

EIR

Executive Intelligence Review

Aug. 11, 1995 • Vol. 22 No. 32

\$10.00

Non-Newtonian mathematics for economists
Mexico on the verge of another devaluation
Russia won't step in to save Serbian bullies

**African leaders indict IMF,
call for new economic order**



EIR

Founder and Contributing Editor:

Lyndon H. LaRouche, Jr.

Editorial Board: *Melvin Klenetsky, Antony Papert, Gerald Rose, Dennis Small, Edward Spannaus, Nancy Spannaus, Jeffrey Steinberg, Webster Tarpley, Carol White, Christopher White*

Senior Editor: *Nora Hamerman*

Associate Editor: *Susan Welsh*

Managing Editors: *John Sigerson, Ronald Kokinda*

Science and Technology: *Carol White*

Special Projects: *Mark Burdman*

Book Editor: *Katherine Notley*

Advertising Director: *Marsha Freeman*

Circulation Manager: *Stanley Ezrol*

INTELLIGENCE DIRECTORS:

Agriculture: *Marcia Merry*

Asia and Africa: *Linda de Hoyos*

Counterintelligence: *Jeffrey Steinberg, Paul Goldstein*

Economics: *Christopher White*

European Economics: *William Engdahl*

Ibero-America: *Robyn Quijano, Dennis Small*

Law: *Edward Spannaus*

Russia and Eastern Europe:

Rachel Douglas, Konstantin George

United States: *Kathleen Klenetsky*

INTERNATIONAL BUREAUS:

Bangkok: *Pakdee Tanapura, Sophie Tanapura*

Bogotá: *José Restrepo*

Bonn: *George Gregory, Rainer Apel*

Buenos Aires: *Gerardo Terán*

Caracas: *David Ramonet*

Copenhagen: *Poul Rasmussen*

Houston: *Harley Schlanger*

Lima: *Sara Madueño*

Mexico City: *Hugo López Ochoa*

Milan: *Leonardo Servadio*

New Delhi: *Susan Maitra*

Paris: *Christine Bierre*

Rio de Janeiro: *Silvia Palacios*

Stockholm: *Michael Ericson*

Washington, D.C.: *William Jones*

Wiesbaden: *Göran Haglund*

EIR (ISSN 0273-6314) is published weekly (50 issues) except for the second week of July, and the last week of December by EIR News Service Inc., 317 Pennsylvania Ave., S.E., 2nd Floor, Washington, DC 20003. (202) 544-7010. For subscriptions: (703) 777-9451.

European Headquarters: Executive Intelligence Review Nachrichtenagentur GmbH, Postfach 2308, D-65013 Wiesbaden, Otto von Guericke Ring 3, D-65205 Wiesbaden, Federal Republic of Germany Tel: (6122) 9160. Executive Directors: Anno Hellenbroich, Michael Liebig

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

In Mexico: EIR, Francisco Díaz Covarrubias 54 A-3 Colonia San Rafael, Mexico DF. Tel: 705-1295.

Japan subscription sales: O.T.O. Research Corporation, Takeuchi Bldg., 1-34-12 Takatanobaba, Shinjuku-Ku, Tokyo 160. Tel: (03) 3208-7821.

Copyright © 1995 EIR News Service. All rights reserved. Reproduction in whole or in part without permission strictly prohibited. Second-class postage paid at Washington D.C., and at an additional mailing offices.

Domestic subscriptions: 3 months—\$125, 6 months—\$225, 1 year—\$396, Single issue—\$10

Postmaster: Send all address changes to EIR, P.O. Box 17390, Washington, D.C. 20041-0390.

From the Associate Editor

The conference in Paris featured on our cover, "For an African Civil Rights Movement: Peace, Development, and Human Rights," was the sort of gathering that only the Schiller Institute could have assembled. As host Jacques Cheminade quipped, he was happy to have "anglophone Africans here in Paris, addressing a majority of francophone Africans, along with me, a Frenchman from Argentina, to launch this dialogue." The conference had a primary focus on the situation in Nigeria, Africa's largest country and a center of resistance to the International Monetary Fund, the British oligarchy, and the one-worlders of the United Nations bureaucracy.

