administered government. Despite her intimate knowledge of the precise causes for Rwanda's disintegration, Britain's Lady Chalker has used the Rwandan "example" to motivate the protocols of the September U.N. International Conference on Population and Development in Cairo, telling the London Royal Society on July 11, "The density of population in Rwanda is one reason why the scale of that tragedy is so enormous." Her remarks were published in the *Daily Telegraph* the next day under the headline "Chalker's Rwanda Warning to Church," on the necessity to legislate procreation limits, especially in the developing countries.

The annihilation of Rwanda is also being used to suggest that African governments must be replaced with rule by colonial powers, either through the U.N. or directly. As the *New York Times* noted on April 14, "The United States and its allies have decided it would be difficult to maintain it [Rwanda] without transforming the country into a United Nations trusteeship or a colonial-style administration."

An intelligence source in South Africa bitterly summarized British aims in the Rwanda operation: "There is a Machiavellian plan to show that the world population is out of control, that this manifests itself in Africa in inter-tribal war-

fare, that there is no way these people can feed themselves, that all this aid is not enough, and that these areas will require massive aid for years to come, which means big tax rises in the advanced sector to pay for it. So there will be tremendous psychological warfare, behind which is the thinking that Africa should be depopulated and just used as a raw materials base, then recolonized. . . . These are the thoughts of the big megacorporations, indistinguishable from the intelligence services, who want the resources as cheaply as possible, and do not like being hampered by military governments, or any governments for that matter. What is really on the go is a secret recolonization plan.”

Events in Rwanda show this plan is now in the implementation phase.

The dismemberment of Rwanda

Before April, Rwanda had an approximate population of 7.2 million. As of July 26, at least 500,000 people had been killed inside Rwanda. According to estimates supplied by the U.S. AID, 2,576,000 people are displaced inside Rwanda, including 1.3 million in the French Safe Zone in the southwest corner of the country. Another 2,223,000 people are refugees outside of Rwanda, including 1,542,000 in Zaire, 210,000 in Burundi, 460,500 in Tanzania, and 10,500 in Uganda. That is, 5,299,000 people, or 73.5% of the population, have been killed or are uprooted. It is feared that if French troops leave the Safe Zone on Aug. 22, at the end of their U.N. mandate, the 1.3 million people there will flood across the borders into neighboring Zaire and Burundi. The RPF is ruling from the capital city of Kigali over a depopulated country.

How did this happen?

Although there is a longstanding history of caste warfare in both Burundi and Rwanda, which was exacerbated when Belgium took over both colonies in 1921 and made the Tutsi its comprador ruling class, Rwanda's devastation could never have occurred without outside intervention. The immediate source of that intervention was Uganda.

In 1986, Yoweri Museveni took power in Uganda, after fighting a five-year guerrilla war, first against President Milton Obote and then against President Tito Okello. Museveni's first recruits to his National Resistance Army (NRA) were sons of the Tutsi refugees from Rwanda who had come in the wake of the Hutu revolution in Rwanda in 1959. Some sources claim Museveni, himself a member of the Hima tribe or Ugandan Tutsis, made a pact with the Rwandan Tutsis that he would put them back in power in Kigali. What is definite is that the leaders of what emerged as the RPF in October 1990 were identical to the top echelons of the Ugandan Army:

- Ugandan minister of state for defense was the RPF's David Tinyefuza;

- Paul Kagame, current vice president and defense minister of Rwanda under the RPF, was head of intelligence and counterintelligence in the Ugandan Army;

- RPF commander Fred Rwigyema, killed in 1990, was a major general of the Ugandan Army;

- The RPF's Peter Baingaina was the head of the NRA Medical Services;

- The RPF's Chris Bunyenyezi was the former commanding officer of the NRA's 306th Brigade, which was notorious for the atrocities committed against Uganda's Teso.

In 1989, many of these officers of the Ugandan Army, including Kagame, were sent to the United States for training at the U.S. Army Command and Staff College, under Ugandan auspices.

On Oct. 1, 1990, ten thousand troops under this RPF leadership invaded Rwanda, and were turned back at the edge of Kigali only because of the dispatch of 1,000 French paratroopers to defend the capital. According to some sources, the Ugandan troops invaded right along with the RPF, including Museveni's cousin, Ugandan Army commander Salim Saleh. According to one source in Kampala, 95% of the RPF was in the Uganda Army. And the NRA, itself trained by the British, Americans, and North Koreans since Museveni took power in 1986, has been the consistent source of supplies and financing for the RPF force.

According to some Ugandan sources, behind the RPF drive is Museveni's dream to establish a Greater Tutsi empire. The Ugandan security intelligence remains disproportionately in the hands of Museveni's ethnic brothers of Banyarwanda, Rukungiri, and Ankoole of southern Uganda. The name given the RPF strike corps is Inkontanyi, in reference to the leading warriors around the old Tutsi court. Reportedly, Kagame is cousin of the wife of the last Rwandan king, Mutara III, who died in 1959. The Tutsi also completely dominate the military of Burundi.

Behind every man . . .

Behind Museveni is Lady Lynda Chalker. According to British sources, Chalker was the first foreigner to meet with Museveni once he took power in Kampala, descending on him only 10 days after he had secured the country. Since then, Museveni and Chalker have been "very luvvie-duvvie," as one source put it. A British East Africa expert further complained that Lady Chalker "spends a lot of time, a disproportionate amount of time, in the Horn of Africa and Uganda." Soon after the RPF victory in Rwanda, Chalker visited Uganda for a four-day tour hosted by Museveni, before tripping over to Goma, Zaire, to view the refugees. On the latter experience, Chalker told the press, that "Of course, when one comes face to face with death . . . in their hundreds, or as in Goma, in their thousands, I feel it. But I don't allow it to cloud my judgment."

Museveni has been guided by Chalker and personnel from the Overseas Development Administration in Kampala to turn Uganda into the "showcase" for the International Monetary Fund in Africa. Uganda was touted in the September issue of *Atlantic Monthly* as an "African success story." Even though international prices for Uganda's primary export commodity, coffee, have plummeted since 1986, Museveni—who has earned a reputation as a "true IMF disci-

ple”—managed to pay requisite debt service on the country’s \$2.5 billion debt. Over 35% of government expenditure has been diverted to maintaining Museveni’s 120,000-man military. The balance has been gouged out of the impoverished living standards of the Ugandan people—a job Museveni, with no actual political base other than his Armed Forces, has not hesitated to do.

Simultaneously, British personnel have returned to run Uganda (see interview with Barclays Bank official), and British capital is buying those viable enterprises put up for sale at rock-bottom prices through IMF-imposed privatization schemes. Coming back into Uganda in full force have been British tea firms James Finlay and Sons, Commonwealth Development Corp., and Mitchell Cotts; along with British American Tobacco, International Distillers and Vintners, and Guinness. In addition, under London’s auspices, the big Asian investment firm Madhvani, which had been thrown out by Idi Amin, has returned as the biggest single investor in the country. Museveni is also getting a hefty \$825 million a year from his donors.

For the reasons of Museveni’s service to the British—economically and geopolitically—he stands alone among African strongmen in *not* coming under pressure to democratize. Money has been handed over, as multiple sources confirm, with no strings attached. As Museveni told the press, “My version of democracy has the full backing of the British and U.S. governments.” Relates one well-informed source in Kampala: “The British are very much behind this government. You know there is no condition at all on democratization, no multi-party democracy. The President doesn’t even pretend [to be] for this, and he is still a darling of the West.”

Museveni’s Uganda is the reality behind the RPF government now in Kigali, Rwanda.

The march to death

The RPF invasion of Rwanda, as the following chronology shows, put both Rwanda and Burundi on a hairtrigger for mass violence, especially given the RPF’s total domination by one grouping, the Tutsi.

Oct. 1, 1990: Rwandan Patriotic Front invades Rwanda.

Oct. 27, 1990: Cease-fire, as RPF is repelled by French paratrooper force.

1992: As RPF incursions continue along the Ugandan border, Habyarimana government begins organizing militias in the countryside; begins to raise military from 5,000 troops to 40,000.

Dec. 11, 1992: Museveni, reports *Africa Analysis*, holds meeting with leaders of RPF, Sudan Liberation Army of John Garang, and the Kenyan Democratic Party, assuring them of Ugandan backing for operations in their respective countries.

February 1993: RPF invades Rwanda, taking control of a chunk of territory in the north, killing 40,000 Hutus. Mass exodus of refugees from the area.

June 1, 1993: Melchior Ndadaye is elected first Hutu President in Burundi, in first national elections.

August 1993: Arusha Accords negotiated between Habyarimana government and RPF, under U.S. and British auspices. Accords grant RPF 50% of commander and officer posts in Rwandan Army and 40% of the troops, and seven cabinet posts. Also to be included in government are opposition democratic Hutu leaders, organized under Project Democracy operation Human Rights Watch/Africa.

September 1993: U.N. sends peacekeeping force to Rwanda to oversee implementation of Arusha Accords.

Oct. 23, 1993: Attempted military coup in Burundi organized with approval of Belgian intelligence and oversight of Mathias Hitimana, a Burundi Tutsi turned Belgian citizen and arms dealer. President Ndadaye is murdered, along with up to 100,000 Hutus, by Tutsi-dominated military. More than 700,000 Hutus flee Burundi. International press gives no notice.

December 1993: RPF moves 600 troops into Kigali under Arusha Accords.

January 1994: British Defense Department African strategists are reportedly moved off their concentration on Angola and put on Rwanda.

March 1994: Another slaughter of Hutus in Burundi, up to 40,000 killed.

April 6, 1994: Plane carrying Rwandan President Habyarimana and Burundi President Ntaryamira is brought down by three rockets, killing all on board. Mass killings by Rwandan government troops erupt in Kigali; RPF begins its blitzkrieg invasion.

April 19, 1994: U.N. peacekeeping troops (2,500 Belgian forces) withdraw in disgust at lack of mandate to protect civilians. Belgian forces had watched as presidential guard killed Rwandan Prime Minister Agathe Uwilingiyamina.

May 1994: U.N. imposes arms embargo on Rwandan government, as mass slaughter continues throughout the country, mostly of Tutsis, including 25% of Roman Catholic priests.

June 21, 1994: France gains U.N. approval to send troops to Rwanda. French troops set up Safe Zones, nearly clashing with RPF forces.

July 12: Mass exodus of more than 1 million Rwandans into Zaire.

July 15: RPF is in effective control of Rwanda, with exception of French Safe Zones.

July 29, 1994: President Clinton pledges massive U.S. humanitarian aid operation to Rwandan refugees, to be carried out by U.S. military. A survey taken by the group Doctors Without Borders in the first week of August shows that 80,000 people, at least, had died in the Zaire camps since mid-July—more than triple the aid agencies’ original estimate and a total of 8% of those believed to have arrived at the camps.

How many more will die or suffer unspeakable horror in Rwanda and other targeted African countries, before policy toward Africa coming from the United States and its allies is drastically changed?

RPF is the Ugandan army, says expert

This interview with a British East African expert from the Institute of Development Studies, Sussex, was made available to EIR by a journalist.

Q: What seems to be fairly clear is that the RPF [Rwandan Popular Front] was actually trained and armed and financed in Uganda.

A: No, no, no! That's throwing roses at it. The RPF is the core of the Ugandan Army! The RPF consists of 10,000 Ugandan soldiers of Rwandese ancestry. The officers are exiles from 1960; the rank and file are basically the children of exiles born in Uganda. This was the backbone of the army which took Museveni to power. Remember, Museveni, in the 1980 elections, got no votes anywhere to speak of. So he recruited the Rwandese exiles to be the core of his army.

When Museveni started demobilizing troops, and oddly enough, getting international funding for demobilizing, they demobilized by crossing the border in completely equipped units, taking their insignia off their shoulders as they crossed. This is why they are such an effective army. They're an army that won a war in Uganda and their commander is the man who, until three months before the first invasion [of Rwanda] in 1990, was the number three, the head of intelligence and counterintelligence in Museveni's army [current Vice President and Defense Minister of Rwanda Paul Kagame]. And clearly they have had access throughout to fuel and ammunition. There is only one possible source of this.

You can add on two other factors. The first time one had the attempted coup in Burundi [in October 1993], one simply assumed, from the past record, that this was the hard-line Tutsi leadership in Burundi, although this looked odd, because the person who had run in the election on the Tutsi ticket, if you like, and lost, was a general, of course, and [he] insisted on the turnover to the first murdered President of Burundi. And the coup *didn't* succeed because the senior Tutsi leadership wouldn't back it. I mean, it caused hell on earth, but it didn't succeed.

Now, the logical result of shooting down the plane with the two Presidents in it, whoever did it—and you can figure out who I think did it—would have been to cause the exact results in Burundi that one got in Rwanda. Almost exact, at least the same as happened after the first President's death. . . .

But my feeling is that both of the coup attempts in Burun-

di and the loss of the presidential plane, trace back to the State House in Entebbe. If that is true, there will be no peace in Rwanda or Burundi, *whatever* happens in the countries, until it is made clear to State House in Entebbe, with credible warnings as to what will happen—e.g., a cutoff of oil—that it must keep its fingers *out* of Rwanda and Burundi.

This is not justifying what happened in Rwanda. . . . But what one now has in Rwanda, is a very effective army of 10,000 Ugandan troops of Rwandese ancestry, with half a dozen long-, long-, long-exiled Hutu, who are viewed, I am afraid, as nothing more than puppets. And when you have a Hutu President, where I can't find anybody who knows who he is, a prime minister who is known to have been out of the country for 25 years and been a public relations man for a Tutsi army organization—and then, a major general is both vice president and minister of defense—one's eyebrows might tend to rise, even if one is less suspicious than a Rwandese Hutu might tend to be.

You have the parties which were the majority in the government at Habyarimana's death, which were then led by the lady prime minister, who was taken away and killed, out of the midst of the 200 U.N. troops who were supposed to be protecting her, without a finger being raised! In other words, the majority of the cabinet were from the minority party, some of which were largely moderate Hutus, some of which were the indigenous or resident Tutsi, some of which were mixed. The cabinet majority, so far as we know, were slaughtered to the last man (or woman) by the Hutu.

Therefore, the minority parties are beheaded, literally. . . . This, by the way, indicates that I take the view that *the minute* the prime minister and the majority of the cabinet were killed, the then-rump government was not a legitimate government of Rwanda. You then have Habyarimana's old party, which, I am very much afraid, would win a free election if one were held in Rwanda tomorrow.

However, you have what I believe is unprecedented. About one-quarter of the adult population of Rwanda *personally* have blood on their hands.

In other words, this is not comparable to Germany. No one ever claimed that one-quarter of adult Germans *personally* had blood on their hands. I am afraid there is a difference between having participated in genocide and having been part of actual mobs that killed people, rather than simply tolerating a government that does it.

As you can see, I view these three components as an exceedingly unpromising mix for producing a government of national unity, or a government with any base at all. Frankly, my view is that Rwanda needs a trusteeship government.

Equally urgent, is to find out what help the government of Burundi needs, so we don't have a second Rwanda. In other words, any more initiatives from the State House in Entebbe could well topple Burundi into the same situation. And the fact that it has and would love to get rid of 300,000 Rwandese refugees, including, basically, die-hard members

of the party and a fraction of its army, means that Burundi is *terrified*. It has minor outbreaks of killings and cross-killings in the area where the refugees are, but it is doing its best to damp this down. But you can see why I say that the whole thing in Burundi is on a knife's edge. The Hutu and Tutsi leadership in Burundi *want* peace. They almost, but not quite, trust each other. But there are real animosities between these two communities.

In Burundi, you never had planned genocide. Half of the killing in Burundi was what I would call a "forward defense" policy. If you were a village, you were afraid that the army would attack you, so you killed the soldiers. The army then came and killed you. So an army post that was largely Tutsi in a totally Hutu area was afraid it was going to be attacked, so it attacked first. In other words, you didn't have the planned genocide.

If that syndrome starts again, there is no way that the Burundi government, its army, can stop it. Therefore, the Burundi government needs to be approached, and asked, "What can we do?" including getting these refugees out of Burundi, almost anywhere, as long as it is not Burundi.

The problem is that it is not clear to me what the RPF means when it talks about trying those directly involved in genocide, which I suggest is a quarter of the adult population. This, however morally desirable it may or may not be, is hardly practical. I am sure the RPF would like most of the refugees to come home and would be perfectly willing to have them live quiet lives with them. Certainly, the international community will look at them askance when they have only half of the population of the country in the country, if only because of the cost of trying to keep them alive outside the country. You can't run Rwanda with half of its population missing.

But I must say that a lot of the people have good reason, in terms of their conscience, to wonder whether it is safe to come back. And given the high-profile murder of the archbishop and bishop, even people who are personally quite innocent might very well be worried. [The RPF on July 1 murdered Bishop Thaddee Nsengiyumva; Vincent Nsengiyumva, Archbishop of Kigali; and Bishop Joseph Ruzindana in Kabgaye, where they had sheltered 30,000 Tutsi refugees.]

The claim that there was really no difference between Hutu and Tutsi because there was some intermarriage, which there was; that there were no real communal hostilities toward each other, is simply not true. The Belgians ruled entirely through the Tutsi, locking in what was originally a minority invader kingdom with tall pastoralist warriors ruling short, crop-tilling helots. The claim that the thing is entirely artificial is not true. That certain people have chosen to *inflame* it is true, but they weren't operating on nothing.

And, of course, in 1960, the Hutu overthrew the Tutsi government in a bloodbath. But a lot of Tutsi stayed in the country and, on average, they were richer, better educated,

and had better positions. The Habyarimana government and its predecessor thought that the 15% Tutsi minority, as long as it wasn't supported externally, was safe enough and that affirmative action-type methods would keep some kind of balance.

Q: The British generally have most to do with government aid. Did the British pay for the demobilization?

A: It might have been them. Remember, Museveni is the only African President who can say, "There will not be multi-party elections until I am dead," and get his foreign aid quota over-fulfilled. You had these non-party rigged elections, and now you have this rigged non-party constituent assembly.

Q: Who do you think shot down the plane?

A: Uganda. I can't prove it, but it would have been easier for Uganda to do it than for the RPF itself. The RPF did have a contingent in Uganda, I mean in Kigali, on the hilltop; on the basis that that would be safe for them, but that meant that they were perfectly easy to be watched. So I don't believe for a moment that they could have got people with a shoulder-held missile close enough to the airport to shoot it down. The U.N., of course, supposedly had the airport secured. But I think it is nonsense to say that anybody who could easily get a shoulder-held missile and is good at cross-country walking, couldn't have got within a mile or so of the airport—I don't know what distance is required to shoot the plane down. In other words, it doesn't have to be Uganda, but on the basis of who benefits. . . .

British Foreign Office: 'Where's Rwanda?'

EIR interviewed the relevant official at the British Foreign Office East Africa Desk on Aug. 8.

EIR: On the situation in Uganda, there has been some discussion that the RPF was actually trained and armed in Uganda.

A: I can't comment on that, I have no idea. Ask the Ugandans. We wouldn't know about that. I don't know if there is anyone here who could give you a definitive answer on that. Speculation is speculation, about Zaire and the RPF; speculation about Uganda and the RPF. There is no doubt that, because of traditional historical background, Museveni has been closely connected with the RPF. But, as I am sure you well know, he has denied any kind of involvement to the extent you have mentioned. Sorry I can't be more helpful.

Perhaps I should tell you two more things about Museveni which relate to my conviction on that. During the war—originally the Tanzania war through the Ugandan invasion out of Kigara to smash the bases—and because Tanzanian public opinion almost got out of hand, and because Amin threatened to kill everybody who welcomed the Tanzanians if they [Amin's forces] withdrew (and that promise was only too believable), that then turned into a war of liberation of Uganda. Museveni turned up and said he had 4,000 troops and said he wanted to join in. The only thing was that the average age of his troops was 10.

Q: Was what?

A: Ten. In other words, they ranged from 8 to 14 years old. The Tanzanian generals, being somewhat Sandhurst types, also believing the place for children is at home, created a western front out of thin cloth, up along the lake, which was of no military significance. In other words, the direct line through to Entebbe and Kampala was on the eastern side of the country. The western front was created simply to keep Museveni's children out of harm's way. They were given 250 Tanzanians to be a shield, in case they actually ran into any Ugandan troops, which wasn't expected. Unfortunately for everyone except Museveni, they ran into an entrenched position of 500 Libyans who had not withdrawn. The Tanzanian colonel with the shield force looked at this for five minutes and told Museveni, "We'll hold for five days. I will get the high command to send over artillery and we'll shell them out, and we'll go forward with no losses."

Museveni refused to accept that and launched a human wave attack with his children. He won the battle and became a war hero. But, of course, 500 children died for no military gain whatsoever.

Then you have two events on the road to Kampala. The first was that about 20 or 25 of his people sneaked into Kampala, ran through the gates of the central arsenal, grabbed handfuls of weapons, and then ran into the Catholic cathedral and knelt down with the people at mass. Given the ill-disciplined nature of the Ugandan Army, what happened next was predictable. The congregation was machine-gunned by the people chasing them. Who gained?

Then, in other areas, while I do not justify what the army did, but the army was being sniped at by boys of 10 not in uniform who ran out of villages and either shot at them or threw hand grenades at them. The ill-disciplined Ugandan Army became so terrified that anything that moved in the village, they shot it. So you got these pyramids of skulls. . . .

The question is whether Museveni was working on the basis of encouraging his enemies to engage in such atrocities that they would be totally unrespectable to anyone. He is a great student of left-wing guerrilla literature, you know. This is a tactic that was argued by the New Left—you get the government to engage in such mad repression that everybody abandons them. And for shooting down the plane, killing

the two Presidents, to create such atrocities by the Hutu majorities in Rwanda and Burundi that no one would touch them again, would then be part of this policy. Then, of course, spending your friends' lives like money in a bank account.

I do not call Museveni's the thinking man's army for nothing.

Q: What is his overall plan? Greater Uganda?

A: I don't think he is quite that mad. I presume he wants to see Tutsi rule in Rwanda and Burundi again. If he gets it by this method, they will be pretty much satellite states of Uganda. Remember there is no evidence, at least before this latest set of horrors, that the resident Tutsi minority in Rwanda particularly supported the RPF. The RPF controlled 20-25% of the country, but it was empty. The resident Tutsi minority hadn't moved into the area controlled by the RPF, therefore I would view it as an indication that their enthusiasm for their liberators was somewhat muted.

Q: Are there other theories on who shot the plane down?

A: There have been arguments that the presidential guard did. The only snag with that argument is that this was a praetorian guard which appeared to everybody, before this rumor, to be totally loyal to the President. Furthermore, it is not simply saying the presidential guard [did it], it is saying an uncle and two brothers of the President did it.

The other claim, which I think is simply a *cui bono*, is that the RPF did it. But the snag with this is that I don't see how they *could have*. And, of course, the claim of the rump government is that the Belgians did it, but I don't believe that. . . . Besides which the results of shooting down Habyarimana were only too predictable—a mass bloodbath—and no government in Brussels would have dreamed of putting its hand to that.

Q: Some French think this was an Anglo-Saxon conspiracy?

A: I wouldn't say so in the active sense. Given the nature of the two initial invasions, and the fact that the RPF has never been short of ammunition and fuel, the main question is whether the U.S. and British diplomatic missions in Uganda were leaning heavily enough on President Museveni. I mean, it is not easy to get large quantities of fuel and ammunition across Uganda and into another country without the knowledge of the Ugandan government or, in fact, in any way other than under Ugandan government control. Museveni runs a tighter ship than that, or he'd be dead. Therefore, I think you could fault the U.S. and British diplomatic missions for *not* leaning on Uganda.

As for this particular French argument, I don't believe there is any evidence that the French embassy in Uganda was leaning very hard on Museveni either. There was no evidence of an outcry in European capitals about Ugandan support for the RPF, which was an open secret, nor much comment about

it by the international press.

Q: Who put Uganda on its feet again, who reorganized it?

A: Call the World Bank, they will give you the breakdown of the aid flows. It was a lot of British, U.S., EC [European Community] and, I expect, Japanese [funds], and then, of course, the World Bank. Another \$820 million was pledged two or three days ago, and there were no political conditionalities on it at all, like, "Keep your fingers out of Rwanda and Burundi, please." If it was raised, it was to sympathize with Museveni that he had such a problem neighbor. Which is like saying, "We're sorry you are an orphan," when you have just killed your father and mother.

British role still dominant, says banker

This interview with an official of Barclays Bank of London with wide experience in Uganda was made available to EIR by a journalist.

Q: The Rwandan Patriotic Front was trained in Uganda. Could you give me some background?

A: In the late 1950s there were similar troubles in Rwanda, and at the time the Tutsis were thrown out, most of them into Uganda. So now the second generation have organized themselves and invaded Rwanda.

Now, they were all along considered as Ugandans, until suddenly they realized that they needed to go back [laughs]. It is as if you had generations of Italians, and then they suddenly decided to pick up arms and go back.

So they were Ugandans as far as they were concerned, until they realized that they wanted to go back home, and [many were] obviously recruited. And many of them, surprisingly, had joined the army. Therefore, they were competent fighters, all they needed were the weapons.

Q: So they got support from President Museveni, I presume?

A: Officially, I do not think they did. Officially, they wouldn't.

But I think because some of them were senior commanders in the army, they would have kept in touch with them. Whether he gives them proper support, logistics, it is likely, yes, but I can't comment on that. They wouldn't make it public. But it has been said and I believe there is truth to it. . . .