As to our *Feature*, the author, Lyndon H. LaRouche, Jr., contributes the following characterization to this Editor's Page:

"The publication of this article, and the preceding 'Why Nobel Prize Economists Are Quacks' [*EIR*, July 28], is prompted by the urgent needs of professional economists and related policy-influencers of a number of nations. The most efficient way in which to serve that need has been to make this material available to the relatively large portion of *EIR*'s regular readership which is concerned with precisely such matters of both economic and strategic importance. The purpose is primarily threefold:

"1) To provide a summary of the argument which demonstrates that an approaching general collapse, and possible disintegration of the present, global monetary-financial system is inevitable, and at an early time, unless governments prepare now for takeover of the relevant central banking system in bankruptcy reorganization;

"2) To expose those false, but popular assumptions by which most professionals and laymen alike are duped into supporting those broadly accepted economics dogmas which are the principal continuing cause of the present world-wide monetary crisis and economic collapse;

"3) To expose, as delusory, the presumption that the kinds of mathematical abracadabra used by economists make their theories 'scientific.' The fact of the matter is, that most of the Nobel Prize-winning economists of the world, among many others, are quacks."

Susan Welsh

EIR Contents

Interviews

36 Tadeusz Mazowiecki

Poland's first non-communist prime minister in 45 years (in 1989), Mr. Mazowiecki recently resigned his post as special envoy of the U.N. Human Rights Commission to former Yugoslavia.

Departments

72 Editorial

Some truth, please.

Photo and graphics credits:

Cover, EIRNS/Gil Rivière. Page 5, EIRNS/Hugo López Ochoa. Page 10, EIRNS/Stuart Lewis. Page 17, Albert Betlex, *The Discovery of Nature* (New York: Simon and Schuster, 1965), Courtesy AIP Niels Bohr Library. Page 23, National Archive. Page 29, AIP Niels Bohr Library. Page 31, EIRNS/Rachel Douglas. Page 41, PIB. Pages 45, 47, 58, 62, EIRNS/Christine Schier. Pages 48-50, EIRNS/John Sigerson. Page 53, EIRNS/Chris Lewis.

Corrections: A table prepared by EIR staff and appearing in "Why Most Nobel Prize Economists Are Quacks," by Lyndon H. LaRouche, Jr. (*EIR*, July 28, p. 23), was incomprehensible, and we apologize to the author, and to readers who have been trying to make sense out of it. Our economics staff is working to produce a real "market basket" chart for the U.S. economy, which will be forthcoming fairly soon.

The article "Free-Market Reforms Have Turned Poland into a Maquiladora," *EIR*, Aug. 4, p. 11, gave the wrong figure for the portion of Poland's national income devoted to R&D; it should have read 0.5%.

Strategic Studies



The Schiller Institute's conference in Paris on July 11, "For an African Civil Rights Movement: Peace, Development, and Human Rights." Left to right: Baba Adi, Abiola Ogundokun, B.O. Olusanya, Chukwuemeka Odumegwu-Ojukwu, Jacques Cheminade, Uwe Friesecke, Godfrey Binaiisa, Sharif Ali, George A. Obiozor.

44 African leaders indict IMF, call for new economic order

The Schiller Institute and a delegation of the National Constitutional Conference met in Paris to discuss forming an African Civil Rights Movement and to present the "Truth about Nigeria."

46 The Schiller Institute's proposed great projects for Africa

52 A new Civil Rights Movement for Africa

55 Nigeria will forge its own future

57 What Nigeria is doing to end military rule

60 The top priority is to save your country

61 Democracy and politics of tribal jingoism

Economics

4 Ibero-Americans say 'No' to usury

Resistance is growing to the International Monetary Fund's austerity regime, as demands for debt moratorium spread across the continent.

8 Mexico on the verge of a new devaluation

9 Currency Rates

10 The Enron affair: Bush-leaguers make a global power play

There is more at stake in Enron's machinations in India than a multibillion-dollar business deal. Look at developments with Dwayne Andreas's ADM Corp. as a "marker" for what is really going on.

11 Gazprom privatization is a strategic issue

12 Bush-league link to Enron: How dirty is it?

14 Business Briefs

Feature

16 Non-Newtonian mathematics for economists

A sequel to "Why most Nobel Prize Economists Are Quacks," Lyndon H. LaRouche, Jr. writes: "The onrushing process of collapse of the International Monetary Fund-dominated global monetary and financial system, demonstrates, among other points, that all generally accepted mathematical representations of economic processes are devastatingly incompetent. The relevant alternative is named the LaRouche-Riemann method. However, a world which has suffered so much under the policies of the U.S. Nobel Prize-winners, should not be asked to accept an alternative economic teaching on blind faith. Therefore, it is not sufficient to know that the LaRouche-Riemann method works; it is necessary to render transparent both how, and why it works."