Q: Who gave Museveni his initial help, in his guerrilla days?

A: Initially, he had leftist tendencies. It was thought maybe he had some backing from the Soviet Union. But it would appear that he got some money from the Libyans, some from

the Scandinavian countries—Norway, Sweden.

Tiny Rowland gave him some money, but when he got into power he didn't want to deal with him. I think he realized he was the wrong chap. He did give him some business in the beginning, but Museveni privatized everything, and Rowland would have got some of that.

Q: What is the extent of British corporate or banking presence in Uganda now?

A: Barclays is there. Grindlays was there also, and then it was bought by Standard Bank of South Africa. They are the main foreign banks; then you have local banks.

Q: With Uganda's privatization plan in full swing, has there been a lot of British capital flowing in?

A: Yes, you had that, but much of it came from Americans, also.

Q: How about the British multinationals?

A: You have BAT [British American Tobacco], which is the largest; they still have I think a monopoly on tobacco. But I know that one has also been privatized, so they may be getting competition. Shell, Lonrho is there, but very small, mainly agencies for British motor cars and some cotton. Coffee, obviously, is the biggest export of the country and you have very many companies in there, mostly small companies, but they sell to the large commodities companies. There used to be a government monopoly on marketing coffee, but that also has been privatized.

Q: Is there much of a presence of British advisers?

A: Oh, yeah! I mean the economy is virtually run on expatriates, as they are called. They virtually run the ministries. That is how you get things done. Otherwise the local people, first of all local skilled people, are away. But, more importantly, the education system was disrupted during the troubles, and you have not turned out many intellectuals. And certainly there is a lot of corruption.

So the only way to make it work is to bring in expatriates. I mean, the tax collection is run by a company which is expatriate, the Uganda Revenue Authority. They run the tax management. The government just gives them a budget and gives them targets and they go out and collect the taxes.

Q: That is mainly British nationals?

A: Yes, British. Some Scandinavians, but mostly British.

I know the Overseas Development Agency [under the Foreign Office], they are seconding people out there. You have the Ugandan Investment Authority, which is also run by expatriates. That's in charge of all investment policy. The deputy executive director is British, Martin V. Hogg.

Yes, here I see the Overseas Development Institute [funded by the British government] has been seconding people out there.

Operation Support Hope: focus on emergency infrastructure

by Dean Andromidas and Michael Liebig

The mass death in eastern Africa may look like yet another of the giant tragedies which have become "typical" for Africa over the past two decades. However, a closer look reveals that the mass death is not an indigenous, "typically African" occurrence. Little happens in Africa which is not shaped decisively by the former colonial powers. So it happens that the French government backed, armed, and trained the "Hutu government" in Kigali, while British intelligence and British financial interests backed, armed, and trained the "Tutsi RPF" via neighboring Uganda. When the "Hutu government" was about to collapse, France staged a military intervention to keep it in power, and, when that failed, established a "security zone" in southern Rwanda. This French action ("Operation Turquoise") was a strictly military intervention, "to protect France's interests in Francophone Africa," as Prime Minister Edouard Balladur said in late June. French military bases were built up in eastern Zaire, to prevent the destabilization of Zaire's fragile Mobutu regime as a consequence of the events in Rwanda.

To understand the unspeakable horror in eastern Africa, one must go back to the early 1970s when, under the direction of then-Secretary of State Henry Kissinger, the transatlantic policy establishment determined that there should be no economic-infrastructure development in Africa. Some exceptions were made in respect to strategic raw materials production. Then, some 25 years ago, Africa was written off. The policies of the International Monetary Fund (IMF) and the World Bank, and declining raw materials prices, ensured the social-economic and political devolution in black Africa since. By 1985, Africa had become a net capital exporter.

The only qualification in that "write-off" policy was the continuing military-strategic importance of Africa for NATO. In case of a European war, Africa would be the West's key military-logistical hinterland. Africa as a whole, not just northern Africa, did play such a role during World War II for the Allied operations in the Mediterranean theater. Thus a little bit of economic input into Africa was still provided by the NATO countries. Moreover, the Soviet Union naturally was aware of this military-strategic role of Africa for the West. It therefore intervened heavily into Africa during the 1970s, as the cases of Angola, Mozambique, and Ethiopia demonstrate.

From 'managed collapse' to genocide

This all ended after 1989, when the Soviet Union collapsed and Russia withdrew from Africa. The George Bush administration declared its strategic disinterest in Africa, relegating it permanently to a "zone of turmoil." The continent became the strategic playground for Britain, France, and certain Israeli intelligence and "business" interests. They worked together, as well as against each other, in expanding their "spheres of interest," while Africa collapsed into full-blown breakdown conditions.

The bloody events of the past years in Uganda, Zaire, Rwanda, Burundi, Angola, Liberia, and other black African states illustrate these neo-colonial maneuvers by Britain and France. However, this year, things got truly out of control in eastern Africa. The killings and epidemics escalated to such monstrous dimensions, that international attention could no longer ignore them. It seems that the French government realized during the past July that it had lost control over the situation in eastern Africa. France, with a significant military presence in central and eastern Africa, was about to be overwhelmed by the consequences of the genocide and epidemics in and around Rwanda. That goes both for the situation on the ground there, as well as what concerns "world public opinion."

Clinton acts

In the second week of July, President Clinton spoke of the situation of the Rwandan refugees as the "worst humanitarian crisis in the world." And he acted. Faced with the prospect of hundreds of thousands of Rwandan refugees dying of cholera, Clinton ordered the American Armed Forces to conduct an immediate, large-scale relief operation. He described "Operation Support Hope" as "a race against time." He requested \$320 million from Congress for the operation, of which \$50 million was immediately released. Defense Secretary William Perry and Gen. John Shalikashvili, the chief of the Joint Chiefs of Staff, flew to Rwanda and to Goma in Zaire, where most of the refugees are concentrated.

It was quickly realized, that the most pressing, central task of the American military relief operation was the provision of clean water to the refugees, as the cholera epidemic was about to get out of control. On July 23, heavy water



The C-5B Galaxy transport plane is loaded with construction and drilling equipment on Aug. 3, at the Rhine Main Air Base in Frankfurt, Germany, preparing for the trip to Goma, Zaire.

purification equipment of the U.S. Army and the San Francisco Fire Department was loaded onto long-range, heavy transport aircraft in the United States and flown to Goma. In the evening of July 25, the water purification facilities began to produce approximately 200,000 liters of fresh water a day. Since then, together with German water purification equipment flown to Goma by the U.S. Air Force, the fresh water output has been increased to approximately 1.5 million liters per day. It is an indisputable fact, that this operation has saved the lives of at least 500,000 Rwandans, who would have died of cholera in the last week of July and the first days of August.

EIR had an opportunity for a first-hand view of the American relief operation in and around Goma on Aug. 2-6. We were able to participate in a press tour organized by the U.S. Air Force Joint Information Center, based at the Rhine Main Airbase in Frankfurt, Germany.

Operation Support Hope is a combined Army, Air Force, and Navy operation, which is being executed with exceptional, quasi-wartime urgency and *esprit de corps*. It is being run directly out of the White House, while drawing on the worldwide resources of the American military. The military's mission, as defined by President Clinton, is to conduct a humanitarian relief effort, and not to get involved in a United Nations-style "peacekeeping" or "peacemaking" mission, as was done in Somalia.

The mission has two major tasks or phases. Phase one is to stop the dying and misery of the refugees in and around Goma. As mentioned, the most crucial task has been to provide clean fresh water, the only way to stop the mega-killer,

cholera. In addition, large amounts of food and medical supplies, as well as heavy engineering equipment, have been airlifted to the region. The second phase is to create conditions to allow the refugees to return home to Rwanda. The administration has made clear that this will not involve any form of coercion, but must be based on the individual decisions of the refugees themselves to return when they feel safe. Unlike Somalia, where military operations were conducted as a means to provide security for a relief operation, it is hoped that through this humanitarian effort, a psychological and political basis would be formed for stability. The Clinton administration is presently engaged with the Rwanda Popular Front government in Kigali, strongly advising them to refrain from a policy of retribution.

Operation Support Hope is being implemented by some of the most senior U.S. commanders in western Europe. Overall command lies with Gen. George Joulwan, Supreme Commander of U.S. Forces in Europe. His deputy, Lt. Gen. Dan Schroder, operating out of Entebbe, Uganda and Mombasa, Kenya, is the regional operational commander. General Nicks, commander of U.S. forces in Italy, is in command in Goma itself. The operational headquarters for Support Hope is based at the United States European Command at Patch Barracks, Stuttgart, Germany. This is the unified command of all forces of the U.S. Army, Navy, and Air Force in Europe. It is here that the operational planning and coordination are being conducted.

Phase one of the operation can be broken down into two parts: first, transportation from the continental United States and western Europe to eastern Africa. This is primarily the

responsibility of the Air Force and Navy. The second concerns the buildup of a relief infrastructure which is primarily the responsibility of the Army, whose engineering, medical, motor transport, and escort units are playing crucial roles.

Transcontinental logistics

Our tour started at the beginning of the transport pipeline, Rhine Main Air Base, which is adjacent to Frankfurt International Airport. Here the U.S. Air Mobility Command operates huge C-5B Galaxy and C-141 Starlifter jet transports and smaller C-130 propjet transports. The base has been beefed up by additional aircraft from the United States. On the morning of Aug. 3, our Air Force press escort, who accompanied us throughout the tour, took us to our aircraft, a giant C-5B Galaxy. This enormous aircraft, similar to the Boeing 747 in size, can carry 120 tons of cargo at a speed of 500 miles per hour, for over 5,000 km. Through two huge doors in the front and rear of the aircraft, we saw one full-size bulldozer, a road grader, and a "Unimog" truck for well-drilling. In addition, large pallets filled with various supplies including fuel, food, and bottled water were loaded into the aircraft's cavernous hold. Besides ourselves, two other civilian journalists, Klaus from Austria and Mathias from Germany, a military TV crew, and other military personnel—altogether around 30 passengers—boarded the aircraft. We were lodged in the C-5B's upper passenger compartment, which has seating for some 70 people.

From Frankfurt our flight route was Switzerland, Sicily, Egypt, Sudan, Uganda, and into Goma, some 3,500 miles away, just south of the equator. The ten-hour flight, although noisy, was far from boring. Midway over the Mediterranean we were brought up to the pilot's compartment to see the inflight refueling. The mid-air refueling was necessary because ground refueling in Egypt was not possible. Although this huge aircraft is merely a speck in the sky at 20,000 feet over the Mediterranean, we had no problems making our rendezvous with the tanker aircraft, a KC-135, which is based on the airframe of a Boeing 707. This aircraft flew from its base in England, over 1,000 miles away. The refueling operation was spectacular to witness. From underneath, the C-5B approached the tanker to a distance of just 15 meters or less, when the fuel link, descending from the tanker's tail, locked into our plane just above the cockpit. The refueling lasted some 20 minutes as the two huge aircraft flew along in tandem, at that minuscule distance from each other. Although it was routine for the crew, it was not without its tense moments. From there, it was another five or six hours before we reached Goma.

Logistics in the Goma disaster area

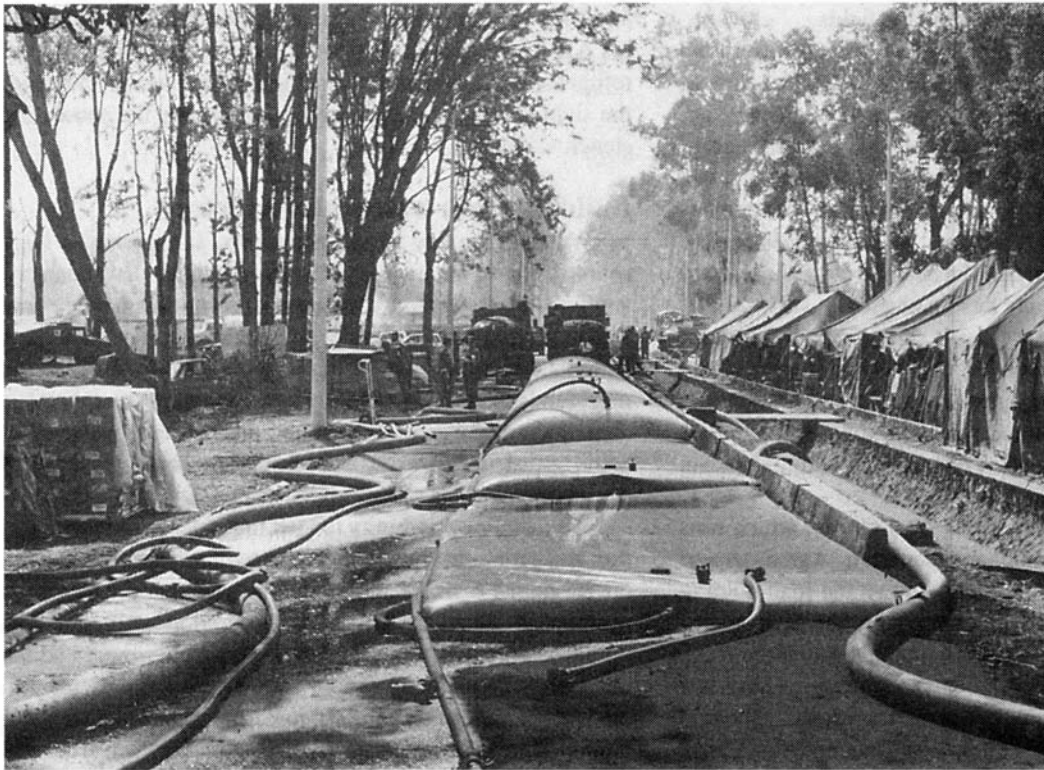
Goma is a town bordering Rwanda on the extreme eastern edge of Zaire. It is a desolate place of depressing poverty, even without the refugee disaster. The area around Goma is a volcanically active region between 1,000 and 1,400 meters

elevation; the ground is mostly volcanic ash from the region's five active volcanoes. It has a mild highland climate (with rather cold nights), and sufficient rainfall. Goma is located directly on Lake Kivu, the major source of water, now badly polluted. Provided there were some infrastructure, the Goma area could potentially be a rich agricultural region, growing coffee, grain, potatoes, and vegetables. A century of Belgian colonialism and three decades of Zaire's independence under International Monetary Fund conditionalities and neo-colonial manipulations, have left the region shockingly impoverished. Agricultural production methods are primitive and unproductive, and the small agricultural surplus is traded in tiny quantities by large numbers of mini-traders. Production and employment in small to medium-sized industry is zero. Infrastructure investment, except some paved roads, is nonexistent. Some electricity and running water systems did exist in Goma, but they are presently collapsing. There is no telephone service.

Goma Airport was capable of dealing with no more than 10 aircraft a day, with no possibility for maintenance or refueling. Loading and unloading of freight were done by hand. Here we began to encounter the formidable infrastructure problems facing the current East African relief operation. Railways from the Indian Ocean ports to Rwanda or eastern Zaire do not exist. The roads are in no condition to sustain continuous, heavy traffic, not to speak of the time factor involved in road transportation in Africa. Thus, aircraft are the only possible mode of transportation into Goma, as well as Rwanda.

In seeking solutions to these problems, the U.S. Air Force first put Goma Airport on a 24-hour operational footing. The French military, which uses Goma Airport as a major logistical base for "Operation Turquoise," had put up radar equipment, allowing a denser schedule of French military supply flights. The U.S. Air Force flew in heavy engineering equipment, fork lifts, and heavy trucks. The daily throughput of Goma Airport was increased to 30 aircraft a day, which includes French military supply flights, chartered (often Russian) aircraft of relief organizations, the U.S. Air Force, and a number of military transport planes of other nations, notably Germany and Israel. The parking space at the airport is very limited; not more than five or six aircraft can park at a time. The proximity of ground movements of aircraft, together with the traffic of trucks, fork lifts, and people on the airfield, make one wonder that no collision has occurred yet. Large numbers of refugees are steadily walking along and across the runway, even while aircraft are landing or taking off.

Because of the congestion at Goma Airport, the command for Operation Support Hope wants to open the airport of the Rwandan capital Kigali, some 60 miles away. An important factor in the U.S. airlift to Goma is the airport at Entebbe, where some 400 U.S. military personnel and about a dozen U.S. military aircraft are stationed. The American



Water storage tanks in Goma are being filled at a U.S.-run water purification station. The most pressing task of the relief operation is to provide clean water to the refugees.

personnel running the operation in Entebbe are staying in tents and hangars; the pilots are sleeping in their planes. Initial plans to turn Entebbe into an air hub had to be set aside. C-130s operating under the Air Combat Command are conducting shuttle flights out of Entebbe into Goma, Kigali, and Mombasa. Long-range American aircraft coming from Europe or the United States to Goma must carry enough fuel to continue the flight to Mombasa at the Indian Ocean, where they can park and refuel. But there is an acute jet fuel shortage in Mombasa as well.

Our aircraft was scheduled to land at midnight Aug. 3 in Goma, unload, and take off for Mombasa, where it would refuel for the return flight to Germany. At 1:00 a.m. on Aug. 4, the C-5B made a remarkably smooth landing in Goma, a runway which, on a rating of 1 to 10, was rated a 2 by our pilot. Within minutes of landing, the huge cargo doors, both front and rear, swung open for waiting Air Force personnel with fork lifts and trucks. The huge bulldozer and the two trucks rolled out on their own power. In less than half an hour, the entire plane was off-loaded. Although the aircraft was supposed to leave immediately, there was a four-hour delay before it could take off again for Mombasa.

Apocalyptic conditions

In a nocturnal tour of Goma Airport, we quickly realized that the airport functions as a rather major French military base, with two tent camps, lots of military vehicles, a field hospital, and four "Super Puma" helicopters. There are two

American encampments on the airfield, one of the Air Force and one of the Army. The camps and part of the airfield are secured by barbed wire and guarded by soldiers. Although everything seems peaceful and the airport is still controlled by the Zairean authorities, French paratroopers armed with assault rifles and truck-mounted heavy machine guns patrol the airport and downtown Goma. During our night-time inspection, we encountered two Germans at a huge Russian IL-76 transport. We learned that they were from the German Technical Aid Organization (THW). They flew in with metal pipes and pumps in order to connect the water purification equipment to water distribution points.

Following two hours of sleep atop loaded pallets, we decided to enter Goma at dawn and tour the refugee camps. Such a tour would have been difficult without the help of Mathias, the young German freelance journalist who had spent two years near Goma at a technical school run by the Protestant Church. For the five kilometers from the airport to downtown Goma, a taxi fare of \$200 was demanded. Mathias, speaking Swahili, was able to negotiate a \$20 fare. Leaving the airport, we got our first shock. Alongside the road there was a scene of devastation: All trees had been cut for firewood; mass graves were cordoned off with red and white plastic bands. Not too many refugees were still camping in the fields near the airfield, but, in the dawn, tens of thousands of people were walking down the road carrying old petrol canisters. They walk to the water distribution points to get a daily ration of water. Everybody still able to walk does so;

only the weak and sick stay behind in the fields.

In downtown Goma we met Mathias's friends from the Protestant Church, who were quite astonished to see him. A car and driver were arranged and we were soon on our way. We were taken to the local hospital run by the Baptist Church. The hospital, which has barely any resemblance to what one normally associates with a hospital, was full of cholera victims. There are only a few mattresses; most patients lie on the ground, many in the courtyard. The hospital did get a delivery of infusions, so that patients have a chance to survive. But words cannot describe the scene. At six o'clock in the morning, downtown Goma is packed with people, refugees and locals, searching for water and "trading" small amounts of food and wood. In the middle of one of the town's squares lies a dead body; people hurry past. There is a nauseating stench in Goma and much of the surrounding area.

We took the road out of downtown Goma, which runs one to two kilometers parallel to Lake Kivu. Again, tens of thousands of refugees march up and down the road holding plastic containers, going to or coming from the water distribution points. The refugees camp on both sides of the road. Occasionally we saw some tents, but most refugees have just some tarps or plastic sheets or have built traditional, spherical huts made of tree branches. Again and again, "bundles," corpses wrapped in straw mats, lie on the roadside. The infected people out in the fields do not have infusions, and the cholera kills them fast. The refugees do not seem aggressive, but rather fatalistic. But among them there are many men in uniform and armed soldiers of the defeated army of the former government in Kigali. They seem rather healthy,

and they are aggressive. One such uniformed person pulls his AK-47 gun at us when we try to photograph a group of refugees. We drive for seven or eight kilometers on that road; the sight along the road barely changes; only the nauseating stench varies.

Building fresh water infrastructure

Water is the key to life and death. Lake Kivu, a huge source of fresh water, was polluted early in the Rwandan crisis. To drink water from it is to drink poison. Even now, there were refugees drawing water from the lake. The American command identified the solution to the water disaster as the most fundamental task of Operation Support Hope. It became clear that only once sufficient amounts of fresh, clean water could be distributed throughout the region, could related relief operations, such as clinics and feeding stations, function.

We had the opportunity to visit the central water purification and pumping station. It is located in downtown Goma, on the banks of Lake Kivu. The station was set up and is operated by the U.S. Army, in cooperation with American volunteers from the San Francisco Fire Department and the German THW. French military tanker trucks participate in the water distribution. The equipment was airlifted from the United States, from Germany, and from Diego Garcia, the U.S. island base in the Indian Ocean. The station includes two water purifiers, several chlorinators, and a maze of hoses and rubber tanks. We were surprised to find the main pump was in fact a fire truck, airlifted from northern California. It is operated by a group of Californian rescue workers who use the same truck fighting forest fires in the mountains of



A French Army tanker truck draws water from the American Army-run water purification station in Goma, Aug. 4, 1994.

northeast California.

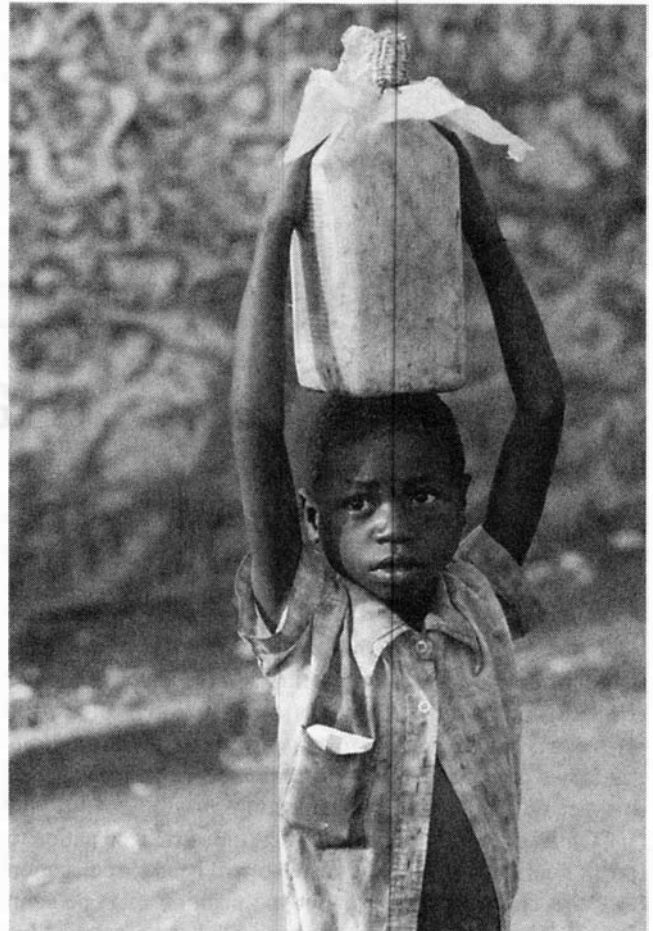
One of the volunteers, a doctor, briefed us on the operation. The purification equipment on Aug. 4 produced more than 100,000 gallons of water a day. From the pumps it is transferred to plastic/rubber storage tanks and then loaded onto tanker trucks. The tankers supply the refugee camps farthest away from Goma; some large camps are up to 30 km away. But, there is still a dramatic deficit of tanker trucks. The German THW, with its special piping equipment, had already installed a 5-km pipeline into Goma City, and another one was in the process of construction directly into a refugee camp. Once the pipelines are installed, the water throughput will increase dramatically. They will also serve as the bases for the necessary infrastructure for the establishment of a network of emergency clinics and feeding stations along the length of pipeline.

"Once we got this pure water flowing," the California doctors explained, "the death rate dropped way down. . . . Once we beat the cholera, the next fight will be dysentery, measles, yellow fever, and diseases due to malnourishment." Indeed, a fight it is. In fact, the water station is flanked by rows of U.S. Army tents, military vehicles and equipment, and armed guards. This attests to the warlike conditions under which Operation Support Hope is being conducted.

The precondition for humanitarian aid

We saw numerous relief agencies operating throughout the Goma region, including the Red Cross/Red Crescent, the U.N. High Commission for Refugees (UNHCR), Oxfam, and the World Food Program. The Israeli Army is operating a quite extensive field hospital near Lake Kivu. But, the ability to save lives without a basic emergency infrastructure is extremely limited. The disaster in Goma proves that any efficient relief effort anywhere has to have a functioning basic infrastructure as its precondition. Survival in disaster areas is not possible by handing out, even in very large quantities, bottled water, food, or medicine. Only the buildup of an emergency infrastructure assures short-term survival, and it provides the basis for a mid-term social-economic stabilization. Although it is clear that much more can be done, Operation Support Hope, with its emphasis on emergency infrastructure, is making a decisive difference in comparison to previous disaster relief operations.

It is the devastating absence of a basic infrastructure in Africa which blocks economic development. Economic development depends on roads, railways, fresh water, electrical energy, and communication systems. The lack of infrastructure and economic development is the principal source for the worsening poverty and social-political instability in Africa, which expresses itself in ethnic strife and civil and other wars. Africa's lack of infrastructure and poverty create the breeding ground for conditions there today which increasingly resemble those in Europe during the Hundred Years' War or the Thirty Years' War.



A child from Goma (not a refugee) carries water for his family. Every day, tens of thousands of people have to walk to water distribution points for a daily ration.

In spite of all its limitations, Operation Support Hope, with its emphasis on emergency infrastructure measures, may indicate the potential for a broader policy shift of the United States toward Africa. Already last year, there were some indications that the Clinton administration would not continue the Bush administration's policy of simply abandoning Africa. The firm American backing for the Nelson Mandela/F. W. de Klerk "historical compromise" in South Africa is indicative of such a policy shift. It seems that Clinton wants to reestablish some constructive, strategic role and presence within Africa for the United States. The new attitude toward Africa in Washington is still cautious, still fragile. But Operation Support Hope is a crucial step in the right direction. An emergency infrastructure buildup under disaster conditions must be followed by a general infrastructure reconstruction strategy for Black Africa. Without such a policy shift, without dumping the West's British-instigated policy axioms of the past quarter-century vis-à-vis Africa, one thing is certain: There will be many more Gomas all over Africa in the near future.

Time is running out for Cairo-maniacs

by Nora Hamerman

Only three weeks before the scheduled opening of the International Conference on Population and Development under United Nations auspices in Cairo, Egypt on Sept. 5, the pressure is building up on western governments and the United States in particular, to renounce the genocidal agenda mapped out in pre-conference meetings.

On Aug. 9, Italy became the first industrialized nation to break ranks, when the minister who will head its delegation to Cairo announced support for the position of Pope John Paul II. Since late last year, the pope has been escalating his attacks on the plans for Cairo. One day earlier, the sharpest criticisms to date of the Draft Program for Cairo and the governments that support it, were made by Vatican spokesman Joaquín Navarro-Valls.

Then on Aug. 11, the Islamic Studies Center of Cairo's influential Al-Azhar University, with the blessing of the Grand Imam Ali Ga'ad al-Haq, released a report demanding key policy changes in the Cairo document. Several European newspapers headlined that a "holy alliance" is emerging between the Vatican and the Islamic world against the Cairo conference. The London *Independent* called the new report from Al-Azhar "a severe embarrassment" to the Cairo conference host, President Hosni Mubarak, "who seeks to derive international prestige from such a conference."

Vatican: Future of humanity at stake

"The Holy See is conscious that what is under discussion is the future of humanity," Navarro told a news conference on Aug. 8. He said the pope's personal intervention was beginning to bear fruit, and that the number of countries opposed to controversial sections of the draft had grown since April. Asked whether John Paul II held the key to success or failure of the conference, he replied, "I prefer to say that good sense should prevail in Cairo."

"My feeling is that many people, even non-Catholics, have been listening clearly to the Holy Father," Navarro said. "The positions of some of the delegations going to Cairo, coming from different countries, different backgrounds, and certainly not from a Catholic and even Christian background, are now closer to the position of the Holy See." According to *Corriere della Sera*, the major Italian daily, most Latin American countries and some Islamic nations support the Vatican. Germany, Ireland, and Israel were reported "close" to the Vatican position.

Navarro repeated that "there is no agreement on 10% of the draft document" for the Cairo conference and that "in the last months, disagreements increased." The conflicts, Navarro said, concern Chapters 7 and 8, which "present aspects that clash against personal dignity." Navarro pointed to the absence of a statement excluding the use of abortion as a family planning measure, a step back from the previous population conference in Mexico, where that statement was included. When a journalist confronted him with denials of such an intention from conference chairman Nafis Sadik, Navarro replied: "Our reading of that document is different." Any time the expressions "reproductive health" and "accessible" abortive measures are in the text, Navarro said, it means that the governments will have to finance it.

In his weekly Angelus message on Sunday, Aug. 7, Pope John Paul II voiced his fear that the Mexico City language would be reversed at Cairo (the Clinton administration, for example, has yet to retract its pledge to abolish the Mexico City formula). This would "give further legitimacy to the legal practice of abortion," the pope said, and as a result, "humanity would suffer another great failure of rights and justice."

Vatican spokesman Navarro said that the U.N. draft program of action for Cairo defines "reproductive health" in a way that includes "fertility regulation." "In this manner, abortion

comes to be considered as an essential component of reproductive health," said the Vatican statement. The terms "reproductive health" and "sexual health" are "tremendously ambiguous."

"In the absence of any clarification, the concept of 'sexual health' could, for example, be applied to a whole series of sexual activities which, by their nature, are not reproductive, particularly homosexual relations." Navarro declared, "This ambiguity is unacceptable, even if looked on only in terms of scientific seriousness, let alone on ethical grounds."

Italy rejects 'third colonization'

Interviewed in the Aug. 9 issue of *Corriere*, the Italian ambassador to the Holy See, Bruno Bottai, said that Italy would support the pope's position. "Italy is very sensitive to some demands from the Holy See," Bottai explained. "We believe that two points in the draft document have to be reviewed. First, you cannot force the hand of developing countries, subordinating [economic] aid to adopting measures of birth control. Secondly, it is necessary to clarify that abortion cannot be considered as a method of birth control."

The next day, Family Minister Antonio Guidi, who will lead the Italian delegation to Cairo, blasted birth control as a neocolonial project against poor and developing countries. "Today, on the side of strong countries, there is the temptation . . . of implementing a third colonization, by imposing their idea of quality of life. And this would be tragic. We must give those suffering populations the means, first of all economically, to self-determine. After having taken away from them so much wealth, we cannot take away the fundamental one, of creating life, of having children," he said, in an interview with *Corriere*.

Guidi, whose country suffers from the lowest birthrate in western Europe, added: "We must, instead, create conditions for large families, which for those populations represent wealth, to live in a climate of democracy and peace, of respect of their culture. We must respect and recover a strong idea that in the West is no longer valid: The child is wealth in itself, but he must live in human conditions, above all from a material standpoint."

Another member of the Italian delegation to Cairo, Environment Minister Altiero Matteoli, gave an Aug. 10 interview with Vatican Radio where he stated that he will be "totally opposed to abortion" and to the "egotistical birth control" which some nations "would like to impose on the whole world."

Rocco Buttiglione, the secretary general of the Italian Popular Party—the successor to the once-ruling Christian Democracy, which is out of the government for the first time in the postwar period—exposed the geopolitical motives of the population controllers in an interview published Aug. 10. "Is it not diabolical that economic aid to the poor is given in exchange for birth control policies through abortion? Think about a large and rich country such as Brazil or Chile. If they

choose development, they can become dangerous economic competitors, right? Why then favor the 'reproduction' of Brazilians or Chileans? And then all those Blacks who create so many problems. . . . Wouldn't it be better if they are not born?" he asked ironically.

Muslim critique 'unexpected'

On Aug. 12 the liberal western media were filled with front-page reports that the pope was receiving support from an unexpected source: the Islamic Studies Center of Al-Azhar University in Cairo, the world's most prestigious center of Islamic learning. *Corriere della Sera* called the critique all the more devastating, as this represents the Sunnite Muslim establishment, who were thought to be less doctrinaire against Cairo than the Shiite Muslim hierarchy.

This critique represents a stunning failure of the subversive effort to "reform" Al-Azhar, the premier center of Islamic orthodoxy going back to around 1000. The effort pivoted on the International Islamic Center for Population Studies and Development, a U.S. AID-funded outfit planted at the university with the purpose of shifting Al-Azhar overall to conform with birth-control objectives (see *EIR* of Aug. 12, p. 49).

The Al-Azhar statement accuses the draft program of condoning extramarital sex and easy abortion, undermining parental authority, and encouraging prostitution. The statement calls on Muslims to press for significant changes in the draft program at the Cairo conference.

Like the Vatican, the Al-Azhar statement found the draft program rife with perilous "ambiguities." "The ambiguous expressions, abstract terms, and innovative jargon which abound in it suggest that it aims to adopt the opposite of the basic precepts which Islam has laid down," it charges. "It aims to defend sexual relations which arise between members of the same sex or between different sexes outside legal marriage, which destroys the values to which all revealed religions aspire."

The Al-Azhar report particularly denounces the section of the document entitled "Reproductive Rights, Sexual and Reproductive Health and Family Planning." This section contains "expressions and terms which must be changed to correct and strengthen the wording," the Al-Azhar statement says. "The Center . . . calls on the participating states to reword the draft so that it does not contain anything in opposition to Islamic law. . . . The Center recommends expressing reservations about [such violations] so that the Islamic nation is not bound by any of them."

The liberal *Washington Post* observed that Cairo's supporters "fear that such opposition by leaders of the world's two largest groups [Islam and Catholicism] could prevent consensus at the conference." U.S. Assistant Secretary of State Tim Wirth is quoted lamenting, "There's no mystery that [Vatican officials] were going to reach out to religious leaders. They've made it very clear that they've embarked on a very aggressive global strategy."

Did Boris Pankin have his hand in the till?

by Mark Burdman

The London *Times* on Aug. 8 published a bizarre defense of Russian Ambassador to London Boris Pankin, authored by Lord Nicholas Bethell. Bethell expressed alarm that there was a plot by "KGB and Foreign Ministry hardliners" to have Pankin removed as ambassador in the coming weeks, and replaced by Deputy Foreign Minister Anatoly Adamishin.

Informed Russian and British sources discounted Bethell's version of the story as "foolish." A Moscow source told *EIR* that the move to dump Pankin was coming from Russian President Boris Yeltsin himself, who in late 1993 began a public campaign against Pankin. A British Foreign Office expert suggested that Pankin himself had planted the article, using "his friend Bethell" as the channel for the story. Pankin was simply distraught about his imminent demotion. Another British source told *EIR* that Pankin was probably launching a "preemptive strike."

This latter source noted that Bethell, the great defender of "democracy" against "KGB hardliners," himself has had good KGB connections. *EIR*'s book *Derivative Assassination* (1985) documented Bethell's prominent role in the circumstances of the Oct. 31, 1984 assassination of Indian Prime Minister Indira Gandhi, and pointed to his links to the British Secret Intelligence Service and the KGB.

The Robert Maxwell connection

The Pankin controversy could have significance far beyond the issue of who is Russian ambassador to Great Britain, as important as that may be at a time when British-Russian relations are being upgraded, in anticipation of Queen Elizabeth II's visit to Russia in October. Intelligence specialists note the fact that the Pankin controversy broke less than two weeks after a July 28 German television exposé on the life and death of media magnate Robert Maxwell. That show strongly implied that Maxwell had been murdered in November 1991, as part of a coverup of communist capital flight operations out of the former Soviet Union (see last week's *EIR*). Russian television has also broadcast a show charging Maxwell's involvement in such illicit activity.

While all the facts are not yet in, what is certain is that Boris Pankin was one of Maxwell's chief contact points in the Soviet system. From 1973 to 1982, Pankin was a senior official at the Soviet copyright organization VAAP, the agency with which Maxwell worked to publish English-language biographies of top Soviet communist officials. The

close Pankin-Maxwell relationship is stressed by informed Russians, and is confirmed by British author Tom Bower, in his book *Maxwell the Outsider*, a book which Maxwell furiously attempted to prevent from being published and circulated when it was released in 1988. Some of the senior Russian intelligence sources who gave interviews to German TV had used VAAP as a cover for their intelligence activities.

The activities of the two men also overlapped in Czechoslovakia. Maxwell, of Czech origin, was always loyal to his "Czech connections," and is reliably reported to have had very high-level Czech intelligence contacts up to the day of his death. Following his position as Soviet ambassador to Sweden in the mid-1980s, Pankin became Soviet (then Russian) ambassador in Prague from late 1989 through the period immediately following the failed August 1991 Russian coup, i.e., into the period of Maxwell's death. Pankin is believed to have played an influential role among certain circles around Czech President Vaclav Havel, after that country's late-1989 "Velvet Revolution."

Maxwell and Pankin had another point of convergence, in their dirty operations against Lyndon LaRouche. As Soviet ambassador to Sweden in 1986, Pankin was instrumental in channelling the lie, concocted by East bloc intelligence services, that LaRouche was responsible for the murder of Swedish Prime Minister Olof Palme. During 1986-87, Maxwell collaborated closely with Henry Kissinger, including in what are believed to be strategy sessions against LaRouche; he was also frantically trying to counter LaRouche's influence on the AIDS issue.

Was Boris Pankin involved in capital flight operations, of the type that the German TV broadcast and various Russians indicate that Maxwell was involved in? Is the battle over tracking down this capital flight one of the reasons for Pankin's current woes? The answers to these questions are not yet in, but informed sources say that this is a solid hypothesis. One Russian source said it were plausible that Pankin would have been using Stockholm as a base for underhanded financial operations.

All this is intricately tied to the current economic and financial crisis inside Russia. Yeltsin, who is unwilling to alter his shock therapy policy, is seeking ways to divert attention from the real causes of Russia's problems, and to refocus the population's anger against "corruption." Pankin would be an obvious individual to place in the target sights of this campaign.

One expert on Russia told *EIR*: "What Yeltsin is trying to do, is to distance himself from the corrupt agencies, by blaming others. . . . Yeltsin can survive with this game for some time, but within a year, someone will find the smoking gun tying him into the mess, and then he's finished." The storm over Maxwell is only the beginning: "All this will get very much worse in the next months. All of them over there are up to their necks in dirty money operations, they all have had their hands in the till."

A strange about-face in Venezuela: Was Colonel Chávez brainwashed?

by Alejandro Peña Esclusa

The author is secretary general of the Venezuelan Labor Party (PLV).

On Aug. 4, the Caracas daily *2001* reported that Lt. Col. Hugo Chávez Frías (ret.), leader of the failed military coup of Feb. 4, 1992, had just negotiated with Colombia's leading narco-terrorist force, the FARC, the loan of 5,000 guerrilla troops for an armed uprising in Venezuela. This report, which has yet to be denied, is one of a series of reports which indicate that Chávez is preparing an insurrection on the model of the Mexican Zapatista guerrillas, to overthrow President Rafael Caldera. In other words, Chávez is trying to do exactly what the international financial oligarchy and Carlos Andrés Pérez, the former President whom Chávez tried to topple, want him to do.

Why this about-face? How is it that the leader of a coup attempt against the top agent of Anglo-American banking interests on the continent, Carlos Andrés Pérez (known as CAP), has now turned into the key player in a British plan to foment "indigenist" revolts all across Ibero-America? Could it be that Hugo Chávez was the victim of a psychological operation? Was he brainwashed during his long months behind bars?

Chávez versus Chávez

It is truly bloodcurdling to compare the public statements of Hugo Chávez in early 1992 with his proposals today:

- In an AFP wire on May 11, 1992, Chávez and other leaders of his Bolivarian Revolutionary Movement (MBR) swore that then-President Pérez was "guilty of treason for his policy of surrendering the country, for implementation of economic programs imposed by the International Monetary Fund [IMF] and the World Bank." According to the daily *El Nuevo País* on March 6, 1992, Chávez and the MBR called for "recovering public morality. Punish the corrupt. Expropriate money stolen from the nation." Chávez demanded that exchange controls be imposed and that a nationalist economic program against corrupt financial interests be implemented.

And yet, two years later, as President Caldera faces down the banking mafia, decrees exchange controls, refuses to implement the IMF program, and lifts constitutional protec-

tions in order to be able to occupy the holdings of corrupt financial groups, Chávez declares that Caldera may be committing "treason against the country" (*El Nacional*, June 6, 1994), that "Caldera resembles CAP more every day" (*Ultimas Noticias*, May 29, 1994), that Caldera "lifts the protections to assault popular sectors" (*Nacional*, June 29, 1994).

The fact is that in 1992, after the famous speech which Dr. Rafael Caldera gave before Congress concerning the events of Feb. 4, where he blamed the corrupt Pérez regime for the coup attempt, Chávez publicly offered the leadership of the MBR to Caldera. Instead, today Chávez is promoting a Constituent Assembly which would be aimed at removing Caldera from power and turning Venezuela over to the members of the Assembly, among them, of course, Chávez himself. The model he proposes is the 1991 Constituent Assembly in Colombia which, under narco-terrorist domination, set in motion a process which served only to erode that nation's fundamental values and to destroy its institutions.

- In 1992, Chávez stated that the MBR was neither left nor right, but a nationalist movement. But two years later, in an interview published by *Ultimas Noticias* on Jan. 3 and Feb. 1, 1994, Chávez said: "I deeply respect especially the social achievements of the Cuban Revolution; we may have differences in focus from its leader Fidel Castro . . . but independent of any differences . . . we recognize that this man has already entered into history and represents a reference point in America. . . . I believe that Marxism as science—because it is a science beyond any political system, as a method of analysis of reality, as a way of dealing with reality and the perspective toward the future—continues to be valid, like all the political currents which exist and have existed down through the centuries."

In the February 1994 issue of *Zeta* magazine (No. 978), Chávez talked about the Marxist insurgency launched in Chiapas, Mexico on Jan. 1, 1994: "Without claiming to analyze in depth this event of such importance for the future of Latin America, I find, however, some similarities with the Feb. 4, 1992 uprising in Venezuela."

- In a document signed by Chávez and other MBR leaders and published by *El Globo* on March 28, 1992, Carlos Andrés Pérez is accused of "treason against the country," for

having encouraged “by all means that the U.S. ambassadors accredited to Venezuela and the OAS [Organization of American States], Michael Skol and Luigi Einaudi, threaten us with a fate similar to that sought by President Pérez for Haiti, in case there were a national reaction against him; through his U.S. press lobby he got the *New York Times* to support the creation of an invasion force against Venezuela.”

Now that Caldera is leading the national reaction against CAP and his perverse policies; now that Caldera is opposing the invasion of Haiti; now that Caldera is being attacked by the media lobby of Pérez in the United States; now that the team of Luigi Einaudi is destabilizing Venezuela with the ultimate aim of overthrowing Caldera; Chávez is not defending the Venezuelan government, but attacking Caldera through interviews given to the *New York Times!*

Not content with this, Chávez is turning into a tool of Einaudi and British intelligence to promote “indigenous” uprisings designed to provoke chaos, civil war, and the balkanization of the continent into tiny, weak political satrapies. This past February, Chávez said: “What is happening in Mexico is a reencounter with our roots. To go back to Zapata is to go back to Zamora, to America’s roots, to Tupac Amaru, to Guaicaipuro, Tamanaco, to the present indigenous peoples who struggle to recover the lands which have belonged to them more than ten thousand years.”

According to *2001* on July 28, forces loyal to Chávez are preparing the secession of Bolívar state from Venezuela, exactly as “Commander Marcos” is trying to do with Chiapas in Mexico. When Chávez’s public statements are compared to those of Marcos, they speak an identical language. It must also be recalled that Bolívar is ruled by Causa R (Radical Cause), a party linked to the terrorist umbrella group known as the São Paulo Forum, to which Marcos’s Zapatistas also belong.

Demagogic tool of Pérez

As can be seen, that young officer who dared to rise up against the most corrupt government that Venezuela ever had; that individual who appeared on Feb. 4 on the television screens boldly admitting his defeat; the person whom all of Venezuela—ourselves included—supported, because he represented a hope, has now turned into a dangerous demagogue, a tool of Pérez against Caldera, a tool of British intelligence against all of Ibero-America.

What happened? What happened during his imprisonment?

We can imagine Chávez on Feb. 5, 1992: having failed, alone, betrayed, not only threatened with 30 years in jail, but publicly threatened with death by then-Sen. David Morales Bello (“death to the coup-makers,” the senator said to Congress on Feb. 4). There is Chávez—incommunicado at times, denied legal counsel, moved to Yare Prison under strange and perilous circumstances; in short, he is terrorized. It ought to be asked of a certain former defense minister tied to Carlos

Andrés Pérez why all those irregularities occurred.

We can imagine various figures visiting Chávez in prison and telling him: “Don’t worry, you are the reincarnation of Bolívar,” “You are the new Che Guevara.” He is offered the support of Latin America’s guerrilla forces, he is promised fame, women. We see military men and civilians, close to Pérez, experts in psychological warfare (perhaps advised by the U.S. embassy?), profiling Chávez’s weaknesses, stroking his ego, channeling his rage against Pérez against a different target. We can imagine the use of certain techniques to degrade him with low passions; women brought to his prison; he becomes docile toward his controllers.

Fear, rage, lust—ideal ingredients to manipulate the victim. Abracadabra, months later, out comes the new Chávez: self-worshipping, lusting for power; his main rival is no longer Pérez, but anyone or anything which gets in the way of his “historic destiny”; now only trying to please whoever offers him power, even if they are enemies of the nation. He is only interested in arriving. Only *he* can rule.

A few months later, on Nov. 27, 1992, Chávez was already so full of himself that he could not conceive of “competitors.” In his book *Military Insurrection of 27-N-1992*, Admiral Gruber, top leader of the second failed coup attempt, states that Chávez sabotaged everything—to the benefit of Pérez.

Now, Chávez repeats Castro’s and the British slanders about Ibero-American history: “At the end of the 16th century the Conquistadores inspired by [Sir Thomas] More wanted . . . to impose the so-called ‘New Order,’ without regard for the fact that America with its autochthonous development was for centuries already a utopia, with a political and socio-economic movement already present in the Aztec, Mayan, and Inca cultures, and not only did they not respect it but in the name of the sword and the cross they erased it from the continent. . . . The political institutions produced by this degeneration arose out of relations between conqueror and native, relations of exploitation, domination, elimination, and imposition” (*El Nuevo País*, July 26). Chávez doesn’t say that the Aztec culture was based on human sacrifice and cannibalism, and that it was the evangelization by Spain which rescued the other Mexican tribes from Aztec imperialism. Thus, with his distorted vision of what the evangelization of America was all about, Chávez is ready to back the “indigenist” separatist movements against national sovereignty and the armed forces; exactly what the British are promoting.

No one expressed more concern over the new personality of Hugo Chávez than his own comrade-in-arms, Cdr. Francisco Arias Cárdenas, in a letter in *El Nacional* on Sept. 1, 1993, in which he attacks messianic populism and states that “I am somewhat calmed by the decline of the Chávez ‘myth.’ ”

Truly, it would be worth investigating if Hugo Chávez has been brainwashed.

'Foreign interests may well be looking toward taking apart Mexico'

Cuauhtémoc López Sánchez is a member of the Mexican National Congress for the state of Chiapas, from San Cristóbal de las Casas (second electoral district). He is a former president of the High Court of Justice of the state of Chiapas.

On Aug. 21, a presidential election is scheduled in Mexico. The climate is one of violence, in which foreign interests have made themselves felt. One should recall that on March 23, 1994, the presidential candidate of the ruling Revolutionary Institutional Party (PRI), Luis Donaldo Colosio, was murdered during an electoral rally. (On July 11, his widow, Diana Laura Riojas de Colosio, was received in private audience by the pope in Castelgandolfo, Italy.) On July 27, the bishop of Guadalajara, Msgr. Juan Sandoval Iñiguez, announced that he had delivered to Papal Nuncio Msgr. Gerónimo Prigione, documents suggesting that his predecessor in the Bishopric of Guadalajara, Cardinal Juan Jesús Posadas Ocampo, murdered in the airport of that city on May 24, 1993, was killed deliberately and not as a case of mistaken identity as the press had originally reported.

On July 25, the Party of the Democratic Revolution (PRD) candidate for governor of the state of Chiapas, Amado Avendaño, was seriously hurt in a suspicious traffic accident. Along with Bishop Samuel Ruiz García of San Cristóbal de las Casas, Avendaño, a close collaborator of PRD presidential candidate Cuauhtémoc Cárdenas, was the main public support for the so-called National Zapatista Liberation Army (EZLN), a separatist "indigenist movement" which launched an armed uprising in Chiapas on Jan. 1, 1994. Due to the circumstances of the accident, Avendaño's victory as governor of Chiapas on Aug. 21 seems virtually assured.

In Chiapas, the terror generated by the EZLN has reached proportions such that, on July 20, a general strike was called by the farmers and businessmen of the state, which lies on the border with Guatemala, to demand that the government intervene militarily in their defense. Heavily armed bands of the EZLN roam the countryside, illegally expropriating landowners, mutilating, torturing, and kidnapping those who resist. Over 200 have fallen victim to the EZLN, which is now thought to number 4-6,000 guerrillas, since the January offensive. In January, the hitherto-unknown group, which is believed to enjoy powerful support from Anglo-Saxon and allied financial circles, targeted, as does the Shining Path in Peru, hospitals, schools, and elec-

trical and hydraulic installations.

In early July, the head of the Defense Commission of the Mexican Congress, Gen. Ramón Mota Sánchez, told the plenary session of the commission that foreign groups were financing the secessionist movement in Chiapas. The Mexican press identified the German branch of the Comité Catholique Contre la Faim, the German group Misereor, and the Summer Linguistic Institute, an American "cultural" association, among others, as involved. General Mota Sánchez's remarks were seconded by the head of the Justice Commission of the Congress, Castillo Mota, and by Congressman López Sánchez, whose remarks follow.