International

32 Russia will not step in to save Serbian bullies

The British are promoting the myth that decisive military actions by NATO against Serbian forces in Bosnia would provoke a Russian counter-action. But Moscow's threats to "intervene" in the Balkans are sheer bluff—and here's why.

34 Holbrooke testifies on Bosnia, Bush, Chirac

35 Mazowiecki resigns U.N. post, blasts 'hypocrisy' over Bosnia

37 Mladic, Karadzic, others indicted for war crimes

From the press statement issued on July 25 by the prosecutor in the U.N. tribunal on war crimes since 1991 in the former Yugoslavia.

38 Proven: The Cali Cartel put Samper in the Presidency

40 Sri Lankan crisis enters perilous stage

42 International Intelligence

National

64 Congressional GOPers join forces with Cali drug cartel

The proposed shutdown of the White House anti-drug office is part of a Republican budget-slashing offensive that could cripple the Clinton anti-drug effort.

66 Congress completes its shameless Waco coverup

67 The Whitewater hearings: arrogance of DOJ apparatus exposed

68 Congressional Closeup

70 National News

Ibero-Americans say 'No' to usury

by Valerie Rush

As the international monetary system teeters on the brink of collapse, the real-world effects of the crisis are not reflected on the stock markets or in corporate profit figures. They show up, rather, in the rise in infant mortality rates, ballooning unemployment figures, and mass bankruptcies and foreclosures. In Ibero-America, despite the subservience of many of its governments to the British free-trade ideology that is destroying their nations, a vocal resistance is now audible which is not merely identifying problems, but proposing concrete solutions.

Although many of these proposed solutions are partial and inadequate, they reflect the unleashing of a process of policy debate which is breaking with Britain's beloved free-market taboos, and which will not be so easily contained by the ideologues of liberalism.

Exemplary is the case of Argentina, where Harvard-trained Finance Minister Domingo Cavallo has bent over backwards to enforce murderous International Monetary Fund austerity measures, and then do them one better. According to the government's own admission, unemployment—now at an official 18.6% nationwide—is the direct result of these IMF policies, which are forcing mass bankruptcies and, thus, mass layoffs. Labor Minister Armando Caro Figueroa stated on July 11, "It must be said that over the past year, the Argentine economy began to destroy jobs." In Greater Buenos Aires, where one-third of the nation's population is centered, official unemployment is 20.2%; in the industrial city of Rosario, it is 21%; and Córdoba—the second most important city after Buenos Aires and the scene of months-long protests over Cavallo's austerity dictates—was not even included in official statistics. Actual unemployment is unquestionably much higher.

Government "solutions" to the unemployment problem, ranging from drastic lowering of wages and working hours

to the proposed drafting of the unemployed into the Argentine Army, have provoked mass demonstrations, even riots, in city after city, the latest being 10,000 public sector workers in San Juan province marching in the streets against plans to cut back salaries. They had just received their wages from last November. In the middle of this ferment, San Juan Congressman Antonio Achem introduced a bill into Congress on July 20 urging a moratorium on foreign debt payments until Congress can negotiate more just repayment terms with creditors.

World financial reorganization needed

The next day, Congressman Achem was interviewed on national television, where he argued the necessity of putting the nation back on the path of production through a global reorganization of the international monetary system along the lines proposed by U.S. economist Lyndon H. LaRouche. Achem said that we must clean up the world economy by ridding it of the bankrupt International Monetary Fund and World Bank, and we must implement a development program based on great infrastructure projects and industry. The first step in this reorganization process, he argued, is to stop paying a debt "based on usury and speculation" (see *Documentation*).

Achem's proposals have produced a storm of debate inside Congress, in the media, and on the streets, a debate paralleling the one triggered by Roman Catholic priest Osvaldo Musto's proposal for a debt moratorium one month earlier. Since Musto's statements on June 19, there have been repeated church warnings on the crisis: Bishop Néstor Kirchner of Río Gallegos declared that "the market economy" was to blame for the unemployment crisis, while Bishop of Zárate Rafael Rey said that unemployment had reached "desperate limits." Bishop of Viedma (Río Negro) warned that "neo-



A demonstration against "bankers' usury" by the Permanent Forum of Rural Producers (FPPR) in Sonora, Mexico in August 1993. Today, opposition to the bankrupt economic and financial system has become more widespread, with calls for a debt moratorium from congressmen and leaders of the Catholic Church.

liberalism" (the term for British free-trade) was the "principal, fundamental, and original cause of unemployment."