EIR: How would you explain, in simple terms, to an American or European reader what is now happening in Chiapas, and whether there is a risk that the insurrection might spread to other parts of the country?

López Sánchez: Those who decided that the conflict should take place precisely in the state of Chiapas, did so taking into account the geography, the social problems, the backwardness, the injustice, and the history of the state of Chiapas. The state of Chiapas is located in the south of the republic, and has a very long border with Guatemala. The zone of the conflict lies along the so-called Petén zone of Guatemala; it is a humid, tropical area with little means of communication, formerly very sparsely populated, to which Indians from other regions emigrated, and to which refugees from Guatemala and other Central American countries have fled. It is also most likely that other fugitives from justice have found a haven in the area.

From 1960 to 1990, the population of Chiapas almost tripled, from about 1.2 million to 3.2 million. This was mainly due, not to immigration from other areas, but to the rise in the birthrate, and in life expectancy, due to the public health programs. I should note here that the population of the state is most sparsely distributed: There are 5,000 villages of fewer than 100 inhabitants each.

This growth had a considerable impact on land ownership, land having been redistributed in the state up until 1988; some 53% of the total area is common land, i.e., under a form of common exploitation. About 25% is private property, and the rest is either cities, or roads, dams, etc., which means that unless we wish to eliminate private property, the most

productive, there can be little chance of distributing more land. From the 1960s on, when Bishop Samuel Ruiz García arrived, ideology entered upon the scene, with the application of the theories of Theology of Liberation.

One may *explain* why the EZLN has arisen in the state of Chiapas, but this in no way justifies the arguments of the guerrilla. The figures for population growth, the great advances with respect to roads, schools, health centers, public services, have led to considerable betterment in the lot of the Indian population. One may quibble with this and that, but there is no basis for the EZLN's so-called "social justification."

As for the risk that the EZLN may spread to other parts of the republic, I do not think that will happen, since, even in the state of Chiapas, where there *is* a marked backwardness, the greater part of the Indian population will have nothing to do with the armed uprising. Out of 1.1 million Indians, there are 10,000, at most, in the EZLN. Both inside and outside the state, there is sympathy with the notion that the lot of the Indians, all the Mexican Indians, must be bettered, but not by violence.

EIR: Why have international private bodies become involved in financing the EZLN through the bishop of San Cristóbal, and what are the real causes of the conflict?

López Sánchez: There are a number of reasons. There are reasons which have to do with the state of the world economy; following the NAFTA [North American Free Trade Agreement] . . . foreign economic interests may well look toward taking apart the territory of the Republic of Mexico, either by setting up autonomous regions, or overthrowing the constitutional order of the country, in a thrust to put the country under their own dominion.

Another reason is the strategy pressed by the group of liberation theologians in Mexico, in Central America, and in South America, especially, to set up territories run by a so-called Indigenous Church. We have heard over and again the arguments of Bishop Samuel Ruiz García of San Cristóbal, and of the EZLN's "Sub-Commander" Marcos, who tend oddly to coincide on many points. Those who actually live in the state know that Bishop Ruiz García, over years, has been receiving economic help from various religious and other groups both in Europe and the United States, and the question has been posed, to what end these funds received by Bishop Ruiz García and by other bishops, have been put. In other dioceses, including right here in Chiapas, people are very much aware of what has been built and done with whatever sums have been donated.

But, in the case of San Cristóbal de las Casas, apart from the system of radio-communication used by the various parishes, and which, according to some, has been used to communicate with the Guatemalan, Salvadoran, and Nicaraguan guerrillas, and apart from the hospitals of Larrainzar and Altamirano which are now controlled by the EZLN, there is nothing else known to have been built or carried out by Bishop Samuel Ruiz García.

This does not mean that we doubt the good faith of the bodies which have donated funds for pastoral work, but rather, we do believe that the sums should be put to the aims for which they were originally given, and none other.

Another hypothesis concerning the origin of the conflict, has to do with narco-terrorism, but this is a theme about which too little is presently known for me to go into it here.

EIR: Why have you thrown into doubt the role of Samuel Ruiz García as mediator in the EZLN conflict?

López Sánchez: To my mind, the aim of the mediator should be to bring together the parties to a conflict in order to achieve, in this particular case, peace, and that is not what has happened with Bishop Samuel Ruiz García. He has used the past months to legitimize a movement which has broken the rule of law in this country, sown violence, death, mayhem, and plunged a great number of inhabitants of our state into anxiety, insecurity, and fear.

The bishop has devoted the last months to building up the image of the EZLN both in Mexico and abroad, with the purpose of obtaining for himself the Nobel Peace Prize, with which he believes he shall somehow justify what he has done in Chiapas—the 34 years in a state where he has left behind nothing save death and hatred.

EIR: People such as Bernardo Sepulveda, the former foreign minister and former ambassador to London; Miguel de la Madrid, the former President; and Jorge Castañeda, the U.S. State Department's preferred "political scientist," re-

U.S. destabilizes Caribbean

If Americans are now worried about the impact of thousands of Haitian refugees flooding their shores, they should weigh the implications of a violent "pro-democratic" insurgency in Mexico, a country of 100 million right on the U.S. border.

That potential loomed larger, when the Clinton administration, following the "Project Democracy" scenario scripted by British intelligence and the Bush-Thatcher axis embedded in the U.S. policy establishment, forced the Dominican Republic to tear up its constitution and overturn the results of last May's presidential elections. Incumbent President Joaquín Balaguer defeated the U.S.-backed candidate José Francisco Peña Gómez. Balaguer announced on Aug. 10, that his term will be cut from 4 years to 18 months, and new presidential elections held in November 1995.

The United States claimed that the last elections were fraudulent because thousands of supporters of Peña

cently set up a salon, known as the San Angel Group, which meets regularly over lunch in private mansions. How can it be that the vicar general of San Cristóbal de las Casas, Don Gonzalo Ituarte, was invited to address this group last week, during the course of which he proposed they meet with guerrilla leader Marcos?

López Sánchez: The San Angel Group carries us back to the days when only the financial or intellectual elites had the right to express an opinion about democracy—the Roman patricians, the Athens of Aristotle, or those early years of independent Mexico, when you had to have landed property or a degree in order to vote. Nonetheless, I feel that the San Angel Group (though of course no one knows who precisely or how many people may be part of it), may somehow be a debating ground for various currents, which might possibly contribute to confidence in the electoral system. Its role may be taken into account as a body of *opinion*, but not as a body having anything to decide about the democratic process.

I have no idea in what capacity Don Gonzalo Ituarte was invited to address the group, but his presence there was probably very useful, in order for the San Angel Group to see for themselves to what extent the aims and ambitions of Bishop Ruiz García and those of “Sub-Commander” Marcos, do coincide, and how suspiciously they coincide with the very views of Cuauhtémoc Cárdenas, the PRD’s presidential candidate.

EIR: What importance does the National Democratic Convention (CND) have? The EZLN has called for the CND to meet in early August, in a newly built auditorium for 4,000

people in the jungle of Lacandonal. Among others, Regis Debray [of France] and Rosanna Rosenda of the Italian Radical Party are expected as guests from the European Union.

López Sánchez: The EZLN has expressly invited those who *oppose* the concept of national unity. Their aim is to destabilize the country and bring the conflict to the whole territory of the republic. That is why they have invited people from other nations to take part in the CND, in order that they endorse a strategy not based upon the reality of the progress which *has* been made here.

For those who know nothing of Chiapas or of Mexico, the first impression they retain upon seeing certain Indian villages is very strong, of course; and they want to express solidarity with their demands, without having, however, a deeper notion of how the backwardness, which is real, shall be done away with. The PRD has manifestly been trying to discredit *abroad* the progress that has been made here, whereas there are sufficient channels in this country for people to express constructive criticism.

People have been invited to the CND from all over the republic, and foreign associations as well. There are opposition groups in Mexico, most of them radical, whose criticism has been shown by the course of history to be destructive, but who seek support from abroad for their views today, through the CND.

I hope that those who are about to arrive here from abroad will be serious and responsible. If not, it would be better, in the interest of peace and in the interest of the future of Mexico, that they stay away.

Gómez—a member of the pro-drug Inter-American Dialogue—could not cast their votes. But while Balaguer is being forced out, the Dominican senators and representatives elected along with him in the same elections will serve their full four years. Peña Gómez’s PRD won a plurality in both chambers!

Backed by Secretary of State Warren Christopher, U.S. Ambassador Donna Jean Hrinak demanded the new elections, and encouraged sedition by the PRD and its allies, which include the Dominican Communist Party of Narciso Issa Conde. Deputy Assistant Secretary of State for Inter-American Affairs Michael Skol threatened: “Our concern that the Dominican people be represented by a government which has been chosen in free and fair elections . . . is every bit as strong as it is for the people of Haiti.”

Indeed, U.S. policy toward the Dominican Republic is largely driven by the crisis in Haiti, on the other side of the island. While Balaguer has fought the genocidal embargo against Haiti since it was first imposed by George Bush, Peña Gómez supports it and backs an invasion to restore Jean-Bertrand Aristide to power in Haiti. Besides

the constitutional reforms, Balaguer was arm-twisted into signing an agreement allowing U.S. troops to patrol the Dominican border with Haiti.

The Inter-American Dialogue is making headway in infecting the Clinton administration with Bush’s British-inspired “democracy and free trade” rhetoric. At an Aug. 3 news conference, Clinton said that U.S. national security “is caught up in whether the people in this hemisphere are moving toward democracy and open markets.”

The next test for this “Project Democracy” will be Mexico’s Aug. 21 presidential elections. Cuauhtémoc Cárdenas, candidate of the left-wing PRD, has declared that the ruling PRI party has “fixed” the results. Cárdenas has allied with the narco-terrorists of the Zapatista National Liberation Army (EZLN), which staged a bloody insurgency in Chiapas on Jan. 1. The EZLN, along with myriad other radical groupings, recently held a convention in the jungles of Chiapas. The consensus was to overturn Mexico’s system of government. “Civil disobedience” experts have reportedly been brought in to provide advice and training in post-election protests against the ruling PRI, when it wins.—*Carlos Wesley*

Bankers give Lula a new running mate

Aloisio Mercadante, vice presidential candidate of the Workers Party, is "proletarian monetarism" in action.

The Brazilian Workers Party (PT), so far favored to win the October presidential elections, has completed a maneuver intended to strengthen the support already tendered the party by the international financial establishment, particularly by that faction represented by the Washington-based Inter-American Dialogue (IAD).

In the wake of a corruption scandal that has badly tarnished the party's facade of being "honest to a fault," and caused nervousness within the party's upper ranks, the party leadership has dumped Sen. José Paulo Bisolas, its vice presidential candidate, from the ticket headed by party leader Luís Inácio "Lula" da Silva.

Bisolas is a degenerate, who is seeking to consecrate the "right" to homosexuality in the nation's Constitution; his removal is due to an attempt to retread Lula as a "moderate" candidate, rather than an extremist. Bisolas' replacement, economist and congressman Aloisio Mercadante, is one of the bankers' highest-ranking flunkies inside Brazil.

Mercadante's nomination underscores the Workers Party's refurbished deal with the Inter-American Dialogue, an understanding which dates back to 1990, right after Lula joined the IAD. Mercadante's selection is also intended to respond to the sudden rise in the polls of Lula's main opponent, Fernando Henrique Cardoso, who on his own account has a longstanding, intimate relationship with the international banking community and is a founding member of

the Dialogue.

Mercadante represents an influential group within the party, and as such had been considered a likely finance minister in a Lula administration. Among the most significant proofs of his pro-banker *bonafides* is the fact that in his trips abroad to explain his party's program to the Anglo-American elite, he has been financed by Banco Garantia, one of the Brazilian banks most heavily involved in making a speculative killing in the financial derivatives market.

For example, Mercadante was financed by Banco Garantia on his trip to the United States earlier this year, when he visited the Rockefellers' Americas Society, among other forums.

It turns out that Banco Garantia is owned by Jorge P. Lemann, an Inter-American Dialogue member who happened to join at the same time as Lula, and who is a financier of the George Soros stripe, who prides himself on his relationships with neo-communist organizations and individuals, such as the pro-terrorist São Paulo Forum, which was founded at the instigation of the Cuban Communist Party, and to which Lula also belongs.

Mercadante is a prime representative of what might be called "proletarian monetarism," that is to say, a rather poorly disguised version of British liberalism; as an example of this, in December 1992, Mercadante, as a representative of the Workers Party, presented Brazilian President Itamar Franco the proposal to utilize a portion

of the nation's foreign exchange reserves to purchase U.S. government bonds, to be offered to Brazil's foreign creditor banks as guarantees for those banks' agreeing to lengthen the term of Brazil's debt.

Mercadante has also been charged with "moderating" the party's position concerning treatment of the foreign debt, eliminating the possibility of a debt moratorium, or any similar measure that might protect Brazilian sovereignty in the context of global financial collapse.

Beyond strengthening the PT's ties to the bankers, Mercadante's nomination also furthers another goal, which is to present a sufficiently moderate image that the powerful Brazilian military does not veto a Lula presidency. The idea is to try to show that the "Mensheviks" of the party have prevailed.

The PT seeks to play on the fact that Mercadante is the son of the distinguished Gen. Oswaldo Muniz Oliveira (ret.), ex-commander of the Superior War College, and thereby hope to open a channel to the military. This was recently exploited effectively by the PT leadership in a confrontation between the cabinet's military ministers and the judiciary, over the issue of military wages, in which Mercadante acted as negotiator between the Congress and the Army minister.

The PT is doing everything possible to woo the military to ensure that they won't block the PT from taking office. To this end, they have promised that under a Lula government, the high-tech programs pushed by the military would be further developed, or at least formally respected.

Such promises are hot air. The ties of Lula abroad to the IAD and the São Paulo Forum, and at home to the radicalized PT apparatus, reveal what his actual policy is toward the military: to eliminate it.

Battle is joined for nuclear power

To counter recent victories for the pro-nuclear forces, radical ecologists are threatening a new upsurge of violence.

Should the 16-year administrative blockade of nuclear power projects not be lifted in the near future, the Germans might one day, not so far into the next century, find themselves having to knock on Asian doors to get their nuclear facilities repaired, for they will no longer have the specialists to do the job.

This warning, coming from a senior member of a Frankfurt-based engineering firm at a nuclear policy seminar of the Evangelical Academy at Loccum at the end of June, seems to have been heard by the judges of the Supreme Administrative Court in Berlin, who ruled on Aug. 9 that three challenges by ecologists against the new nuclear fuels plant at Hanau, in the state of Hesse, are to be dismissed, and that the project is legal. Pending six other minor legal challenges, the plant, which is operated by the Siemens Corp., can now be completed so that it can go into production of fuel elements from plutonium for Germany's 22 nuclear power plants. The Hanau site is the only one of its kind in Germany and one of only six in the world.

The court ruling, a key victory in a years-long battle between ecologists and the nuclear industry, can become a vital step toward lifting the technology blockade which the country's politicians imposed in 1978, at the peak of violent protests against the nuclear power sector. No new atomic power plant has been authorized since.

There are certain indicators that the political environment in Germany is changing, making possible a return

to the pro-technology impulse that secured the country a place among the most developed of the industrial nations.

On July 21, the state government of Bavaria published its new medium-term investment program, which will provide 3 billion deutschmarks (\$1.9 billion) for projects in the nuclear and other engineering sectors of that state. Most important is the Bavarian decision to fund the planned new nuclear research reactor at Garching, a "neutron source device," with DM 450 million—the largest single item in the state budget for science and technology. This Bavarian funding goes unmatched in the rest of Germany.

Another DM 300 million will be spent to fund a number of regional engineering colleges which Bavarian Gov. Edmund Stoiber said are an "absolute must for a high-tech state like Bavaria that has an interest in playing a role in the next century."

Stoiber called the planned nuclear research reactor "an indispensable precondition of any future top-level productivity in science and technology," and announced that the Bavarian state will also create special "technology transfer centers" to speed up the application of new technologies to the industrial production process.

Another important development was an advertisement recently published in the country's big news dailies by all the mayors of municipalities that are sites of nuclear power facilities. An ad like that, endorsing nuclear technology, would not have been possible in recent years, given the

anti-nuclear climate.

On the other side, however, there has been a revival of rabid ecologism that would employ violence to stop nuclear projects. This can be observed in the protests at the planned nuclear waste dump at Gorleben, where activists have blocked roads, sawed through railroad tracks, and damaged electrical transmission towers.

The left-wing opposition Social Democrats (SPD) are joining this propaganda campaign, in an effort to sell their lackluster chancellor candidate, Rudolf Scharping, as the "alternative to Helmut Kohl" in the October elections. The SPD's left wants a coalition with the Greens after the elections, but ecologism and radical "anti-fascism" in the party's campaign alone won't yield a majority in the parliament. The "red-green" alliance needs a third partner, and the only one that comes to mind is the Party of Democratic Socialism (PDS), formerly the ruling East German Socialist Unity Party (SED). The PDS is continuing the SED's policy of fomenting ecologism in western Germany to weaken the system there; it is strong in the five eastern states of Germany, where it controls 20% of the vote—not an insignificant factor for the October elections.

A "red-green-red" alliance already exists in the eastern state of Saxony-Anhalt, where the SPD and Greens didn't receive a majority of votes in the June 12 elections for state parliament, and had to rely on the votes of the PDS to be able to form a minority government. The PDS element "outside" the coalition is strong enough, however, to reinforce the radical ecologists in the SPD of that state; that policy is already having its first results in statements by the Saxony-Anhalt government, that it wants to block all big infrastructure projects for ecological reasons.

International Intelligence

German Catholic bishops denounce Cairo '94

To think that the German Catholics may oppose the Vatican over the Cairo conference is an illusion, said Cardinal Lehmann, the archbishop of Mainz and chairman of the German Catholic Bishops Conference, on Aug. 4. He said that the German Catholics cannot support the U.N.'s Sept. 5-13 International Conference on Population and Development, because it is based on "the wrong policy and wrong concept of man."

Resistance against the U.N.'s malthusian approach seems to be strong even in the liberal Catholic Church of Germany, as there is evidence that Christian Democratic members of the Bundestag (parliament) have proven influential enough so far to block a resolution that would have endorsed the Cairo conference.

In addition, a pamphlet is being circulated by the Catholic Church's "Missio" organization, which opposes the Cairo agenda because of its technocratic arrogance. The Cairo agenda says that the grave problems of the developing nations can be solved by birth control, while in reality, the development of the economic and social potentials of those nations is the only thing that will help to overcome the chronic crisis in the South.

States of southern Africa to form policy community

Eleven states of southern Africa have stated their intent to form a joint development and policy community, at a meeting at the end of July in Windhoek, the capital of Namibia. The former consultative group of the "frontline states" was formally disbanded to make room for future close cooperation between them and the new Republic of South Africa, Zimbabwe Foreign Minister Nathan Shamuyarira explained.

The new form of consultation and cooperation which will be launched through the South African Development Community (SADC) is designed to include economic as well as general foreign policy and strategic

military issues.

The SADC includes as member states the Republic of South Africa, Namibia, Zimbabwe, Zambia, Tanzania, Angola, Mozambique, Botswana, Swaziland, Lesotho, and Malawi.

Irish Republican Army may accept cease-fire

Signs "strongly indicate" that the Irish Republican Army may accept a cease-fire, according to the *Irish Times* of Aug. 1. Citing "Republican sources in Belfast," the *Times* said that the IRA was getting ready to announce a unilateral cease-fire to last at least one month, possibly two or three, beginning in September.

The prospect for the cease-fire came a week after the IRA's political arm, Sinn Fein, had rejected major provisions of the peace plan put forward in December by the British and Irish governments in the 10 Downing Street Declaration. But, Sinn Fein's president, Gerry Adams, insisted that the refusal did not kill peace efforts, stating that the IRA remained "flexible." This was especially true if an end to the peace talks meant the "demilitarization" of Northern Ireland, where 30,000 British troops and the Protestant paramilitary guerrillas are based.

Vatican to look into acts by Mexican clergy

The Vatican is appointing a special "Visitor," or inspector, to determine whether members of the Mexican clergy are fomenting violence or are involved in promoting the Zapatista National Liberation Army (EZLN), according to the magazine *Summa* on Aug. 2.

Many have charged that Bishop Samuel Ruiz of San Cristóbal de las Casas and other members of the clergy directly organized the EZLN and orchestrated the Jan. 1, 1994 uprising in the Mexican state of Chiapas.

Bishop Javier Lozano Barragan of Zacatecas, president of the church's Doctrinal Commission on Faith, clarified that the inspector's task will be limited to investigat-

ing, analyzing, and reporting to Pope John Paul II on what is happening in Mexico in this regard. Lozano Barragan underscored that the naming of the special inspector is in no way related to the Aug. 21 presidential elections, but is only intended to confirm whether accusations of clergy involvement in Zapatista violence are true.

There is reportedly a great deal of unrest among clergy who back Ruiz over the Vatican's plans. Some fear that Lozano Barragan himself, who is a hard-line opponent of Samuel Ruiz, might even be named, which would be a major blow to Theology of Liberation operations in the country.

Ruiz met briefly with Pope John Paul II during the first week in July, while on a visit to the Vatican.

Cardinal Sin demands an accounting on Cairo

The Catholic Bishops Conference of the Philippines has called on President Fidel Ramos to make public the names of all members of the national delegation to the U.N.'s International Conference on Population and Development, to be held in Cairo Sept. 5-13.

The archbishop of Manila, Cardinal Jaime Sin, told the Rotary Club of Manila on July 28 that the letter to President Ramos asks "with a sense of great urgency that the names of the Filipino representatives to the Cairo conference be made public and that they be made accountable for the protection and promotion of those values regarding life, family, and sexuality which are held dear by the overwhelming majority of our people and enshrined in our culture and our Constitution."

Cardinal Sin continued: "I hereby hurl a challenge to you, esteemed Rotarians, accomplished and influential citizens of our republic, to do your utmost in the defense and in the cherishing of those cultural, moral, and religious values without which our lives would lose their meaning. . . . The future of your children, even our very souls, are put in jeopardy. What, my dear friends, does the Rotarians' ideal of service urge you to do?"

Nagasaki mayor rejects unfair nuclear treaty

The mayor of Nagasaki, Japan, said on the Aug. 9 anniversary of the atomic bombing of that city, that non-nuclear weapons states should block an extension of the Nuclear Non-Proliferation Treaty (NPT), unless the nuclear states agree to scrap their weapons also.

"We are opposed to the unlimited, unconditional extension of the NPT without the nuclear-possessing powers clearly stating that they will eventually ban the weapons," Mayor Hitoshi Motoshima said at a memorial ceremony for survivors and families of victims on the 49th anniversary of the Nagasaki bombing. "Nuclear weapons are an absolute evil with the capacity to destroy mankind," Motoshima said. "The Japanese government should clearly state that using such weapons violates international law."

Motoshima also said that Japan must repent for its past aggressions.

London wields NPT to stop Asia's nuclear power

The *Financial Times*, mouthpiece of the City of London financial community, on Aug. 5 called for using the renegotiation of the Nuclear Non-Proliferation Treaty (NPT), which expires in 1995, to halt the "developing large civil nuclear programs . . . [in] the technologically sophisticated Asian countries including Japan, Taiwan, and South Korea." Also targeted are Algeria, North Korea, India, Pakistan, and Israel.

The real challenge for the 1995 NPT negotiations, according to the paper, is to "devise a further U.N. inspection regime" to stop potential new proliferators.

The article, titled "Tick, Tick, Tick Them Off," by Jimmy Burns and Bronwen Maddox, asserts that the existence of standard light water reactors in Japan, Taiwan, and South Korea "gives these governments access to large quantities of nuclear material which could potentially be used for weapons." The article states that "Japan's 46 nu-

clear power stations (and seven more on the way) . . . according to physics Professor Richard Wilson at Harvard University, mean that 'Japan can make a bomb at any time.'"

Princeton's Harold Feiveson is quoted as saying that since Israel, Pakistan, and India are already "de facto nuclear weapons states," having long refused to sign the NPT, we should give up on them. The 1995 NPT negotiations "have a better chance" of smashing the East Asians. Otherwise, "Asian enthusiasm for civil nuclear power may pose as much of a difficulty" as North Korea and Iraq.

The article demands that North Korea not be given light water reactors by the United States, since "if North Korea wins economic concessions from the U.S., other countries may seek to use the same brinkmanship in hope of similar rewards."

NATO air strikes didn't stop genocide in Bosnia

Bosnia's Ambassador to the United States Sven Alkalaj on Aug. 5 applauded NATO's limited air strikes on Serb targets, calling them a "display of long-overdue resolve." But he warned that, "with or without air strikes, Sarajevo continues to be strangled and isolated with seven days of food left, while genocide continues in Serb-occupied lands and while Bosnia continues to be denied its inherent right to self-defense."

The Serbian policy of ethnic cleansing continues unabated. On Aug. 6, a group of 64 Muslim women, children, and elderly men arrived in Tuzla after being brutally expelled from the Serbian-held town of Bijeljina in northeast Bosnia. They had been among 300 Bosnian Muslims who were seized in the town and held in a basement for four days. All able-bodied men were turned into slaves for the Bosnian Serb Army.

On Aug. 8, Momcilo Krajisnik, speaker of the self-styled Bosnian Serb Assembly, issued a statement demanding 64% of Bosnia for the Serbs. Earlier, Krajisnik had complained that the 49% offered by the international plan translated into only 20% of Bosnia's economic assets.

● **ISRAELI-IRAQI** secret talks about a comprehensive peace agreement are proceeding on a high level, the Israeli daily *Yedioth Ahronot* reported on Aug. 5. Somewhere in Europe on July 19, an official of the Iraqi Defense Ministry and a senior Israeli envoy met to probe options of common interest. Iraq is said to have offered oil sales to Israel, once the state of enmity between the two countries and the U.N. embargo against Iraq are lifted.

● **THE GERMAN** Civil Rights Movement Solidarity was officially certified on Aug. 5 to campaign in the October parliamentary elections in the states of Bavaria, Baden-Württemberg, Hesse, North Rhine-Westphalia, Lower Saxony, Thuringia, and Berlin. The party's national slate is headed by chancellor candidate Helga Zepp-LaRouche.

● **KUWAIT** will receive weapons from Russia, under an agreement signed between the two governments on Aug. 8. The Russian delivery will include light armored personnel carriers of the type BMP-3, and an updated version of the Katyusha rocket launcher.

● **GUATEMALAN** Defense Minister Gen. Mario René Enríquez announced the discovery of a weapons cache containing seven tons of AK-47 rifles, grenades, rocket launchers, and explosives, near Guatemala City, in the home of a Mexican citizen. The general said that the possibility that the weapons were destined for the Mexican Zapatista insurgents "cannot be discarded as a hypothesis."

● **THE FRENCH NAVY** came to the defense of French fishing boats under attack by Greenpeace on Aug. 5, AP reported. The Greenpeace ship *Rainbow Warrior* sent four assault boats against the fishing vessels, to harass them and cut their nets. A naval patrol boat fired a stun grenade at one of the Greenpeace boats.

Thirty years of collusion between the ADL and Stasi

by Jeffrey Steinberg

On June 28, a short article in a leading German newspaper, the *Frankfurter Allgemeine Zeitung*, shed new light on one of the nastiest mysteries of the Cold War epoch: the collusion between Soviet Bloc secret police services and the nominally Jewish American “civil rights” group, the Anti-Defamation League of B’nai B’rith (ADL). The article, by German Jewish historian Michael Wolffsohn, revealed that in 1985, the East German regime, through its State Security Service, the *Staatsicherheitsdienst* (“Stasi”), launched a “friendship offensive” toward American Jewish organizations. The dreaded Stasi, which had a special role in carrying out highly sophisticated and dangerous overseas secret police operations within the Soviet intelligence machine, found its most willing western partners at the ADL and at the World Jewish Congress (WJC), an international Zionist organization taken over by ADL Honorary Vice Chairman Edgar Bronfman in the early 1980s.

The revelation is especially shocking because it is notorious that the “German Democratic Republic,” as the Soviet-occupied east zone of Germany was called, harbored the unrepentant Nazis—in case they should come in useful again.

The collaboration continued even after the collapse of the Berlin Wall. According to Wolffsohn’s account, one of the final acts of ADL-Stasi collusion involved an effort to free an important KGB agent from jail in Israel. Curiously, the Soviet agent, Shabtai Kalmanowitch, had not only penetrated the inner circles of Israeli politics; during the 1980s, before his arrest, Kalmanowitch had been working closely with Lt. Col. Oliver North and the “Project Democracy” apparatus inside the Reagan-Bush administration.

In an earlier interview with the *Washington Post*, Wolff-

sohn had presented evidence, garnered from the archives of the East German Foreign Ministry and the Stasi, confirming that the ADL-East German collaboration continued following the reunification of Germany and the formal dismantling of the hated East German secret police agency. Ex-Stasi officers, operating through informal “clubs,” and bankrolled by millions of dollars in pilfered East German funds, continue to steer the activities of neo-Nazi gangs all across Germany, Wolffsohn charged; and groups like the ADL and WJC continue to provide crucial scare propaganda equating the reunified Germany with a menacing “Fourth Reich.”

Furthermore, ADL-linked financier networks involving people such as Marc Rich, Edmond Safra, and George Soros, had abetted the Stasi, the KGB, and other East bloc secret services in large-scale smuggling of hard currency, gold, diamonds, and other assets across the Iron Curtain into safe havens in Switzerland, Israel, Hongkong, and the Caribbean for later use.

Today, nearly five years since Stasi headquarters was ransacked by angry East Germans in the revolution of 1989, ongoing dirty tricks deployed against strategically sensitive targets make it evident that the old capabilities, or at least some of them, are in place. Among the telltale signs are: the attempt at violent “antifa” (anti-fascist) demonstrations in Germany against U.S. President Bill Clinton and German Chancellor Helmut Kohl in July, when Clinton announced the end of the U.S.-British special relationship and the beginning of a new special partnership with unified Germany; and the spate of terrorist attacks against Jewish communities worldwide, aimed at derailing the Middle East peace process. Both the German-U.S. partnership and the Middle East accords threaten the British geopolitical interests that the ADL-

Stasi apparatus has always defended, because both have the potential to radically shift the axioms which have controlled international policy for the postwar era and especially the last 30 years.

A complicated web

The players and events at the center of this story will be unfamiliar to most readers; and the idea that Soviet bloc secret police agencies successfully won the support of the best-known Jewish "civil rights" groups in America clearly contradicts almost everything reported in the major western press.

Almost.

In January 1993, a curious item in the *San Francisco Chronicle* revealed that local police and the FBI had discovered that a long-time ADL official was spying on behalf of the South African and Israeli secret services. A year-long probe ensued, which revealed that the ADL had illegally obtained confidential police files on tens of thousands of American citizens and had been carrying out a campaign of espionage and disruption against nearly 1,000 domestic political, religious, and civil rights organizations. Among the targets of the ADL dirty tricks were such civil rights leaders as the late Dr. Martin Luther King, Jr. The ADL domestic spying, it was revealed, traced back as far as World War II.

But even these revelations about domestic spying and collaboration with "friendly" foreign intelligence services did little to prepare most people for the truth that the ADL had been "sleeping with the enemy" throughout much of the Cold War, inflicting grievous damages, including undoubtedly the loss of lives, on U.S. national security.

East-West underground economy

For the past 16 years, *EIR*'s counterintelligence staff has kept the ADL's courtship of East Berlin and Moscow on a wide range of strategic issues under scrutiny. Our investigation began in 1978 when Lyndon H. LaRouche, Jr., the founding editor of *EIR* and a presidential candidate, requested a study which led to the publication of the book *Dope, Inc.*, the bestseller which uncovered the highest political and financial levels behind international narcotics trafficking. Beyond the politics, there has always been a strong "business" side to the ADL-Stasi-KGB friendship, LaRouche's associates found. The ADL, as the traditional public relations shield of the National Crime Syndicate founded by Meyer Lansky during the 1920s, has always had a major stake in the illegal arms and narcotics underground economy stretching across the East-West divide. This now has a turnover of an estimated \$1 trillion a year.

In the course of our investigation, we discovered one of the least-publicized aspects of the Iran-Contra scandal: the collusion between the "secret, parallel government" led by then-Vice President George Bush and Marine Lt. Col. Ollie

North, and the Soviet bloc intelligence services, in the illegal arms and dope trade.

It was within this domain of covert criminal activity that the Anti-Defamation League played its most significant role during the 1980s, criss-crossing the East-West barriers through an underground of narcotics peddlers, arms merchants, and money launderers. One head of government, Sweden's Prime Minister Olof Palme, inadvertently unearthed the secret of the East-West collusion in shipping billions of dollars in arms into the Persian Gulf to fuel the Iran-Iraq War. He was assassinated on Feb. 28, 1986. An elaborate disinformation effort, run jointly by the Stasi and the ADL, threw a smokescreen over the investigative trail: To this day, Palme's killers remain unidentified.

The report which follows documents the events, places, and people who make up the ADL-Stasi apparatus. While necessarily incomplete, we believe that the evidence presented here is sufficient to warrant a full congressional investigation of the U.S. side of this capability, with a view to shutting it down. Certainly at a time when the loss of life that was incurred by such espionage debacles as the Aldrich Ames spy case is being tallied up and damage assessment is ongoing, it is more than appropriate to begin counting the tentacles of the potentially far larger and more venomous intelligence octopus revealed in this dossier. It is doubtful that world peace and national security can be achieved if it is allowed to continue to thrive.

The ADL-Stasi dossier

Since the fall of the East German communist state in 1989, some of the archives of the Stasi and the East German Foreign Ministry have been declassified and made available to western researchers and reporters. Among the details now available are records of a series of meetings between top ADL and World Jewish Congress officials and leading figures in the East German government and communist party (SED) between 1986 and 1989, aimed at devising a strategy for saving the doomed communist state. Additionally, *EIR* has obtained over 5,000 pages of Federal Bureau of Investigation documents on the ADL under the Freedom of Information Act.

Through a review of this material, compared with other documentation we have assembled over the course of a 16-year investigation, we have put together the following account of 33 years of ADL-Stasi-KGB criminal collusion. There are sizable gaps in the dossier, but the story contained below is nevertheless a devastating tale of corruption, fraud, treachery, and violence. As further files from the secret Stasi archives find their way into the light of day, and as continuing police investigations into the spying efforts of the ADL turn up new evidence, the story will continue to be filled out.

Because of the complexity of the dossier, it is broken down for presentation here into a series of chronologically ordered case studies.

Case study 1: the Eichmann trial

In 1961, a team of Israeli Mossad “commandos” kidnapped Nazi war criminal Adolf Eichmann from his South American hideout and brought him back to Israel to stand trial. Although the kidnapping was a clear violation of international law, there were few public objections. Many forces were set into motion to ensure that the impact of Eichmann in the docket would not be missed by present or future generations. For Israeli leaders, it was an opportunity to impress upon a generation too young to have gone through the horrors of World War II and the concentration camps, just what inhumanity was all about.

But, not every player on the stage was operating with the best of motives. The Anti-Defamation League of B’nai B’rith dispatched a top U.S. headquarters official, Arnold Forster, to attend the trials and work with Israeli intelligence officials as a “press liaison” to ensure that the American news coverage would be “spun” properly. Just five years earlier, the Eisenhower administration had reacted sharply when Israel joined forces with Great Britain and France to invade Egypt and seize the Suez Canal. During the early years of the State of Israel, many U.S. officials had considered the Zionist state to be a virtual satellite of the Soviet Union. For the ADL, which was already opening its office doors to Israeli espionage units, the Eichmann trial offered an opportunity to score big propaganda points with the American people on behalf of Israel.

Forster had already established his reputation as an adept propagandist. In the 1950s, he was caught by local police in New York State defacing a synagogue with Nazi insignias and slogans. The purpose of the vandalism? To generate fear among Jews and sympathy among non-Jews over the danger of an anti-Semitic upsurge in America. It was a shakedown racket borrowed from the pages of the Meyer Lansky crime syndicate. Forster boasted decades later in his autobiography, *Square One*, that he had worked on behalf of Israel’s Mossad from the time of the Eichmann trial. Those indiscreet admissions came back to haunt him in 1985 when his Mossad liaison, “Dirty” Rafi Eytan, was nailed as the controller of Jonathan Jay Pollard, the Israeli-Soviet spy who cost the United States billions of dollars and an undisclosed number of lost lives. Pollard’s stream of top-secret Pentagon documents had found their way to both Tel Aviv and Moscow during the early 1980s, when the outcome of the Cold War was anything but certain. In intelligence parlance, Pollard was a classic “false flag” agent, nominally working for Israeli intelligence but actually funneling some of America’s most important defense secrets to Moscow.

Stasi and Eichmann

The ADL was not alone in its zeal to exploit the international spotlight cast on the Eichmann trial in Israel. The East German Stasi saw the trial as a great opportunity to drive a

wedge between West Germany and the other NATO countries, just as West Germany was emerging as an industrial power. *Washington Post* reporter Marc Fisher interviewed German military historian Michael Wolffsohn, who studied Stasi archives following the reunification of Germany, and reported on Wolffsohn’s findings on Feb. 28, 1993 under the headline “E. Germany Ran Anti-Semitic Campaign in West in ‘60s.” The article reported:

“Spies for Communist East Germany staged anti-Semitic attacks in West Germany in the 1960s to foment internal unrest in West Germany and discredit Bonn among its western allies, according to documents from the archives of the East German Stasi secret police. . . .

“In 1961, as the trial of Nazi war criminal Adolf Eichmann was getting under way in Israel, the East German Politburo ordered a secret campaign to convince the world that ‘revanchism and racial hate have once again found a place in West Germany.’ The Stasi arranged for East German Jews and intellectuals to send telegrams and hold press conferences in an effort to draw President John F. Kennedy’s attention to a wave of anti-Jewish incidents in West Germany. . . .

“The Stasi documents, found in the archives of the former East German State Security Ministry by Munich historian Michael Wolffsohn, show that many of those anti-Semitic attacks were organized and supported by communist agents.”

The *Post* account continued: “At the start of the Eichmann trial, the Stasi mounted ‘Action J,’ in which communist funds were funneled to the West’s small German Imperial Party for a public campaign to defend Eichmann and justify the need for exterminating the Jews through a wave of anti-Semitic activities. The Stasi found former Nazi SS officers in the West who were only too glad to take on the pro-Eichmann public relations drive.

“The Stasi was determined to make it look as if West Germany’s former Nazis were outraged by the sight of one of their former leaders facing the death penalty in Jerusalem. Stasi documents show that the communists organized anonymous chain letters in which ‘Veterans of the Waffen-SS’ who were really East German operatives called on West Germany’s World War II veterans to join in a public ‘struggle against Jewish Bolshevism.’ ”

Case study 2: intensifying the ‘Nazi hunt’

It is not certain whether the ADL actions surrounding the televised Eichmann trial were in any way coordinated with “Action J” or whether the ADL had simply adopted identical agit-prop methods. However, in 1962, shortly after the trial, an American Communist and head of the U.S.-East German Friendship Society, Charles R. Allen Jr., penned an article titled “Nazi War Criminals in the U.S.A.,” which had all the

markings of East German-Soviet propaganda. The article was published in a Communist Party USA magazine, *Jewish Currents*, and targeted NASA scientist Dr. Hubert Stughold as an unrepentant Nazi. Allen named a total of 30 naturalized American citizens whom he claimed were all Nazi bigshots. He later acknowledged that the list had been provided to him by two "sources": Julius Mader, a well-known Stasi propagandist who published an annual *Who's Who in the CIA*, and KGB agent, writer Ernst Henry.

The same year, Allen wrote a pamphlet, "Heusinger and the Fourth Reich," which lambasted NATO as a rebirth of the Nazi Reich. His term "Fourth Reich" was adopted not only by the ADL and the World Jewish Congress, but also later by the British government of Prime Minister Margaret Thatcher in an effort to halt German reunification.

1970s: In search of Nazis in America

In November 1972, newly elected U.S. Rep. Elizabeth Holtzman (D-N.Y.), who had extensive backing from the ADL, immediately launched a campaign against the U.S. Immigration and Naturalization Service (INS), charging them with allowing Nazi war criminals to illegally enter the United States. No longer was Charles Allen, a known Communist operative, the leading spokesman for the "Nazi hunt." Holtzman's mother, Dr. Filia Holtzman, the chairman of the Russian Studies Department at Hunter College, was a leading scholar of Bolshevik writer Maxim Gorky and a Soviet sympathizer. Shortly after entering Congress, Holtzman brandished a list of 59 alleged Nazi war criminals living in the United States. She received the list from Dr. Otto Karbach, president of the World Jewish Congress (WJC). Dr. Karbach, in turn, admitted that he had received the list from Charles R. Allen, Jr.

Feeling the heat, the INS set up a one-man office in New York City to investigate the allegations. In April 1974, emboldened by the INS concessions and by the fact that Secretary of State Henry Kissinger had dispatched a delegation to Moscow to meet with Soviet Procurator General Rudenko to discuss the "Nazis in America," Holtzman called a press conference to formally charge the U.S. government with harboring Nazi war criminals.

Shortly after President Nixon's Aug. 9, 1974 resignation, Kissinger obtained authorization from Gerald Ford, to open formal negotiations with Moscow to establish ground rules for U.S.-Soviet collaboration in tracking down Nazis in America. Kissinger, a frequent recipient of ADL awards and financial largesse, traveled to Moscow to meet with Foreign Minister Andrei Gromyko, carrying the World Jewish Congress list of Nazi targets. He asked the Soviets to turn over their files and to facilitate access to East German and other Warsaw Pact state files on the people named by Moscow-Berlin asset Charles Allen. Moscow and East Berlin happily complied; however, at first, the vast majority of American judges hearing the immigration cases against the alleged war criminals refused to admit the Soviet bloc "evidence"—dem-

onstrating initially a healthy skepticism about the authenticity of the documents and the motives behind the Soviet bloc "cooperation."

In June 1975, Holtzman and Joshua Eilberg (D-Pa.) visited Moscow, conferring with Procurator General Rudenko about accessing Soviet files on the accused "Hitlerites." (Rudenko himself had been one of the notorious judges presiding over the Stalin "show trials" in the 1930s and had overseen the liquidation of thousands of Ukrainian anti-communists.) By October 1975, Holtzman and Eilberg were joined by the ADL's two top members on Capitol Hill, Senators Jacob Javits (R-N.Y.) and Abraham Ribicoff (D-Conn.). Both senators were honorary vice chairmen of the ADL. They received their own Soviet-manufactured list of 70 naturalized "Hitlerites" from yet another known Soviet agent, Ukrainian newspaper editor Michael Hanusiak. The New York City-based Hanusiak was recruited as a Soviet agent in 1969 while visiting Ukraine on a junket sponsored by the Ukrainian American League, a Soviet front group.

The efforts of the ADL congressional caucus received a boost in March 1977, when the New York Times Book Company published *Wanted: In Search of Nazis in America* by *Times* staff writer Howard Blum. The book was a rehash of the Charles Allen and Michael Hanusiak—i.e., Soviet—files. Five months after Blum's book appeared, the Justice Department created a Special Litigation Unit to consolidate prosecutions against all the alleged Nazis in America. By then the department was packed with ADL-sponsored attorneys tripping over each other to get to Moscow, East Berlin, and Warsaw to tap into the KGB-Stasi "files."

On March 28, 1979, Attorney General Griffin Bell announced the formation of the Office of Special Investigations (OSI) inside the Criminal Division of the Justice Department. The unit, initially given 1% of the entire department budget (\$2.3 million for starters), promptly hired 50 attorneys almost exclusively drawn from ADL-linked law firms, and set out to strike a formal pact with Moscow and East Berlin to lay the foundation for winning admission of Soviet bloc evidence in American courts of law. By the time the OSI opened its doors, the original WJC hunt-list of 59 alleged Nazis had swelled to a roster of over 500.

1980: Moving in for the kill

In January 1980, OSI Director Walter Rockler, the former personal attorney for Henry Kissinger who held the original 1971 Moscow meetings on the "Nazi" files, traveled to Moscow to meet again with Rudenko and his staff. Allan Ryan, Rockler's deputy and later his successor as OSI chief, attended the Moscow sessions and later described the sessions in his autobiography: "It was a wildly improbable marriage we were arranging, but as each detail was raised and resolved, we found ourselves coming closer and closer to final agreement." As the collusion deepened into an official diplomatic protocol, the ADL stepped out from behind the shadows to add a crucial new ingredient to the treacherous

liaison.

On July 10, 1981, ADL official Bruce Einhorn, then a serving attorney with the OSI, penned a memo to newly installed OSI chief Neal Sher urging him to extradite an appropriate “war criminal” to Israel to stand trial. With or without the blessings of Israeli officials, the ADL was committed to staging a new “Eichmann trial.” This time, the ADL’s effort would not merely run in parallel with the actions of the East German Stasi. They would converge.

Five months after the Einhorn memo spelled out the political and legal basis for a precedent-setting extradition to Israel, Sher met with top officials of the Israeli National Police to “select a candidate”: Colonel Russek of the Israeli National Police, after reviewing OSI files, requested that John Demjanjuk, a Ukrainian-American auto worker from Cleveland, Ohio whom the OSI had falsely targeted as Treblinka’s “Ivan the Terrible,” be extradited to stand trial in Israel.

By this time, ADL had installed Elliot Wells as its full-time Jerusalem representative. Wells’s main assignment was to line up “eyewitnesses” for the OSI prosecutors, whose main qualification was their willingness to corroborate the counterfeit evidence and doctored files passed on to the OSI by Moscow and East Berlin.

Mission to East Berlin

In August 1981, the East German authorities invited Sher to East Berlin to discuss “evidence” in the Stasi archives that might assist the OSI in prosecuting alleged war criminals. At the meeting, the East Germans dropped the name of Arthur Rudolph, a key rocket engineer then working for NASA, who had been part of the German rocket team at Peenemünde. On July 14, 1983—less than four months after President Ronald Reagan’s historic speech announcing the launching of the Strategic Defense Initiative (SDI)—opponents of the initiative, including government officials, joined in the ADL-Stasi bloodletting against German-Americans in an effort to bury the strategic defense program.

Richard Burt, a senior official of the U.S. State Department and former *New York Times* correspondent, sent orders to the U.S. Embassy in East Berlin to cooperate fully with officials in assembling a case against Rudolph. By March 1984, the 77-year-old engineer, driven to despair by threats that his family would be left impoverished, should he be denaturalized and lose his pension, agreed to “voluntarily” renounce his U.S. citizenship and leave the country. In return, he retained his pension from the U.S. government. One year later, the West German authorities totally cleared him of any involvement in Nazi war crimes. OSI officials had never once consulted with the West German agencies.

Caught off-guard when the West Germans cleared Rudolph, in April 1985, Neal Sher leaked confidential Justice Department files to the WJC head Edgar Bronfman, who launched an all-out propaganda offensive against the West German authorities for “covering up” for Nazi war criminals.

At a “World Gathering of Jewish Survivors of the Holocaust” sponsored by Bronfman the same month, Sher, still a U.S. official, wildly lied that NASA had 600 Nazi scientists on the payroll and that the entire U.S. military scientific program was based on the work of “Nazi scientists.” Four months earlier, at the WJC’s annual board of governors’ meeting in Vienna, Austria, Bronfman signaled his personal détente with Moscow by calling upon world Jewry to mobilize to stop President Reagan’s SDI.

Rankled over the bad turn in the Rudolph case, Sher and Bronfman turned to East German mouthpiece Charles Allen. In April 1986, Allen released a book-length version of his Soviet- and East German-fed propaganda, *Nazi War Criminals In America: Facts . . . Action: The Basic Handbook*. In that book, he denounced Lyndon LaRouche for defending a “Nazi war criminal,” Krafft Ehrlicke, another leading Peenemünde scientist, who went on to play a pivotal role in America’s space program. Appearing on a New York City radio interview with a Jewish Defense League member on April 18, 1986, Allen lied that Lyndon LaRouche had issued death threats against him, Neal Sher, and Elizabeth Holtzman.

Case study 3: the ‘Get LaRouche’ task force

Allen’s smear job against Lyndon LaRouche was neither the first nor the last occasion when the ADL and the Stasi would join forces to target the American political economist and statesman. In 1973, at the same time that Rep. Elizabeth Holtzman and Henry Kissinger were opening the Justice Department to Moscow and East Berlin’s propagandists, another case of ADL-Stasi collusion surfaced. This time, it was the FBI that played the role of behind-the-scenes partner. FBI documents partially declassified and released under the Freedom of Information Act (FOIA) reveal that the FBI’s Counterintelligence Program (“Cointelpro”) targeted LaRouche for assassination in 1973. The FBI papers show that the FBI had encouraged Bureau “moles” inside the leadership of the Communist Party USA to undertake to “eliminate” LaRouche, in the belief that his death would destroy the National Caucus of Labor Committees (NCLC), the philosophical association he had founded in the mid-1960s.

At the same time, the East German Stasi ran a parallel operation inside West Germany, targeting an American LaRouche colleague whose employment required him to periodically travel into East Berlin. The American was drugged by the Stasi, apparently grilled for details about the LaRouche movement, and then dumped back in the western zone.

The FBI and Stasi efforts blew up in their faces on New Year’s Day 1974, as LaRouche and his colleagues uncovered critical details of the East-West covert operations.

When leaflets and newspapers published by the LaRouche movement began appearing on the streets of New York City and a score of other American cities accusing the FBI and Stasi of collaborating in an assassination scheme, the ADL and the *New York Times* stepped in to launch a slander-disinformation campaign against the relatively unknown Lyndon LaRouche to discredit his charges. In early January, the *Times* devoted nearly 3,000 words, starting on the front page of a Sunday edition, to lying that LaRouche and his group was a “right-wing cult.” The article was widely distributed by the ADL, which, according to internal ADL correspondence, began immediately targeting individual associates of the LaRouche movement for harassment, and, in several instances, for kidnapping.

The January 1974 slander began a 20-year black propaganda collusion between the ADL and the Stasi against LaRouche and associates. Every slander published in the American or European media targeting LaRouche and policies associated with him from 1973 onward would come from the poison pens of either the ADL, the Stasi, the KGB—or all three.

Stasi slanderer caught

Evidence of this collusion briefly grabbed headlines in Germany in February 1994, with the announcement by the German Federal Prosecutor’s Office in Karlsruhe that a West German journalist, Kurt Hirsch, had been arrested as a suspected Stasi spy. The 81-year-old Hirsch was identified as an agent of the Stasi’s Department X, the unit responsible for liaison with “friendly” foreign associations and intelligence organs. Among the missions assigned to Department X was the dissemination of disinformation and propaganda into the West. By the time of his arrest, Hirsch was such a valued asset of Department X that he was ordered to report directly to its deputy director.