In contrast, World Bank President James Wolfensohn arrived in Buenos Aires to blithely announce that, sure, "adjustment hurts. . . . There are no miracles in the economy. . . . One cannot switch horses in mid-stream."

'A question of justice'

The growing boldness of the Catholic Church in Argentina is as much a response to the widespread social crisis in the country, as it is to Pope John Paul II's recent call for pardoning the debts of developing sector nations. That call was echoed by the head of the Latin American Bishops Conference (CELAM), Oscar Rodríguez Maradiaga, during the July meeting of CELAM in Bogotá, Colombia. Rodríguez, who is also the Archbishop of Tegucigalpa, Honduras, urged that the foreign debt of the region be forgiven, and that otherwise the creditor banks should be sued by governments "for usury" at the World Court in Geneva.

Archbishop Rodríguez denounced the creditors' calculations for Ibero-America's debt, which *EIR* has dubbed "bankers' arithmetic." Said Rodríguez, "The amount of the loans was \$86 billion; Latin America has paid \$418 billion, and despite this, the creditors are still demanding \$533 billion more. . . . This debt is a threat to life itself for millions of people. The church condemns this usury."

The denunciation of "usury"—a practice which is explicitly prohibited in the constitutions of many nations in the world, and condemned in the Bible—has not been limited to the Catholic Church, however. In Mexico, where hundreds of thousands of producer and consumer debtors are facing bankruptcy and foreclosure proceedings in the face of interest rates that are pushing 100% and are being openly described

as usurious, the demand for government action is loud, and growing.

On July 25, Mexico's Senate Finance Committee unanimously condemned the practice of capitalizing interest payments on arrearages, and described such practices as illegal. "We are living under circumstances that previously would have been deemed criminal. We have reached interest levels that are usurious, loan-sharking," the committee said. One member of the committee, former Foreign Minister Fernando Solano, urged, "It is time that we pay attention to what's going on in the countryside and the streets of Mexico, instead of on Wall Street."

Call for emergency debt legislation

Another member of the Finance Committee, PRI Senator and former Supreme Court magistrate Trinidad Lanz Cárdenas, urged that emergency legislation be drafted to deal with the problem of overdue loans and usurious interest rates. Speaking to reporters, the senator warned, "given that one can foresee a generalized suspension of payments, it is necessary for the legislature to directly confront this matter. . . . [Because] individuals, companies, and state and municipal governments are already practically unable to pay, an extraordinary action by the Congress in favor of the indebted majority is appropriate."

In particular, Lanz Cárdenas called on Mexico's Finance Ministry to come up with a new law, modeled on "internal moratorium" laws adopted by administrations earlier this century, and announced that his committee would be meeting with the Finance Ministry to discuss a three-part proposal for resolving the debt crisis, including 1) forgiving or writing off part of the debt; 2) lowering interest rates; and 3) lengthening repayment terms (see *Documentation*).

There are no "simplistic or magical formulas," Lanz Cárdenas noted, but case-by-case solutions, as the bankers are demanding, are impossible at this point. The problem lies not with any one bank, he argued, but with the entire nation.

Thus far, the government's response, issued through the Finance Ministry, has been to reaffirm the legality of capitalized interest, and to insist that either the debtors be made to pay, "or all of society will have to pay." An official document issued by the country's autonomous central bank, the Bank of Mexico, to the Senate Finance Committee, declared, "If the good name of the country is not guarded, the possibility of attracting foreign savings would be lost and, worse, there could be new flight capital." The ministry spokesmen concluded that a "case-by-case" approach to the country's swelling number of bankruptcies would be maintained.

Argentina and Mexico are by no means the only countries suffering from the perverse palpations of Adam Smith's "invisible hand." In São Paulo, the industrial heartland of Brazil, it has just been reported that business bankruptcies in July were 30% greater than the previous month, and 330% more than in the same period in 1994. Nearly 11,000 workers were laid off in São Paulo in the third week of July alone. "The medicine has begun to kill the patient," declared Laerte Setubal, a leader of the São Paulo Industrial Federation.

Thousands of farmers who had descended on the capital city of Brasilia in mid-July to protest unpayable debts, were rebuffed by President Fernando Henrique Cardoso, who called them "a minority of deadbeats." But within days of their departure from the capital, the Brazilian Textile Industry Association announced a mass meeting in Brasilia on Aug. 9, to demand an immediate increase in tariff protection for their ravaged industry. The meeting is to include trade unionists and congressmen.

'Great projects' are a crucial step

While the battle lines are being drawn within each nation, there are those who have come to recognize that broader solutions are required if there is to be life after the death of the International Monetary Fund. Argentina's Congressmen Achem acknowledged as much when he appealed for implementation of Lyndon LaRouche's program for a reorganization of the world monetary system. In a different way, Venezuela's President Rafael Caldera is also thinking internationally, as reflected in his July 29 press conference during his visit to Lima, Peru for that country's presidential inauguration. Caldera explained that the launching of a series of "great projects" on the continent was a crucial first step in the economic integration of Ibero-America:

"There are many possibilities which will be the material for the 21st century, but inter-communication between the countries of this continent is indispensable, whether it be through riverways—the noble idea of an Orinoco-Amazon-Plata navigation canal, which goes from Venezuela to Argentina, or the idea of a trans-Andean railway, which would be the most secure, advantageous, and cheapest for trade

relations between our countries. These, even though they will be an objective whose realization cannot be immediate, are projects which must begin to be taken up, studied, and channeled, from now, so that they can effectively serve future generations."

Documentation

The following excerpts are from a July 21 television interview with Argentine Congressman Antonio Achem, in which he defends his proposal for debt moratorium and argues in favor of a national development policy linked to global reorganization of the world monetary system. Also included are excerpts from his resolution for debt moratorium, submitted to the Argentine Congress on July 20.

In his nationally televised interview, Argentine Congressman Antonio Achem urged that Argentina return to the development policies of former President Arturo Frondizi, who "developed the country by promoting heavy industry . . . petrochemicals, steel, the modernization of farming. . . . This Argentina, which was self-sufficient in oil, which had technically developed industry, which had not a penny of foreign debt in the 1960s—just imagine what Argentina would be like today if this development plan had not been cut short by the pseudo-liberalism which we philosophically oppose today. . . . We are proposing a world development plan different from that proposed by the World Bank and the International Monetary Fund."

Asked how he proposed for Argentina to return to that type of development policy without the support of the foreign banks, Achem replied: "There is a man in North America whose name is Lyndon LaRouche. Three times, he has been a candidate for the Presidency of the United States. . . . [LaRouche] is proposing the following: a global development program for the world, starting by cleaning up the economy, by admitting that the system of the World Bank, the International Monetary Fund, and the Federal Reserve Bank of the United States, are bankrupt . . . because of derivatives, of foreign debt bond-holdings. So they are practically bankrupt. They must admit this bankruptcy, and use the capital they have to promote a three-pronged development approach. . . .

"First, transportation development. For example, the construction of a bullet train from Ushuaia [in Cape Horn] to Caracas, capable of covering the distance in 12 hours, with linkages to that railway by land or other routes. Second, economic development through modernization of agriculture and agro-industry, so that the countries can defend their production."

Achem is interrupted by the interviewer, to explain where the money for this development will come from. Achem says the money exists, but has been drained off by "the economy of speculation, for the past 25 years. But now we aren't able

to pay, neither interest nor capital. . . . History is going to change our economy from usury to solidarity, from speculation to development," he concludes.

Resolution to Congress

Mr. Chairman:

I want to stress the central area of our crisis: the foreign debt. If we don't adjust our relations with our creditors, we will not have available genuine resources to allow for the comprehensive development of the nation, [nor] take care of the internal debt, which has turned the country into an immense volcano on the verge of eruption. This project addresses that; to retain during the initial years part of the drain of resources and invest them with strict controlled justice. . . .

No one is unaware that we find ourselves immersed in the worst social crisis of our history, with the highest levels of unemployment of the century, absolute record levels of bankruptcy of commercial and industrial establishments, and, what is worse, an unprecedented increase of infant mortality. . . . To speak of meager wages, of miserable pensions, of school dropouts with the consequent increase of the levels of illiteracy, of hospitals that don't function, and of nonexistent safety, is no longer news.

The serious incidents in Jujuy, Santiago del Estero, Río Negro, Tierra del Fuego and, more recently, the very grave occurrences in Córdoba which led to the fall of the governor of that province, are perhaps the final warnings that the gov-

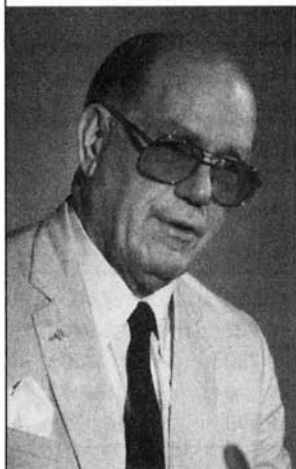
ernment will receive to mend its ways and avoid a social explosion with unforeseeable characteristics. . . .