In 1968, Hirsch founded the left-wing Democratic Initiative Press Service (PDI) and quickly was named the editor-in-chief of the service, which provided an extensive network of trade union leaders and Social Democratic Party (SPD) politicians with “documentation” on a wide range of subjects. By the mid-1970s, Hirsch had established particularly close collaboration with SPD apparatchik Klaus-Henning Rosen, a personal secretary to Chancellor Willy Brandt and the man placed in charge of the SPD’s bureau for monitoring right-wing activists. Rosen also happens to be the SPD’s contact point to the ADL and the World Jewish Congress, often conferring with the ADL’s Fact Finding Director, Irwin Suall. The fact that Suall was a leading figure in the American branch of the Socialist International greatly facilitated his collaboration with Rosen and, by extension, with Hirsch.

In 1980, the Rosen-Hirsch-ADL relationship deepened with the inauguration of *Blick nach Rechts* (*Glance to the Right*), a newsletter published by PDI which focused on “right-wing” activists in Germany. In 1983, Rosen arranged

to have the PDI/*Blick* formally taken over by the SPD, with Hirsch and the core staff remaining in charge of the publication. Bernt Engelmann, also of PDI, who translated Stasi propaganda files into widely circulated “exposés” of right-wing politicians, specialized in polarizing German politics on the eve of major national and regional elections. Hirsch boasted to a reporter about the mission of PDI: “We polarize election campaigns, something the SPD could and did not want to do. We kept young voters from voting for people with certain backgrounds.”

Recall Michael Wolffsohn’s review of Stasi files and his conclusion that virtually every neo-Nazi operation launched in West Germany, from the time of the Eichmann trial onward, was dominated by the Stasi, and was part of a protracted destabilization of West German politics. Wolffsohn told the *Washington Post*’s Marc Fisher, “There is no doubt that in the 1960s as now, there were Nazis who were unreconstructed, unchangeable and evil. But without the help of East Germany, these Nazis were incapable of a national, coordinated campaign. That was true of right-wing extremist criminals in the 1980s as well. . . . The East German Communists used anything they could against West Germany, including the legitimate fears by Western countries and Jews that a new Nazism could be growing in West Germany. There is . . . evidence that the East Germans continued to use anti-Semitism as a tool against West Germany in the 1970s and perhaps right up until 1989.”

Did the Stasi “neo-Nazi” covert war against West Germany end with the fall of the Berlin Wall and the collapse of the East German communist state? Not according to Wolffsohn, who continued: “There can be no denial of the very depressing fact that the general German public has been willing since 1991 to accept these acts against foreigners. But it is still reasonable to suspect that former Stasi officials are continuing their efforts to undermine the German image abroad.”

Target: Schiller Institute

The Stasi “neo-Nazi” operations in West Germany allowed Hirsch and company to tar legitimate German patriotic organizations, including LaRouche’s Schiller Institute, with the brush of “right-wing extremism.” From the 1980 launching of *Blick nach Rechts*, Hirsch, Rosen, and Engelmann repeatedly turned their Stasi propaganda sheet over to attacks against LaRouche. Between 1985 and the early-1994 arrest of Hirsch, over 30 slanders against LaRouche and his German associates were published. In one of the very first issues of *Blick*, Rev. Friedrich-Wilhelm Haack, a Protestant minister who came to Bavaria from East Germany in the mid-1950s, penned an article labeling LaRouche and his associates a “political cult.” Haack was the West German representative of a U.S.-based ADL front group called the Cult Awareness Network, which has since been identified as an international kidnap-for-hire gang, employing hooligans to kidnap and “deprogram” children of wealthy families who

became involved with either religious or political groups on the ADL's "hate list."

Strategic Defense Initiative

The "Get LaRouche" effort took on greater urgency for the ADL and the Stasi beginning in the early 1980s, when LaRouche's ideas, especially his proposal for a strategic ballistic missile defense system, gained wide acceptance among senior officials of the Reagan national security apparatus. On March 23, 1983, President Reagan delivered a nationwide television address announcing the Strategic Defense Initiative (SDI). Reagan's SDI was unmistakably based on LaRouche's longstanding plan for a joint U.S.-Soviet effort to render nuclear weapons obsolete and to simultaneously launch a science-driven global economic recovery. Moreover, as some senior Reagan officials were well aware, for 14 months preceding March 23, 1983, LaRouche had been functioning as an informal "back-channel" between President Reagan and leading Soviet officials, discussing the prospect of Soviet-American collaboration on the SDI.

When the regime of Yuri Andropov decided to reject the Reagan-LaRouche offer, the ADL-Stasi propaganda machinery was kicked into high gear on Moscow's orders. Within a month, ADL officials were in the middle of an ambitious effort to break the Reagan-LaRouche links, and to lay the basis once again for LaRouche's physical elimination—either through assassination or imprisonment.

It had been almost 10 years to the day since the FBI solicited the aid of the Communist Party USA and the Stasi to attempt to assassinate LaRouche. On April 23, 1983, ADL officials, joined by a group of 20 U.S. journalists and representatives of the George Bush-Ollie North "secret, parallel government" who were opposed to the SDI, gathered at the New York City offices of Wall Street banker John Train to plan out a media campaign against LaRouche that was to be coordinated with efforts of federal prosecutors aimed at shutting down the LaRouche movement.

One participant in the Train "salon" session, ADL-FBI joint asset John Rees, was dispatched in May 1983 to Minneapolis, to attend a gathering of American and Soviet opponents of the SDI. The session was attended by a prominent KGB "journalist" Fyodor Burlatsky, a personal spokesman for Andropov. Within weeks, Burlatsky wrote his first attack against LaRouche in Soviet *Literaturnaya Gazeta*. Dozens of similar smears soon followed, and the shrillness of the Soviet attacks increasingly moved in the direction of demands for LaRouche's elimination. The ADL operated the identical propaganda push in the United States.

1986: the Palme assassination

All of these combined "Get LaRouche" efforts reached a crescendo in the beginning of 1986, when a major scandal erupted compromising one of the most closely held secrets about the evil collaboration between East bloc and western

secret services.

In September 1985, one of the most important Stasi operations ran into serious trouble as the result of a criminal raid against the offices of a Swedish arms dealer in Malmö. On Sept. 29, 1985, Swedish authorities raided the offices of Scandinavian Commodities AB, an import-export firm run by Swedish businessman Karl-Erik "Bobbo" Schmitz. They seized thousands of pages of documents revealing a vast network of western and eastern European companies engaged in funneling billions of dollars a year in explosives and arms to Iran, then at war with Iraq. The scandal was a serious blow to Swedish Prime Minister Olof Palme, who was then heading a United Nations peace commission on the war and attempting to enforce a global arms embargo against the belligerents. For Palme, the revelation that Sweden's largest industries, Bofors and Nobel, were among the leading suppliers of explosives to Iran, was devastating.

Among the documents seized at Schmitz's offices were detailed transaction reports on arms shipments to Iran via an obscure East German shipping firm, IMES GmbH, headed by Alexander Schalck-Golodkowski, a high-ranking Stasi official. Incredibly, some of the Swedish arms shipments handled by IMES were delivered to Iran via a circuitous route aboard Santa Lucia Airlines cargo planes. Santa Lucia Airlines was a CIA front company, used by Lt. Col. Oliver North, Maj. Gen. Richard Secord, Albert Hakim, and other players in covert U.S. programs to arm the Nicaraguan Contras and secretly arm Iran in exchange for the release of American hostages in Lebanon.

The Malmö documents offered Palme a trump in his dealings with both Moscow and Washington. But before Palme could decide what to do with the evidence of massive East-West collusion in a multibillion-dollar illegal arms bazaar, he was gunned down on the streets of Stockholm on Feb. 28, 1986.

The Palme assassination buried more than the Swedish head of state. The entire Schmitz-Schalck-North collusion was immediately covered up. When Schmitz eventually went to trial in early 1989, the case was reduced to a violation of Swedish Customs procedures; he walked away by merely paying a \$1,000 fine.

Schalck-Golodkowski remained in business until the fall of the Berlin Wall, at which point he packed up his business files, "offered his services" to western intelligence, and signed a secrecy deal with the Central Intelligence Agency. Efforts by a West German parliamentary commission to pierce the veil of Schalck's "commercial" empire failed miserably, and to this day, this most critical Stasi operation is still one of the best kept secrets of the Cold War.

The coverup of the decade

In the winter of 1985-86, things were touch and go for the East-West intelligence demi-monde as the result of the Malmö raids and the nearly simultaneous arrest of U.S. Na-

val Intelligence analyst Jonathan Jay Pollard as an Israeli spy. Pollard's activities were part of an elaborate series of deals then being worked out between Moscow and Tel Aviv, with the ADL and WJC as intermediaries. The deals involved joint espionage against American national security targets, the easing of emigration restrictions on Soviet Jews wishing to leave the U.S.S.R. (provided they were willing to move only to Israel), subsidized shipments of grain to the Soviets, and a host of other multilateral arrangements. The arrest of Pollard set off alarm bells at ADL headquarters, in Moscow, East Berlin, and Tel Aviv, which scrambled to establish a worldwide "damage control" operation.

The assassination of Olof Palme and the coverup of his killing was perhaps the highest-level East-West covert operation of the decade. Within hours, press organs of the Soviet and East German state were cranking out pre-arranged black propaganda pinning the assassination on European associates of Lyndon LaRouche. Across the Atlantic, in New York City, ADL's espionage chief, Irwin Suall, was lining up American news organs to pick up the East bloc disinformation, beginning with NBC-TV. Suall personally traveled to Stockholm to meet with Swedish police investigators to reinforce the East German-conducted line that "LaRouche killed Palme"; and he was joined by NBC-TV producer Patricia Lynch to peddle the disinformation to U.S. Justice Department prosecutors in Boston, who were readying a railroad indictment against LaRouche and a score of his associates on a string of manufactured financial crimes.

Eventually, Swedish police had to drop the "LaRouche killed Palme" track of investigation when one purported "lead" after another sent them down false trails. But long after Swedish authorities definitively dropped the LaRouche probe, ADL and Stasi propagandists kept up the drumbeat. The fall of East Germany eventually opened a window into the ADL-Stasi "LaRouche killed Palme" lie.

The Aug. 20-26, 1990 issue of the Swedish magazine *Journalisten* published a lengthy article, blaring, "Stasi Behind the Wall. He Plants Red Herrings about the Palme Assassination," by Christoph Andersson. The story was based on an interview with Herbert Brehmer, a former disinformation officer employed by the Stasi's Department X, the same department behind Kurt Hirsch's PDI operations in West Germany. Andersson wrote: "Three days after the assassination of Olof Palme, Department X was ordered to become involved in the Swedish police investigation. The Department was supposed to decide what person or persons might be Palme's assassins. . . . Brehmer was selected as the team leader. 'It was necessary to find a way of interpreting important events to fit our world view at that time. This approach categorically excluded considering anyone from the leftist fringe as a possible perpetrator. The crime could only have been committed by a right-wing extremist. This was something we wanted to persuade the police leaders in Stockholm of rather quickly,' says Herbert Brehmer.



Swedish Prime Minister Olof Palme and his wife Lisbeth in Stockholm. The minute he was gunned down on Feb. 28, 1986, the ADL/Stasi networks geared up to pin the killing on Lyndon LaRouche. Thanks to their disinformation efforts, his murder remains unsolved.

"The EAP [LaRouche's Swedish affiliated European Labor Party] was an easy target for Department X. In its publications, the EAP had called Palme 'a raging animal, an axemurderer, a devil's devil. . . .' Brehmer had found a motive and a group which was conceivably capable of assassination. 'At my writing table I drew up guidelines for how the EAP theories would be injected into the Swedish police investigation. The plan was to have a Swedish newspaper of national circulation receive an anonymous telephone tip. This was to be delivered soon—in the week following the assassination.'

" . . . There were a number of advantages connected with the selection of the EAP. First of all, the lack of proof could be balanced out if the newspaper reporters found something such as some actual, if remote, connection between the EAP and the assassination. Secondly, the tip itself was expected to contribute to diverting the attention from the 'guaranteed innocent' left-wing groups. . . . Thirdly, the media and police could be expected to influence each other to examine the EAP and other extreme right-wing organizations in more

detail. And fourthly, it was expected to be possible to connect the West German security police and counterspy organizations, the so-called West German Office for the Protection of the Constitution, to the assassination. In fact, the chief of the West German security police happened to be a close relative of one of the leaders of the West German EAP. 'Accordingly, the G.D.R. [East Germany] should be able to utilize foreign media personnel in focusing on the EAP. The citizens of the G.D.R. trusted western media personnel more than eastern. Accordingly, the western media personnel would be able to assist the G.D.R. in maintaining the picture of a fascist threat from the West. This also played a certain part' in the considerations, according to Brehmer."

Journalisten went on to spell out the details of the massive Stasi operation, including a tantalizing description of some of the agents used in the disinformation program. One agent, identified as Unofficial Agent No. I/2191/78, fit the known profile of Irwin Suall: "The personnel and records department, Department XII, selected 89 potential undercover agents in the secret unofficial category. All were considered suitable for operating in Sweden. Some had family (blood relations) in Sweden, others had married Swedes, and others had studied the Swedish language in the G.D.R. Four of these candidates were deemed especially well suited. Two of these were unofficial agents who were permanent residents of Sweden, probably a married couple. Another was Unofficial Agent (IM) No. I/2191/78, who had 'excellent connections in government and political circles in Sweden and with leading members of the SAP [the Socialist Labor Party]. . . . All this information is from Stasi documents which the German authorities recently made available to journalists. The actual names of the agents are still kept secret.

"Says Brehmer, 'Despite the fact that my operation was changed or deflected in mid-course, Stasi eventually achieved its goal. I still remember how happy we were when the 33-year-old was arrested for the assassination. His contacts with the EAP contributed to the virtually universal abhorrence of the EAP. This was the objective which was envisioned in 1986.' "

Stasi Department X, the employer of both Herbert Brehmer and Kurt Hirsch, surfaced once again in Michael Wolffsohn's investigation, and again it was in the context of the joint ventures with the ADL and the World Jewish Congress.

Case Study 4: Shabtai Kalmanowitch

The June 28, 1994 *Frankfurter Allgemeine Zeitung* newspaper carried the short but provocative exposé by Wolffsohn, expanding upon an earlier story in the same paper on the collusion between the Stasi and Edgar Bronfman.

In December 1990, Wolffsohn had written about exten-

sive contacts between Bronfman's World Jewish Congress and top officials of the East German regime going back to 1986. By 1989, East Germany was going through its death throes, and word had already been conveyed from Moscow to East Berlin that a Soviet pullout from most of eastern Europe was a foregone conclusion. Contingency planning for a controlled transition to "post-communist" independence or eventual reunification was the order of the day. The East German regime and its vast Stasi spy apparatus had to focus its efforts on winning friends and influencing people in the West. After decades of satisfying collusion, it was only natural that the East Germans turned to a select group such as Bronfman and grain magnate Dwayne Andreas to take Berlin's case before the U.S. President, the American Congress, and the American people.

Edgar Bronfman, scion of a Prohibition-era organized crime family that had made the successful transition to "legitimate" business, was already an active propagandist for Soviet "reform" President Mikhail Gorbachov. From the first day of Gorbachov's accession to power, Bronfman and fellow ADL bankroller Dwayne Andreas had lobbied hard for special status for the new, improved Soviet Union. In countless newspaper commentaries, speeches, and testimony before Congress, Bronfman and Andreas had argued for the repeal of the Jackson-Vanick Amendment that pegged U.S. economic aid to improved human rights for Soviet Jewry, Most Favored Nation trading status, and lucrative American grain give-aways, all in the name of saving Moscow's crumbling "Evil Empire."

As co-chairmen of the U.S.-Soviet Trade and Economic Council (USSTEC), both Bronfman and Andreas had made lucrative business deals with Moscow. From his power-base as president of the World Jewish Congress, Bronfman arranged a series of meetings for European WJC officials with senior East German officials, beginning in 1986. In 1988, he personally led a delegation of WJC and Seagram's whiskey officials to East Berlin to strike a series of deals with East German dictator Erich Honecker. Tens of millions of dollars in contracts for Seagram's liquor sales in East Germany were consummated during Bronfman's brief visit, and in return, he promised to win MFN status for East Germany, and even to secure an official state visit to Washington for its dictator Erich Honecker. All of these machinations were carefully recorded by officials of the Americas Department of the East German Foreign Ministry. Those files were found following reunification and made available to Wolffsohn.

World Jewish Congress officials were still journeying to East Berlin weeks after the fall of the Berlin Wall, still vowing to preserve the independence and economic stability of the East German communist state. Wolffsohn carefully documented all of this in his December 1990 *Frankfurter Allgemeine Zeitung* story.

In his February 1994 story, Wolffsohn returned to the subject of Department X. Not only had the unit been assigned

the task of launching a “friendship offensive” toward American Jewish organizations in the mid-1980s, but Department X was also responsible for negotiating an important spy swap with Israel. It was a case in which certain “American Jewish” organizations already had a vested interest.

The central character in the spy swap effort was a Lithuanian-born Jew named Shabtai Kalmanowitch, who emigrated to Israel in 1971 and found himself rapidly brought into the inner circles of Labor Party Prime Minister Golda Meir. Because of his family ties to prominent “refusenik” networks in the U.S.S.R., Kalmanowitch was placed in a special eastern European unit within the Prime Minister’s Office and, later, the Labor Party, responsible for drawing eastern European and Soviet Jews to Israel. Some of the “refusenik” networks also served as important intelligence sources for the Mossad on the Warsaw Pact. Israel’s ability to garner sensitive East bloc intelligence gave the Mossad tremendous leverage with the CIA and other U.S. agencies, which were largely unsuccessful in developing “human intelligence” sources behind the Iron Curtain.

Kalmanowitch turned his Soviet connections into a fortune by the mid-1970s. Somewhere along the way, he came into close contact with an American precious metals speculator, Marc Rich, who counted Secretary of State Henry Kissinger among his most intimate friends. Rich and Kalmanowitch made millions of dollars together stealing a number of small black African states blind.

An adept reader of political tea leaves, Kalmanowitch made a smooth transition from Labor to the right-wing Likud party in time for Menachem Begin’s 1977 election as prime minister. During the elections, Kalmanowitch managed the Knesset campaign of Samuel Flatto-Sharon, a French-born gangster who fled to Israel and ran for parliament largely in order to gain immunity from extradition back to Paris. Flatto-Sharon won his Knesset seat, and promptly made Kalmanowitch his chief of staff. Flatto-Sharon gained brief notoriety by standing up before the Knesset and calling for Israel to create “killer squads” to go out and assassinate such “anti-Semites” as Austrian President Kurt Waldheim, Pope John Paul II, and Lyndon LaRouche.

In 1978, Kalmanowitch managed to insinuate himself into the very center of East-West intrigue, becoming Israel’s negotiator in a series of spy swaps involving the United States, Israel, the Soviet Union, and East Germany. His “trading partners” in these ventures, which began with the freeing of a KGB spy, U.S. Air Force officer Robert Thompson, a Mossad operator in Mozambique, and a CIA operator in East Berlin, were East German “lawyer” Wolfgang Vogel, and American Rabbi Ronald Greenwald. Greenwald, aside from his rabbinical duties and his work for the CIA as a spy negotiator, dabbled in commodity speculation. His boss in the latter ventures was Marc Rich. Greenwald’s “talents” came to the attention of Oliver North, who used the rabbi’s front company, B International, for a series of secret mis-

sions, including flubbed March 1986 coup attempts in Suriname and Ghana, and an equally unsuccessful try at obtaining a Soviet T-72 tank from Poland in exchange for a delivery of U.S.-made light weaponry and police equipment.

Vogel’s spy-swapping efforts were coordinated out of Stasi Department X. But the financing of his activities came from two Stasi bank accounts personally managed by Alexander Schalck-Golodkowski, the head of IMES and the Stasi’s principal arms dealer, including delivery to Iran and to the Nicaraguan Contras via a variety of channels, among them Swedish arms broker Karl-Erik Schmitz.

Kalmanowitch, the covert KGB agent ensconced in the center of Israeli intelligence, parlayed his new-found friendship with Rabbi Greenwald into an entrée into the North-Secret “secret team.” During 1984-86, Kalmanowitch helped arrange a series of super-secret meetings between officials of the CIA, the Soviet GRU (military intelligence) and other intelligence services. Some of the meetings took place at the Stamford, Connecticut offices of Marc Rich.

Rich was himself a fugitive from American justice, having violated the “Trading With the Enemy” Act by selling Iranian oil on the world market long after the United States had imposed a boycott. When the covert pipeline of military aid to Iran was opened up by the U.S. administration as part of the effort to free the American hostages in Lebanon, Director of Central Intelligence William Casey deployed Washington lobbyist Robert Keith Gray to meet with Rich and obtain his help in setting up channels to Khomeini. Rich complied, and in return, U.S. Attorney for the Southern District of New York Rudolph Giuliani cut a deal which led to a settlement of some of the legal cases against Rich.

By the mid-1980s, Kalmanowitch was working for the Mossad and for Ollie North—all the while concealing his double-dealings on behalf of the KGB. His luck ran out on Dec. 23, 1987, when he was arrested by the Israeli police as a suspected KGB spy. Immediately, the Stasi turned to the ADL and WJC to press for his early release from an Israeli prison.

The ADL had already established its credentials as world-class “damage controllers.” When another KGB-Mossad shared spy ran afoul of the U.S. authorities, in November 1985, ADL officials were quick to launch a successful damage control effort that saved a number of key Israeli officials, including “Dirty” Rafi Eytan, from the wrath of American prosecutors. The 1985 case, involving U.S. Naval Intelligence counter-terror analyst Jonathan Jay Pollard, had, unfortunately for Kalmanowitch, caused such bad blood between some Americans and their Israeli counterparts, that there was no real prospect of a happy ending to the Kalmanowitch spy swap effort.

Nevertheless, it was the thought that counted; and, when the Stasi found itself confronted with a serious problem, its thoughts often turned to the ADL. And rarely were they disappointed.

An appeal to the President: Exonerate LaRouche now!

by EIR Staff

The Schiller Institute on Aug. 11 took out a full-page ad in the *Washington Post*, an "Open Letter to the President of the United States," under the bold headline "Exonerate Lyndon H. LaRouche Now!" bearing the names of more than 400 leading men and women from around the world, who call on President Bill Clinton, Attorney General Janet Reno, and the appropriate committees of the U.S. Congress to act now to exonerate the American statesman and physical economist Lyndon H. LaRouche.

Former U.S. Sen. Eugene McCarthy heads the list, which includes two former heads of state, more than 50 serving and former national legislators and cabinet members, five Roman Catholic archbishops, more than a dozen bishops of the Roman Catholic and Ukrainian Catholic churches, dozens of Islamic and Protestant leaders, more than 50 state legislators, including serving representatives of 24 American states, and prominent legal, human rights, civil rights, military, and scientific leaders from around the world, including a former head of the United Nations Human Rights Commission and the president of the African Academy of Sciences.

The text of the statement recounts the facts of the false imprisonment of Mr. LaRouche, who has been free on parole since Jan. 26, and of the unprecedented international mobilization which won him that partial freedom. "Close to 1,000 of America's foremost legal experts had petitioned the court as *amici curiae*, calling the case 'a threat to every politically active citizen.' The case was brought before the United Nations Commission on Human Rights, the Organization of American States, and the Commission on Security and Cooperation in Europe (CSCE). Literally thousands of parliamentarians and other elected officials joined with religious leaders, artists, scientists, and human rights figures from across the globe to demand an end to LaRouche's unjust incarceration. Hundreds travelled in delegations to Washington, D.C.

to lobby for LaRouche's freedom."

The fact remains, the text states, that a "terrible crime goes unanswered. Not only was an innocent man framed, convicted, and wrongfully imprisoned for five years, but, it is now clearly the case, documented by six volumes of unchallengeable evidence, consisting chiefly of government documents and admissions of government-led 'task force' officials, that the U.S. government knew at all relevant times, from 1979 to the present day, that Lyndon H. LaRouche and his co-defendants were innocent of the false charges for which they were convicted. This proof, that the government fraudulently charged, convicted, and imprisoned LaRouche and his associates, knowing they were completely innocent, is part of the public record on file with the federal appeals court in Richmond, Virginia.

"Yet to this day, not only have the U.S. federal courts and the Justice Department failed to rectify this fraudulent conviction, but, while this critical evidence sits gathering dust without ever being heard, five of Mr. LaRouche's associates still sit in prison, serving decades-long sentences." Those political prisoners, incarcerated in the Commonwealth of Virginia, are Michael Billington (with a 77-year sentence), Anita Gallagher (39 years), Paul Gallagher (34 years), Laurence Hecht (33 years), and Donald Phau (25 years).

The signers listed in the advertisement are a selection from thousands worldwide who have called for LaRouche's exoneration, so that he might be restored to the kind of leadership position which the crisis-ridden world requires. The failure to do so, as the ad text concludes, "does not stain the honor of Lyndon LaRouche, who has paid a terrible price for his innocence, but the honor of the U.S. justice system and Constitution, which, for more than 200 years prior to this dark episode, stood as the symbols of liberty and justice for all."

What's at stake in the LaRouche case

The intervention to exonerate LaRouche and the other political prisoners comes at a critical moment. The Clinton presidency is under assault, the target of a British intelligence operation run through the Hollinger Corp.'s international media empire. The aim is not just to neutralize Clinton and prevent him from going against the policies of the Anglo-American establishment, but also to destroy the presidency as an institution of republican government.

While Clinton has taken some laudable steps in foreign and domestic policy—most crucially by ending the U.S. “special relationship” with England, during his visit to Germany in July—his administration is still saddled with holdovers from the Bush administration. When it comes to policy toward Haiti, Ibero-America, the war on drugs, population control, and the “new world order” in general, it's “Bush on autopilot.” The only way that Clinton can save his presidency, and begin to deal effectively with the myriad problems that the nation faces, is by going on the offensive against the remnants of the Bush apparatus.

The best way to do that, would be to exonerate LaRouche, who was jailed by the Bush administration in 1989 as the result of a judicial railroad run by a combined federal-state-private “Get LaRouche” task force.

As shown by the impressive list of foreign signers to the Schiller Institute's advertisement, many friends and allies of the United States abroad are keenly aware of the importance of LaRouche's input in shaping the policies of the United States. This concern was also reflected in press coverage of the exoneration campaign during the second week of August.

The Peruvian daily *Correo de Piura* on Aug. 8 published an article by Alberto Salomon Ariza, titled “Police Persecution Termed Constitutional: LaRouche, the Dreyfuss Case of the 20th Century.” According to the article, the “U.S. Department of Justice has refused to investigate the transgressions committed by its own officials. Why is this? Why, despite the mountains of evidence presented, has the decision not been taken to review these proofs?” LaRouche spent five years in a federal prison, “on charges of which the government has always known he was innocent. While in prison LaRouche wrote extensive treatises that have been published by *Fidelio* magazine, founded in 1992, and edited by William Wertz, who was sentenced along with Lyndon in 1988. Among those writings, one finds such titles as ‘Mozart's Revolution in Music,’ ‘History as Science,’ and many others.”

The August issue of *Narcomafias*, a magazine published in Panama, but which circulates in other countries as well, has an article on human rights violations in the United States, prominently featuring the case of LaRouche, “the economist and former U.S. presidential candidate who is well known in Hispanic America for his firm defense of national sovereignty and his attacks against the IMF [International Monetary Fund].” The article notes that LaRouche “was jailed on the

basis of false charges,” and that several of his followers are still imprisoned, while “the U.S. Department of Justice has refused to investigate the transgressions of its own officials.” The magazine urges its readers to send letters and petitions to President Clinton asking for human rights to be respected in the United States.

The ADL chews the rug

The campaign to exonerate LaRouche, not unexpectedly, has drawn an angry counterattack from those responsible for the judicial railroad in the first place, notably the Anti-Defamation League of B'nai B'rith. The ADL's Washington, D.C. Fact Finding Director, Mira Lansky Boland, has just released a 35-page pamphlet titled, “Paroled: The LaRouche Political Cult Regroups.” Retailing a string of lies and slanders about LaRouche and his associates, she insists how very unimportant these people are—while complaining that “the hallmark of the LaRouche organization is resilience.”

Mentioning LaRouche's recent diplomacy in Russia and initiatives toward the Middle East, Lansky Boland continues with a broadside which can only be interpreted as an attack on the exoneration campaign: “Despite their best efforts, however, the group has never achieved influence. The notion of a groundswell of popular support for the cultmeister [sic] is preposterous. For most Americans, LaRouche will remain the bombastic eccentric who believes the Queen of England is a drug pusher and Henry Kissinger is a KGB agent, and who went to prison for defrauding little old ladies. For LaRouche, this perception is a life sentence.”

Poor Mira. She is one of the leading figures in the “Get LaRouche” task force, and worked hand in hand with federal and state officials to intimidate and “turn” supporters of LaRouche, and to coach witnesses to testify against him. But now some of her task force cohorts are in deep trouble:

- “Get LaRouche” operative Galen Kelly, a “deprogrammer” attached to the so-called Cult Awareness Network, is serving a seven-and-a-half year prison sentence for kidnapping.

- Former Loudoun County, Virginia Sheriff's Deputy Donald Moore, whose lying testimony and affidavits against LaRouche and associates formed the basis for the entire railroad prosecution, went to jail on July 29 for his role in the kidnapping that landed Kelly in prison. Having struck a plea bargain with the prosecutors, Moore got off easier than Kelly, with an eight-month sentence. Mira Lansky Boland, in court for his sentencing, gave Moore a tearful embrace as he was led away in chains.

- John Markham—the former prosecutor of LaRouche, member of the satanic Process Church, and defender of Moore and Kelly—is now serving as the attorney for Leslie Van Houten, a follower of satanic killer Charles Manson, according to the Aug. 7 *Washington Post*. Van Houten, incarcerated since 1969 for her role in the LaBianca ritual murders in Hollywood, is seeking parole.

Was Whitewater switch a GOP trap?

by Edward Spannaus

About a month before the 1992 presidential elections, as the independent counsel of law was heading for expiration, a congressional staff member told the *Washington Times*: "There is some thinking that if Clinton gets in, it would be good to have this law to use against his administration in the same way the Democrats have used it against Reagan and Bush."

Republicans and the Bush administration were in an uproar over the independent counsel (special prosecutor) law at the time, particularly because of the long, expensive, and seemingly endless investigation being conducted by the Iran-Contra independent counsel, Lawrence Walsh. President Bush's Attorney General William Barr said in July 1992 that the statute should not be renewed, because it was being used as a political weapon. "There are elements in this town who are attempting to use the criminal process for political purposes," Barr said on Cable News Network on July 4, 1992. "It's a mechanism that's being manipulated for political purposes."

The independent counsel statute, first enacted in 1978, and renewed in 1982 and 1987, was allowed to expire at the end of 1992. Therefore, when pressure built for an independent counsel in the Whitewater matter, Attorney General Janet Reno used a different legal authority—namely, Justice Department regulations—to name Robert Fiske as independent counsel in January. Technically, Fiske was a Justice Department employee, although he operated independently of any Justice Department control of supervision.

A new independent counsel statute—providing for a court-appointed counsel—was passed by the Senate in May, with the support of Republican Senators who had previously blocked it. (Just what did they know?) On June 21, the House passed it, with Republicans objecting to its provision for possible reappointment of Fiske. The bill was signed into law on July 1. The next day, as she had promised, Attorney General Janet Reno applied to the three-judge panel which appoints independent counsels, to have Fiske designated as an independent counsel under the new law.

Judicial coup

On Aug. 5, that special panel shocked Washington and the nation by refusing to reappoint Fiske, and replacing him with a former high official from the Bush administration—the man who had been George Bush and William Barr's solicitor general from 1989 through early 1993. Fiske's replacement is Kenneth W. Starr—who has no experience as a prosecutor, but has plenty of Republican activist credentials.

Needless to say, partisan Republicans were elated at the judicial coup. "It demoralizes and destabilizes the administration, and one can assume the whole thrust of the investigation is going to change," GOP consultant Eddie Mahe told the *Washington Times*. "It's good news." Mahe went on to say that, although Fiske is a Republican, he is "one of those Northeast establishment types that has nothing to do with being a Republican. Starr's a real Republican. His credentials are golden."

It was regarded as no coincidence that the Fiske dismissal came at the end of two weeks of congressional Whitewater hearings which failed to do any serious damage to President or Mrs. Clinton. Many Republicans blamed Fiske for restricting the scope of their hearings.

A Reagan-Bush Starr

Although Starr has never been a prosecutor, he has other qualifications which seem to have endeared him to the special court panel which appointed him. After clerking for Chief Justice Warren E. Burger at the Supreme Court, Starr jointed the Washington office of the Los Angeles law firm Gibson, Dunn & Crutcher in 1977. This was the law firm of William French Smith, who became Reagan's first attorney general in 1981; Smith brought Starr into the Justice Department as his counselor.

Starr was then appointed by Reagan to the Court of Appeals for the District of Columbia in 1983. In 1989, he left the appeals court to become solicitor general for the Bush administration. The solicitor general argues for the United States in cases before the Supreme Court, and reviews all appeals in which the U.S. is a party.

The special three-judge panel which appointed Starr, called the "division for the purpose of appointing independent counsels," is hand-picked by Chief Justice William Rehnquist. For the past few years, it has been headed by David Sentelle, a judge on the Washington, D.C. Circuit Court of Appeals from North Carolina. Sentelle is a protégé of Sen. Jesse Helms (R-N.C.), and is also a good friend of the other North Carolina senator, Lauch Faircloth, one of the Senate's leading Whitewatergaters.

Sentelle was a 1987 Reagan appointee to the Court of Appeals. Joseph Sneed was appointed to the 9th Circuit in San Francisco by Richard Nixon in 1973. The third judge, John Butzner of the 4th Circuit in Richmond, Virginia, was appointed by Lyndon Johnson in the 1960s—when Virginia hardly had any Democrats—but he is now regarded as a Republican.

It was this same special panel which took the unprecedented step last December, of allowing all those names in the Iran-Contra special prosecutor's final report to submit their rebuttals, which were ordered to be published with the final report. Sentelle also cast the deciding vote in the decision which overturned the "Iran-Contra" convictions of Oliver North and John Poindexter.

'All North's pilots were drug-runners'

by Edward Spannaus

Evidence continues to pile up, implicating current Virginia senatorial candidate Oliver North and former Vice President George Bush in narcotics trafficking out of Central America during the mid-1980s. The evidence promises to further complicate North's election campaign, in which he is attempting to recast himself as tough on crime and a fighter against drugs.

At a press conference held at Washington's National Press Club on Aug. 2, a former senior U.S. Drug Enforcement Administration (DEA) officer, Celerino Castillo, charged that massive amounts of drugs were being run out of the air base in Ilopango, El Salvador, the center of North's Contra supply program. "All of his pilots were drug-traffickers," Castillo said. A majority had already been arrested for drug trafficking. "He [North] knew what they were up to and refused to do anything about it."

Castillo, who was the DEA's senior agent in El Salvador from 1985 to 1991, said he had two informants at Ilopango who had access to all the flight plans and the pilots. The informants saw the drugs and the money, and the pilots talked freely about the cocaine they were taking to the United States. When the DEA ran the names of the pilots through a computer, "every single one of them was documented as a narcotics trafficker in DEA files."

Castillo's book, *Powder Burns: Cocaine, Contras and the Drug War*, co-authored with David Harmon, has just been released. In it, Castillo reports that from the moment he arrived in Central America in October 1985 to take charge of DEA operations in El Salvador and Honduras, he was inundated with evidence that the Contra resupply base at Ilopango Military Air Field was a hub of cocaine trafficking.

Where was George?

The trail from Ilopango leads directly back to George Bush. By the time Castillo arrived in El Salvador, the Ilopango operation was already being run by "former" CIA official Felix Rodriguez, who bragged of his close association with the vice president. Rodriguez was operating out of the vice president's office, and regularly reported back to Bush and Bush's national security adviser, Donald Gregg. Rodriguez, a 30-year veteran of the CIA, was supervised by Gregg in Southeast Asia in the 1960s, and they had been close ever since.

In January 1985, Rodriguez met with Bush, in a meeting arranged by Gregg. Rodriguez immediately set to work out

of Ilopango, and by mid-March he had set up a full operation there to provide supplies and aid to the Contras. North, meanwhile, had enlisted Gen. Richard Secord to set up a "private" resupply operation to circumvent congressional restrictions on the CIA, and when North wanted to use Ilopango, he first met with Gregg, discussed the use of Ilopango with him, and then, 10 days later, wrote a letter to Rodriguez asking for his permission for Secord to use the Ilopango base.

So much for any idea that Ollie North ran the Contra operation on his own!

Rodriguez and Bush also figure prominently in the account given by Terry Reed, co-author of the book *Compromised: Clinton, Bush, and the CIA* (New York: S.P.I. Books, 1994), who also spoke at the Aug. 2 press conference. Reed said that Bush was definitely "in the loop" on the Contra drug operation, and that the Israeli agents he worked with in Mexico referred to Bush as "the man in charge" on several occasions. "That didn't shock me," Reed said. "Knowing Bush's background, he should be; he was probably the most qualified to run the Iran-Contra affair."

In *Compromised*, Reed identifies Rodriguez as running a guns-for-drugs operation through Guadalajara, Mexico. Reed discovered a large shipment of pure cocaine at a warehouse at Guadalajara Airport bound for the United States in August 1987. After he confronted Rodriguez, and tried to expose the operation, he was framed up by federal prosecutors in an unsuccessful effort to shut him up.

As to Bush, Castillo recounted the story about when he saw the vice president in January 1986 at a cocktail party at the U.S. ambassador's home in Guatemala City. Castillo identified himself and his job to Bush, and told Bush that "funny things" were going on at Ilopango. Bush "just smiled and walked away," Castillo said.

Asked how it was that North was never prosecuted, Castillo said there was a massive coverup, both from the DEA and from the Iran-Contra special prosecutor. No one ever contacted the DEA agents in Central America to find out what they knew, even though they had submitted numerous reports documenting the narcotics-trafficking activities of participants in the Contra operation.

Ollie's notebooks

Castillo also pointed to the 543 pages of North's notebooks which make reference to drug trafficking, as identified by the Senate Foreign Relations subcommittee on narcotics and terrorism. One entry, for July 12, 1985, reads, "\$14 million to finance came from drugs." Others show, Castillo said, that Robert Owen, an assistant to North, "was warning him and advising him that the Contras were heavily involved in narcotics trafficking."

Castillo revealed that North is still under investigation by the DEA, in a case involving weapons smuggling into the Philippines, an operation which also involved known drug traffickers.

Southern Baptists slam Cairo agenda for 'reproduction control'

The Southern Baptists are America's largest Protestant denomination with more than 15.4 million members in over 38,400 congregations nationwide. (President Clinton is a Southern Baptist.) Below are excerpts from "Population, Morality and the Ideology of Control, A Statement of the Southern Baptist Christian Life Commission for the United Nations Multi-Religious Consultation on Issues of Population and Development," followed by interviews with two of the authors.

The statement was elicited from them as a comment on the Draft Program prepared for the Sept. 5-13 International Conference on Population and Development in Cairo, at a meeting in Geneva, Switzerland. This was also attended by a representative of the largest Buddhist community in Thailand, three Roman Catholics (representing the German Bishops, the American Catholics, and the Vatican), the Shiite cleric Ayatollah Roohaney from Paris, spokesmen for the World Council of Churches, the Baha'i, the United Native Nations, and Dr. Anand Mohan, a Hindu leader based in the United States.

. . . Southern Baptists, as Christians, hold that, despite cultural diversity and religious pluralism, moral standards on essential matters are not inventions of human imagination, will or culture. Rather, they are enduring standards of right conduct and human responsibility that apply to all members of the human family, not only because they are reasonable, but because they come from God the Creator and Moral Ruler of the Universe, Whose authority transcends all human authority. Baptist Christians are concerned about world population and development issues because God is concerned about them and will hold us accountable for the contribution we make to the world debate. . . .

The thinking of Southern Baptists on issues of population is shaped by essential doctrines of the Christian faith including the following:

1) All human life is sacred. This means that all human life is divinely created, making it a divine gift from the moment of fertilization until death.

2) All human life is made in the image of God. This means that every human life has transcendent worth, and has equal value and dignity in relation to every other human life regardless of gender, age, stage of development, physical condition, social status, or education, regardless of ability or disability, and regardless of whether it is born or unborn.

3) Homosexuality, whatever its origin, is abnormal and homosexual conduct is always an abomination in the sight of God. Under no circumstances is homosexual conduct ever morally acceptable behavior for anyone, and government should never accommodate such behavior.

4) The family is ordained by God as the basic unit of human society and is the best human environment for the nurture and development of children.

5) Although cultural practices have varied, the two-parent, heterosexual family—consisting of one man and one woman committed to each other for life—is a divinely established ideal for all people for all time. The two-parent, heterosexual family deserves priority, favor and protection in every culture and society. Under no circumstances can persons of the same gender constitute a morally acceptable family.

6) Although men and women have equal dignity and worth as bearers of God's image, husbands and wives do not have the same role in marriage and the home. Husbands are the head of the home and bear a higher responsibility than wives for ensuring the success and welfare of their families. Wives are not owned by their husbands nor are they servants, but wives are under moral obligation to accept and support the leadership of their husbands as long as it remains within responsible moral boundaries.

7) Marriage involving the union of persons of the opposite gender is the only morally acceptable condition for sexual intercourse. Sexual intimacy under any other circumstance is morally unacceptable.

8) Government is a morally worthy and necessary human institution whose purpose is to secure the common welfare by rewarding those who do good and punishing those who do wrong. But the authority of human government is never absolute. Whatever its form, human government is always accountable to God for maintaining universal standards of moral conduct.

9) While a growing world population makes it essential to use wisdom in planning development and use of the world's resources, God has already determined that human history will end with the return of Jesus Christ in power and judgment, and not as the result of overcrowding and the depletion of necessary resources.

As Southern Baptist Christians, we have read the Cairo Conference's Draft Program with interest, and urge that the participants do all they can to include the recommendations and remove the concerns given below:

Abortion. We believe that induced abortion is a violent means for dealing with the admittedly difficult problems that can surround unplanned or problem pregnancies, and must be considered morally unacceptable behavior. However, we believe abortion may be considered in rare instances when the developing child represents a clear and present danger to the physical life of the mother. We are outraged that the Draft Program includes abortion under broad terms such as “family planning,” “reproductive services,” “safe motherhood,” “reproductive rights,” “reproductive choice,” and “fertility regulation.” We . . . urge the United Nations at Cairo to clearly repudiate the use of abortion as a method of family planning and to reaffirm the policy it set forth in 1984 to the effect that “Governments are urged to help women avoid abortion, which in no case should be promoted as a method of family planning.”

Viewing Children as a Threat. We believe that children, both born and unborn, are precious, should be cherished and protected, and welcomed as a sign of hope and blessing. We believe, moreover, that it is a high moral duty of government to protect vulnerable children from harm and to foster a deep appreciation for children among the adult members of society. While these beliefs underscore our opposition to abortion, we also object to the assumption, reflected throughout the Draft Program, that having children is a burden or inconvenience that threatens well-being and economic development. We are aware that caring for children involves time and expense, and that conceiving a child that is not expected or planned often necessitates a rearrangement of priorities. Nevertheless, we do not agree that changing personal priorities to accommodate children—planned or unplanned—is a bad thing. Nor do we agree that such accommodation is necessarily contrary to developing the economic strength of families or of nations. For example, we note that the United States and other developed countries of the world achieved their economic status without reproduction control efforts.

Procreation and Choice within Marriage. We believe that the ability to procreate is a gift and that, when a man and woman bound in holy matrimony choose to engage in acts of procreation, it is a moral responsibility, not a right to be regulated by any human authority. . . . We also urge that nothing be included in the Draft Program that might lead a government to assume it could have a legitimate role in directing, managing, or controlling decisions by parents regarding whether or not to procreate. Furthermore, we urge that the Draft Program address the fact that wives ought to be recognized as having an equal role and an equal moral responsibility with their husbands in arriving at decisions regarding whether or not to engage in the act of procreation.

Sexual Morality and Marriage. We believe that the only morally acceptable context for physical sexual intimacy is limited to heterosexual marriage. We believe also that government is responsible to support the marriage institution

by promoting abstinence from sexual intercourse outside of heterosexual marriage and by showing unambivalent disapproval for acts of sexual intercourse that are premarital, extramarital, or homosexual. We believe that government policies respecting such standards are appropriate because the practice of sexual morality is not merely a private matter. . . . Accordingly, we are deeply concerned that the Draft Program treats all sexual behavior as acceptable regardless of marriage, and regardless of whether in may involve heterosexual or homosexual partners. . . .

Adolescents. We are concerned, . . . that the Draft Program promotes the distribution of condoms and other contraceptive means to unmarried minors without parental notification or permission. We believe it is highly dangerous for any society to substitute technology for the moral discipline and accountability that parents provide their adolescent children as they mature into adulthood. Indeed, we believe that the United States has experienced the harmful effects of this false strategy, and we strongly desire to warn the world’s developing nations not to take a course that has proven so detrimental to family life in America. . . .

The Family. . . . We are alarmed that the Draft Program treats “various concepts of family” as a matter of indifference and includes homosexual unions in the definition of family under the term “other unions.” . . .

Male Responsibility. . . . The husband’s leadership responsibility is not a license for selfish demagoguery, but neither is it morally arbitrary or trivial. . . . We believe that husbands are obligated to love and care for their wives with the selfless love that God has for the Church, and that wives have a duty to recognize, accept and encourage the leadership of their husbands. Accordingly, we are concerned about the meaning, morality, and cultural implications of calls in the Draft Program for “gender equality.” . . . We are also very suspicious of the Program’s call to have “men share more equally in . . . domestic and child-rearing responsibilities.” This call is either highly confusing but meaningless (how does one measure “equality” in domestic and child rearing responsibilities?), or it is dangerous and immoral because it threatens to undermine or erase the historical and God-given role of male leadership in the home. . . .

Poverty and Population. We understand that the relation between poverty and population is highly complex and is more closely related to chastity, marital fidelity, self-discipline, strong families, education, the availability of natural and technological resources, political stability, chastity, marital fidelity, and good land management, than it is to contraception and strategies for family planning. Accordingly, we . . . dispute the fundamental assumption, running through the Draft Program, that economic development is necessarily tied to the availability of family-planning services, and that economic prosperity can be assured by promoting strategies to separate sexual intercourse from conception. Indeed, we believe in some settings—such as agrarian econo-

mies or cultures that build on the mutual support and cooperation [of] extended families—that the reverse can be true. . . . We urge, therefore, that the Draft Program look for ways to affirm and support the economic vitality of families in cultures where increasing the number of children may add to family wealth and strength, and to avoid rigid assumptions about connections between population and poverty and between fertility control and economic prosperity.

The Role of Religion. We note with real disappointment that the Draft Program nowhere recognizes the vital impact that religious faith and moral instruction does and should have on family life. . . . [H]uman population is much more a matter of spirituality, morality, and human relationships than it is a matter of reproductive technology. Accordingly, we urge that the Draft Program seek ways to affirm the vital role of religion in family and economic life, and to support the work of religious communities to resist morally destructive influences and to promote moral, social, and economic health.

Interview: Dr. Richard D. Land

Dr. Land, executive director of the Christian Life Commission of the Southern Baptist Convention, and a co-author of the statement, was interviewed on Aug. 9 by Nina Ogden.

EIR: Can we discuss the plans of the Christian Life Commission in the period after the Cairo conference, especially since the U.N. is already planning follow-up conferences including the one on “women’s reproductive freedom” in China?

Land: China?! That’s Kafkaesque! . . . Actually all the arguments raised in the Cairo document are Kafkaesque.

The Christian Life Commission is the organization for the moral and social concerns of Southern Baptists. We are opposed to abortion and opposed most of all to the view that human babies are a threat to the well-being of any society. We see babies, born and unborn, as the greatest resource a society can have, not as a burden and hindrance to the future.

We will do everything to change the reprehensible policy of the administration, which sees abortion as birth control, whose anti-population-growth policy seems to be the ethos of the Cairo conference.

EIR: In President Clinton’s discussions with the pope, in Rome and in the pope’s phone call to him—

Land: Clinton stressed “safe, legal, and rare.”

EIR: He seemed to stress that he was backing away from coerced “family planning policies.”

Land: Really?

EIR: We are hoping that the opposition to the Cairo conference will create a paradigm shift.

Land: I certainly hope and pray, every day, that our methods will be used to create a paradigm shift in favor of life. We must watch what the administration does, not just what it says. For instance, the cable that was sent to the State Department offices was terrible.

EIR: In your paper, you have a section called “Poverty and Population.”

Land: We dispute the assumption that economic development is tied to the availability of family planning services and that economic prosperity can be assured by promoting strategies to separate sexual intercourse from conception. Obviously—look at Japan—it is one of the most densely populated countries, and one of the most developed. Look at the population density of Europe. It is clear that there is no direct correlation. These examples would be a counterbalance. Another argument is, that if you look at the countries that have most dramatically raised their living standards—like South Korea, Taiwan, Singapore, and Malaysia—these examples would say that economic development is more predicated upon the economic theories embraced by the governments of these countries than by anything connected to the idea of overpopulation.

Interview: Daniel R. Heimbach

On Aug. 5, Nina Ogden interviewed Daniel R. Heimbach, Associate Professor of Christian Ethics, Southeastern Baptist Theological Seminary, the principal author of the document excerpted above. His co-authors were Richard D. Land (see interview) and C. Ben Mitchell, Director of Biomedical and Life Issues, Southern Baptist Christian Life Commission.

EIR: You attended the World Conference on Religion and Peace meeting in Geneva on July 26-29. Can you tell us what happened there?

Heimbach: The conference was billed as a multi-religious consultation on issues of population and development. People were sent from the major religious communities to share moral concerns with the draft program as put together by the Cairo conference and then compare these concerns, and to see how much commonality there would be. On the basis of that, they would prepare a statement that would be part of the official program presented at the Cairo conference within the NGO [non-governmental organization] forum. Also, the material would be given to every national delegate there and is voting on the Cairo program.

I came back from Switzerland very encouraged, actually. It was pulled together by a U.N. affiliate called the World Conference on Religion and Peace, which has NGO status in the U.N. complex in New York. Various major world religious bodies were asked to send someone who was able to

speak authoritatively for the tradition.

EIR: Did you feel that the draft of the common statement reflected the views of your paper?

Heimbach: Each religious representative was asked to have prepared a five-page summary statement from their religious tradition listing any moral concerns they had with the Cairo document. We spent the first day presenting those and discussing them, and then, the second day, we spent on issues of common concern and we drafted a tentative document, a general statement that mentioned certain principles. These will be added to by a list of specific recommendations for amendments and additions to the Cairo conference document.

We felt that it would not be enough to give a theoretical statement but to also include specific recommendations for amendment that would be harder to ignore. I've been working on a draft of some of that. Many of the issues that were raised in our paper were included, and I felt encouraged by that. Since the participants were designated and were speaking from the center of their tradition, it tended to be more conservative than other gatherings might be, particularly on issues such as the sanctity of life, the traditional family, and sexual ethics.

EIR: Tell us about some specifics of the paper.

Heimbach: It challenged the fundamental assumptions of the Cairo conference, first on the controversial area of male responsibility. This is the core of the Christian tradition. For those such as ourselves who try to live by the Bible as God's Word as divine revelation, that is spelled out very clearly, not only by example, but also in theological statements.

EIR: You say in the paper that you are very suspicious of the Cairo Draft Program's call to have men share more equally in domestic and child-rearing responsibilities and then you say, very ironically, "How does one measure equality of domestic and child-rearing activities?"

Heimbach: This point was not a point that was shared by those who were at the multi-religious conference. So, that particular point will not be in the common statement. There will be an addendum so that our statement, along with the common statement, will be in the hands of all the national representatives. It seems that the Cairo document itself was pushing a certain ideology with respect to male-female relationships in the family which we wanted to specifically call attention to.

We're suspicious that when you get into terms like "gender equity," that other things are involved, especially when they start talking about men sharing more equally in domestic and child-rearing responsibilities—the suggestion that somehow the roles in the family are interchangeable or the idea that some kind of monitoring is going to go on and someone is going to be adding up the number of minutes spent in domestic as opposed to out-of-the-family time; obviously that's ludicrous.

EIR: In the section on population and poverty you say, "We dispute the fundamental assumption running through the Draft Program that economic development is necessarily tied to the availability of family planning services."

Heimbach: That portion is what we found to be shared by all the religious communities that were represented. It's really questioning one of the fundamental notions in the Cairo document, or at least the notion held by many whose views seem to be reflected in the Cairo document, that there is a one-to-one relationship between poverty and/or economic development and population, and that if you control fertility and restrict population growth, that will result in economic development, and if you don't, that it's going to lead to poverty.

I wouldn't want to dispute that there can be some connections. But it's a very complex relationship and there are many, many other factors that impact poverty or economic development and most of those are much more influential on economic prosperity than population is.

EIR: In the section "Viewing Children as a Threat," you object to the assumption in the draft program that having children is a burden on well-being and threatens economic development. You end that by saying, "For example, we know that the United States and other developed countries of the world achieved their economic status without reproduction control efforts."

Heimbach: Absolutely! That assumption is very "paternalistic," even if it were right, but you might challenge if it were right at all. One of the very obvious and undeniable facts is that the developed countries—the ones that have already achieved the prosperity that the developing countries are seeking to obtain and that the draft document purports to be encouraging—achieved that without any strategy of reproduction control.

EIR: The beginning of your document expresses a certain creed saying "Southern Baptists as Christians hold that despite cultural diversity and religious pluralism, moral standards on essential matters are not inventions of human imagination, will or culture."

Heimbach: That was an important statement to make, because what it is challenging, is the notion that is sort of an ethical extension of multiculturalism, a philosophy or ideology that there is no standard beyond the individual experience or individual culture and that there is no way of judging right or wrong. Yes, there are different cultures, and yes, there have been different experiences, and yes, there are different religions; but that doesn't mean that there is no universal standard of right or wrong. It doesn't mean that it's inappropriate to discuss moral issues at an international forum. We do not want to be boxed in by the idea that "This is your religion, this is your culture, therefore, it's good for you but doesn't apply to anybody else." We speak from our tradition, but it's not just because it's our tradition. We believe these are universal truths.

Space station gets Senate funding okay

The Senate approved \$2.1 billion on Aug. 3 to continue work to put a U.S. space station in orbit around the Earth by the year 2002. The action came on a 64-36 vote rejecting an amendment by Dale Bumpers (D-Ark.) to a National Aeronautics and Space Administration appropriations bill; the amendment would have killed the space station.

Bumpers's motivation of his amendment reached new lows of theatrics, as he lamented that no one would listen to him and would just vote the way they wanted to anyway. He yelled that there was absolutely *no* crystal that could be grown in space any better than on Earth. He quoted from anti-science ideologue Robert Park, who heads the Washington office of the American Physical Society, as proof that "scientists" are against the space station. Bumpers claimed that the space station was a "turkey" that was too expensive and did not provide enough benefits to justify its construction.

Supporters said the station was needed to continue space exploration and research and to keep the United States ahead in technology. "The space station represents a new frontier, an opportunity and challenge for the United States and the whole world," said former astronaut John Glenn (D-Ohio).

Freshman Robert Bennett (R-Utah) stated that the station was a fitting commemoration of the 25th anniversary of the first manned landing on the Moon. He said that he had learned while serving as the CEO of a company that "if you don't invest in the future, you are unlikely to have one."

President Clinton supports the station, which he ordered redesigned last year in order to save money. It has

been renamed Alpha. Russia recently signed an agreement to join the European, Japanese, and Canadian space agencies as partners with the United States in the station, which has an estimated cost of \$30 billion. NASA said the agreement with Russia would save the United States \$2 billion, although these claims are disputed in a study by the General Accounting Office, the investigating agency of Congress, which said that the agreement might even increase the cost of the station by that amount.

Assembly of the station is expected to begin in 1997 with material for the station carried into orbit by U.S. space vehicles. The House approved funding for the station in July.

Senate demands its say in any invasion of Haiti

The Senate unanimously approved on Aug. 3 a statement to President Clinton authored by Senate Minority Leader Bob Dole (R-Kan.), saying that the U.N. Security Council Resolution on Haiti, passed on Aug. 2 and which calls for the use of "all necessary means" to oust Haiti's military leaders, "does not constitute authorization for the deployment of United States Armed Forces under the Constitution of the United States or pursuant to the War Powers Resolution." The non-binding "sense of the Senate" resolution passed by a vote of 100-0.

Dole accused President Clinton of seeking U.N. approval for an invasion of Haiti but rejecting calls for prior approval by Congress. "There should be no mistake: The U.N. action on Sunday does not give the President legal authority to invade Haiti," Dole said.

Several senators said they opposed

restricting Clinton's power to invade Haiti if that becomes necessary, but said that they supported Dole's amendment because it only states the obvious: U.N. approval of a Haiti invasion is not Congress's approval.

Three House members have separately introduced a resolution requiring Clinton to get approval from Congress before sending U.S. forces to Haiti. "If the President can make the case for an invasion of Haiti, and the Congress gives him authority to proceed, the country will be united behind the effort. If, on the other hand, the case can't be made and the support isn't there, it's better to find out ahead of time," said David Skaggs (D-Colo.), a co-sponsor of the resolution.

President Clinton responded that it was "premature" to consider seeking congressional approval for a U.S.-led invasion of Haiti, but did not rule out seeking such backing. "I would welcome the support of the Congress and I hope that I will have it," Clinton said in a nationally televised news conference on Aug. 3. However, "like my predecessors in both parties, I have not agreed that I was constitutionally mandated to get it. . . . At this moment, I think we have done all we need to do." As for whether he would seek the approval of Congress, Clinton said, "I don't want to cross that bridge until we come to it."

Health care reform faces GOP filibuster

Senate Republicans have threatened to filibuster in order to throw a monkey wrench into health care reform this year. Conservative Richard Shelby (D-Ala.), who makes a living out of lambasting the Democratic administration, underscored the difficulty

facing Democratic leaders when he declared he would back a filibuster.

Clinton made health care for all Americans the centerpiece of his domestic agenda, but his proposal ran into roadblocks, prompting Democratic congressional leaders to revamp it.

The Senate opened what promises to be a heated debate on Aug. 8. The proposal at center stage is a compromise offered by Majority Leader George Mitchell (D-Me.) which aims to provide insurance coverage to 95% of Americans by the year 2000 through voluntary measures, subsidies, and incentives. A requirement that employers contribute to insurance costs could be added in the year 2002. The Mitchell plan aims to meet its goal through insurance market reforms, and would create new government subsidies to provide children and pregnant women with insurance and help low-income families and unemployed workers buy insurance.

If those steps fall short of covering 95% of the population, then a standby requirement that employers pay 50% of workers' insurance would be put into effect in those states that fell short of the target.

The House is considering a separate bill that would require employers to pay 80% of workers' insurance costs and would expand the federal Medicare program as an option for the uninsured.

Sen. Jesse Helms (R-N.C.) on Aug. 8 threw the first obstacle in the way of the Democratic leadership, offering a non-binding amendment to a separate bill that would force the Senate to go on record in favor of a year's delay on health reform. An angry Sen. Patty Murray (D-Wash.) said Helms's initiative would be a "death sentence" for families unable to obtain insurance.

Although the Republican leadership has not formally called for a filibuster, Sen. Phil Gramm (R-Tex.), who doesn't hide his presidential ambitions, made clear he favors a filibuster if other tactics, including his bid to strip four proposed taxes on insurance, fail to stop the Democratic plan. "I will do anything I can do within the rules of the Senate to prevent the government from taking over health care," Gramm blustered.

Integral Fast Reactor killed in conference

The Integral Fast Reactor was killed in conference on Aug. 4 when Senate and House conferees approved \$83.8 million for the IFR in the Department of Energy appropriations bill for the termination of the project.

The IFR, an advanced liquid metal reactor, is designed to use a variety of nuclear fuels, including weapons materials such as plutonium or the spent fuel from other nuclear reactors, in a closed cycle which reprocesses and reuses its own spent fuel.

The House had approved funds to terminate IFR, while the Senate had approved funds to continue the IFR research at Argonne National Laboratory. The Clinton administration opposed the reactor, arguing that it was counter to their nonproliferation goals. Some opponents argued that the IFR is a "breeder" reactor, while others claimed that it is a waste of money, and claimed that killing the project would save \$2.9 billion.

IFR supporters say that this technology, which is very close to completing its research goals, will address the issues of proliferation and nuclear waste by providing another disposal option. There is no savings for next

year's budget: The same funds which would have gone to continuing the program are now earmarked to terminate it.

Department of Energy says ITER is priority

The Department of Energy's number-one priority is the International Thermonuclear Experimental Reactor (ITER), Anne Davies, associate director for fusion energy at DOE, told the House Subcommittee on Energy on Aug. 2. ITER is being planned as a cooperative program among the United States, Japan, the European Union, and Russia.

Davies reported that the design outline has been completed. She noted that the future demonstration fusion plant would not be a scaled-up ITER. Such an approach would not maximize the potential of the tokamak concept, Davies explained. This is the role of the planned Tokamak Physics Experiment (TPX). Ron Davidson, director of the Princeton Plasma Physics Laboratory where TPX is to be built, testified that TPX will develop the scientific basis for the economic operation of tokamaks. TPX is being designed to address physics issues and test various modes of tokamak operation which will hopefully lead to more compact future fusion reactors.

Rep. Dick Swett (D-N.H.), whose amendment to the DOE appropriations bill to kill TPX was defeated on June 14, asked Davies what would happen if ITER didn't come to fruition. Davies responded that the DOE is committed to making ITER work and so are our partners. But should it fail, the time scale for fusion development would slide way out. If the program doesn't move ahead in 1995, there will be significant layoffs, she added.

Village Voice escalates attacks on Nation of Islam

The Aug. 2 issue of the *Village Voice* contains an inflammatory cover story by Peter Noel peddling the line that Nation of Islam Minister Louis Farrakhan may have been behind the Memorial Day shooting of controversial NOI figure Khallid Muhammad after a speech in Riverside, California. Noel gives a very detailed account of a speech delivered by Khallid Muhammad 16 months before the Riverside shooting, in which he charged that officials of NOI Mosque 7 in Harlem were out to kill him. The *Voice* story went out of its way to paint a picture of a growing fissure between Khallid Muhammad and Minister Farrakhan. The front-page picture of the *Voice* shows Muhammad surrounded by bodyguards all holding rifles.

At the time of the shooting, Lyndon LaRouche issued a series of statements warning that the actual target of Anti-Defamation League (ADL) and related enemy networks was Minister Farrakhan, and predicting that there would be an effort to exploit differences inside the NOI between Muhammad and Farrakhan to create the climate in which an assassination of Farrakhan could be carried out and blamed on internal conflicts. The *Voice* article seems to signal that that effort is now being escalated.

Gambling, baseball, and a Texas son of a Bush

The *Houston Post* recently reported that Texas gubernatorial candidate George W. Bush, son of the former President, received a \$100,000 contribution from gambling casino owner Richard Rainwater. Rainwater is also Bush's partner in the ownership of the Texas Rangers baseball team. Now it appears that other close associates and partners of the junior Bush are wound up in the drive to subordinate baseball entirely to gambling operations back east in Pittsburgh.

With the Pittsburgh Pirates up for sale,

the city is negotiating to have an organization representing William O. DeWitt, Jr. and Robert Castellini buy the team. According to counsel to Mayor Tom Murphy, the bargain for building a new stadium for the prospective owners is being discussed in the context of a drive for legalizing riverboat gambling in Pennsylvania. DeWitt and Castellini were, like Rainwater, co-owners of the Texas Rangers team, together with Managing Partner George W. Bush.

William DeWitt was also closely involved with Bush in the notorious Harken case, when Bush secretly sold his shares in Harken Energy Corp. in 1990, two days after President Bush set the stage for Middle East war by cancelling the longstanding U.S. dialogue with Yasser Arafat and the PLO. The junior Bush did not report the "insider" sale to the Securities and Exchange Commission, whose general counsel at the time was James Doty, the attorney who had represented Bush in the purchase of the Texas Rangers. And William DeWitt, the co-owner of the Rangers, was reported to have bought the Harken stock from Bush.

'Sustainable development' council calls for ZPG

"Population must be stabilized at a level consistent with the capacity of the earth to support its inhabitants," says the Vision Statement of the President's Council on Sustainable Development, as reported in the Aug. 8 issue of *Coal News*, published by the National Coal Association. "Our vision is a life-sustaining Earth. We are committed to the achievement of a dignified, peaceful and equitable existence," the statement reads.

To achieve that vision, the council's defining principles include: "prudent action even in the face of scientific uncertainty" to protect public health or the environment; "all segments of society should equitably share environmental benefits and burdens"; "market strategies to harness private energies and capital to protect and improve the environment."

Coal News also reported that Department of Energy Secretary Hazel O'Leary kicked off a series of public meetings na-

tionwide to solicit public input to develop President Clinton's National Energy Policy Plan. O'Leary said the DOE is basing its plan on the Vision Statement.

Another Whitewatergater becomes a laughingstock

Larry Nichols, the former Arkansas state trooper who in 1990 filed a lawsuit accusing Bill Clinton of extramarital affairs, has been arrested for writing a bad check in 1988. Nichols, the first person to charge that President Clinton had an affair with Gennifer Flowers, was to be arraigned on Aug. 15 on charges of writing a bad check for \$885.49. Nichols has starred in the "sex, lies, and videotape" attack on Clinton being circulated by Jerry Falwell's Liberty Alliance. He boasted on the tape: "You may also wonder what it's been like fighting Bill Clinton. People are dead in Arkansas. Yeah. When I started this, I knew I might be one of the unsolved mysteries."

Free on \$5,000 bond, Nichols could find himself facing further penalties on an additional misdemeanor warrant, also served in early August for failure to pay for his auto registration in 1991.

Education Dept. report blisters privatizer EAI

Education Alternatives, Inc. which is seeking to run public schools around the country on a for-profit basis, is under attack from Education Department official Thomas Hehir, according to the Aug. 6 *Minneapolis Star*. Hehir, a director of special education programs, has released a report accusing the Minneapolis-based EAI of "violating the fundamental right of learning disabled children in Baltimore to receive an appropriate education."

The company moved special education students to regular classes without following federal procedures to protect them and their parents, Hehir's report alleges. EAI was able to save \$1 million during the first

Briefly

● **OLIVER NORTH** was denied renewal of his concealed weapon permit on Aug. 1 by Clarke County, Virginia Circuit Judge James L. Berry. In the order, Judge Berry, who had granted North a permit in 1992, said that the court "is unable to ignore his convictions for crimes involving moral turpitude since . . . the fact of those admissions remains."

● **WOODSTOCK II BOMBS.** Efforts to profit from a 25th anniversary replay of the infamous 1969 rock-drug-sex festival in upstate New York are failing miserably, and the backers of one of two competing concerts has withdrawn, complaining of poor ticket sales.

● **TEXAS FILED SUIT** on Aug. 3 against the federal government, seeking to recover costs it allegedly incurred from illegal immigration. California and Florida have also sued over the issue. Texas Attorney General Dan Morales says that the plaintiffs of Texas cities, counties, and hospital districts want possibly more than \$5 billion that would cover costs for the past six years.

● **A CHAIN OF FOUR OHIO** hospitals that has been purchased by Blue Cross of Ohio may have most of their community health care services cut. Some 300-bed hospitals would be turned into 20-bed outpatient facilities; only one hospital would continue obstetric deliveries. A former president of the national Blue Cross association told reporters: "The insurance carriers, and not just Blue Cross, feel . . . they should take a shot at delivery of care."

● **SEN. 'FULL MOON'** Gramm? According to the July 23-24 issue of the Capitol Hill magazine *Roll Call*, Texas's Sen. Phil Gramm (R) was spied romping in the altogether at the exclusive Bohemian Grove this summer, with the other movers and shakers of the nation's truly elite. Other inhabitants of the Grove have included Henry Kissinger, Robert Strange McNamara, and William Webster.

year of its contract with the Baltimore, Maryland school system in this way.

In Hartford, Connecticut, the American Federation of Teachers went to court in early August to stop that city from awarding a contract to EAI. The school board had recently voted to begin negotiations with EAI and was hoping to award EAI a contract to run the entire Hartford school system.

Augustine: 'Next U.S. space goal is Mars'

"What is needed for America's space program is a clearly stated and broadly embraced vision analogous to the one that landed us on the Moon," said Martin Marietta chairman Norman Augustine, a space program veteran, in an article for *Space News* on the 25th anniversary of the first manned landing on the Moon. Augustine's piece asserted, "The next goal in space is Mars."

He warned, however, that "we have become something akin to a high-tech couch potato. U.S. momentum in space is in jeopardy and will be lost if bold steps are not taken." He added, "for years our space program has suffered from an overemphasis on instant gratification," and that there is little thought given to long-term goals.

CIA chief outlines agency restructuring

CIA director James Woolsey briefed *Jane's Defense Weekly* about his plans for restructuring the CIA in the post-Cold War world early this month. Woolsey is just completing a strategic plan on the future of all U.S. foreign intelligence agencies, against a background of budget cutting and spending rationalizations. A full report is due within two months and will define "post-Cold War missions." At stake are the "size, shape, and funding for the entire intelligence community" concerning missions such as: counterproliferation, economic intelligence gathering, anti-terrorism, and monitoring international drug cartels. The aim is to cut down

spending by some 17%; Congress is pushing hard for those cuts and greater efficiency since the Aldrich Ames espionage affair.

Among the improvements proposed, however, some seem to go in the direction of the Webster Doctrine promulgated under George Bush, which placed greater emphasis on economic espionage against friend and foe alike, and less on national security-related intelligence gathering.

One area that Woolsey said he is pursuing "with some relish" is gathering intelligence about the commercial practices of foreign governments. The CIA keeps "a rather careful eye on some foreign companies and countries' efforts to bribe their way to contracts," said Woolsey. "Where such practices are found, the agency informs the State Department which then seeks to have contracts rebid." He noted that the CIA presence in such matters is "virtually never public" and he wants to keep it that way.

Candidate calls abortion 'crime prevention tool'

Tony Bouza, the leading candidate for the Democrat-Farmer-Labor Party gubernatorial nomination in Minnesota, defended statements he had made referring to abortion as a "crime prevention tool," after he came under attack from one of his DFL opponents, who cited statements from books Bouza had written on crime. Bouza is a former police commissioner in both New York and Minneapolis.

According to the *Minneapolis Star Tribune*, Bouza said his remarks were an observation, not an endorsement of abortion as a racist and genocidal approach to controlling crime. Bouza said, referring to the *Roe v. Wade* decision legalizing abortion on demand, that it "resulted in 250,000 abortions among young teenage women who typically give birth to children who frequently are among those who cause serious problems for society. If half of them were male, that means that as many as 125,000 young men who might have been at very high risk of becoming street criminals did not in fact become criminals. I never advocated genocide or a racist approach."

Man is becoming an endangered species

Most Americans, including, up to a few days ago, most members of the U.S. Senate, have been completely unaware of the implications of a Convention on Biological Diversity, which will be brought before the Senate for ratification. The treaty was in fact drafted as long ago as 1992, at the so-called Earth Summit in Rio de Janeiro, Brazil. Its provisions have been kept secret, except within environmentalist circles, in the hopes that would-be opponents would not be alerted. The idea was to slip it through by putting it before unwary senators in the last moments before the upcoming recess. Fortunately, this attempt has been exposed, and a vote will not occur before September.

The treaty itself is another bizarre piece of environmental legislation; but worse, it affords enforcement rights to the Blue Helmets of the United Nations.

It is obviously desirable not to allow animal species to become extinct, but certainly this should not be a priority. The claim which is made by radical environmentalists that thousands of species are being lost every year is sheer nonsense. It is based upon reclassifying species according to a ridiculous criterion which would pretend that a black alley cat is a different species from the familiar gray cat. Possibly one species per year is actually endangered.

The notion that endangered species must be protected at all cost is truly absurd in its implications. If we are to return nature to its pristine glory, does this not mean that the natural evolution of species was an aggressive act? But who is to blame for that? Why not demand that the earth be turned back to anaerobic bacteria which once were the dominant life-form?

The biodiversity theory, if it actually were to become the basis for international law, would have very serious consequences indeed. It would dictate the removal of large fertile areas from agricultural production. While this might give more range to certain animals, it would very definitely encroach on man's food supply. With food scarcity comes malnutrition and the spread of disease. Already we are seeing an increase in malaria because of enforcement of laws against

draining swamps.

Unbelievably, the treaty declares that no human activity may affect the earth in any fundamental way. This could be used to outlaw all economic activities, from using fertilizers and practicing irrigation, to allowing livestock to graze upon the land, to cutting down trees, or to building cities.

Worse yet, the convention which the U.S. Senate is being asked to ratify is only a statement of principle. The actual protocols will only be decided after the treaty is signed; and, the decision will not lie with the Senate, but with a delegated body which the United Nations will convene, scheduled to meet this November. Any nation that ratifies the treaty will be legally bound to implement any protocols adopted by these non-elected agencies. While these protocols will not have the force of law, such a precedent is extremely dangerous.

The same environmentalist groupings which are behind the Biodiversity Treaty have an even more radical proposal in the offing: that there be a constitutional convention called to pass an Animal Bill of Rights, giving animals the same standing as humans under law. The "logic" behind this, is that man is merely a more arrogant and aggressive species of animal, who wrongfully dominates the ecosystem.

What is this but the revival of the most evil, satanic form of paganism? And this is precisely what our children are already being taught in school. Biodiversity is not a scientific theory, but a pseudo-religious dogma which denies such fundamental truths as those summarized by the Ten Commandments of the Bible.

More and more, the idea that mankind was created in the image of God is being degraded, as young people are seduced into the counterculture and encouraged to live hedonistic, animalistic lives. This is the paradigm shift in cultural values which began in the 1960s. Now the enemy has gone further: They would outlaw the human soul.

Now is the time to let your senator know what you think about this fraud. Let's defeat this treaty.

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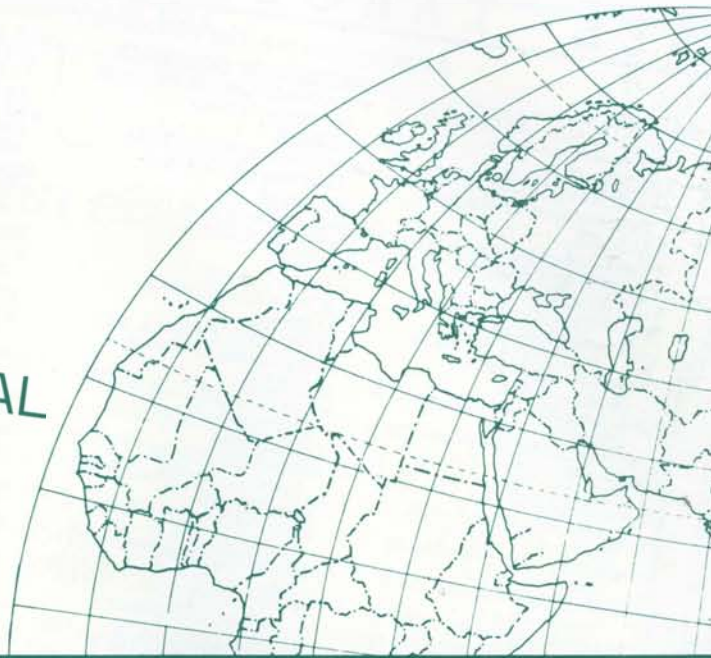
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