In 1980, Ibero-America owed \$257 billion. By 1993, it had paid \$372 billion just on the interest of that debt, and currently it owes more than \$513 billion. In our country, in 1983, the public foreign debt was \$23 billion and the private foreign debt was \$22 billion. In 1989, we owed \$50 billion and it was all public debt; in 1994, we owed \$68 billion, and it now stands at \$84 billion in 1995, increasing 10% per year. . . .

The time has come to say enough. We propose a new form of payment that allows us to live with dignity, as well as comply as a nation. . . . It is for that reason that we propose, following the precepts of the social doctrine of the church, which we should never have abandoned, to request an immediate moratorium of the foreign debt; the opening, also immediate, of new negotiations to set the payment of the aforementioned debt on the basis of a percentage of the total of our export earnings, and the establishment, with equal urgency, of a Joint Congressional Committee, to manage and control the negotiations on that foreign debt, a project which was already presented by myself and other members last year, when we foresaw this grave outcome of social upheavals. The moratorium . . . would permit the immediate inflow of a significant amount of money to the circulating capital of our country, with the consequent improvement of the factors of production, and the immediate relief of the explosion we referred to above. . . .

LISTEN TO LAROUCHE ON RADIO

*Frequent Interviews with
Lyndon LaRouche on the
Weekly Broadcast "EIR Talks"*



ON SATELLITE
Thursdays, 1800 Hours
(6 p.m.) ET
C-1, 137 Degrees West
Reverse Polarity
Audio Mono, Narrow Band
7.56 MHz Audio
Transponder 15

SHORTWAVE RADIO
Sundays, 1700 Hrs
(5 p.m. ET)
WWCR 12.160 MHz

**Cassettes Available to
Radio Stations**

**Transcripts Available to
Print Media**

Local Times for "EIR Talks" Sunday Shortwave Broadcast on WWCR 12.160 MHz

Adis Ababa	0100*	Little Rock	1600
Amsterdam	2300	London	2200
Anchorage	1300	Los Angeles	1400
Athens	2400	Madrid	2300
Atlanta	1700	Manila	0600*
Auckland	1000*	Mecca	0100*
Baghdad	0100*	Melbourne	0800*
Baltimore	1700	Mexico City	1600
Bangkok	0500*	Milag	2300
Beijing	0600*	Minneapolis	1600
Belfast	2200	Montreal	1700
Berlin	2300	Moscow	0100*
Bohemian Grove	1400	New Delhi	0330*
Bogota	1700	New York	1700
Bonn	2300	Nogales	1500
Bombay	0330*	Norfolk	1700
Boston	1700	Oslo	2300
Bretton Woods	1700	Paris	2300
Bucharest	2400	Philadelphia	1700
Buenos Aires	1900	Pittsburgh	1700
Buffalo	1700	Prague	2300
Cairo	2400	Rangoon	0430*
Calcutta	0330*	Richmond	1700
Caracas	1800	Rio de Janeiro	1900
Casablanca	2200	Rome	2300
Chattanooga	1700	St. Louis	1600
Chicago	1600	St. Petersburg	0100*
Copenhagen	2300	San Francisco	1400
Denver	1500	Santiago	1800
Detroit	1700	Sarajevo	2300
Dublin	2200	Seattle	1400
Gdansk	2300	Seoul	0700*
Guadalajara	1600	Shanghai	0600*
Havana	1700	Singapore	0530*
Helsinki	2400	Stockholm	2300
Ho Chi Minh City	0600*	Sydney	0800*
Honolulu	1200	Teheran	0130*
Hong Kong	0800*	Tel Aviv	2400
Houston	1600	Tokyo	0700*
Istanbul	2400	Toronto	1700
Jakarta	0500*	Vancouver	1400
Jerusalem	2400	Vladivostok	0800*
Johannesburg	2400	Venice	2300
Karachi	0300*	Warsaw	2300
Kennebunkport	1700	Washington	1700
Kiev	2400	Wellington	1000*
Khartoum	2400	Wiesbaden	2300
Lagos	2300	Winnipeg	1700
Lima	1700	Yokohama	0700*
Lincoln	1600	Yorktown	1700
Lisbon	2300		*Mondays

Mexico on the verge of a new devaluation

by Carlos Cota Meza

The Sanders Amendment, approved a few weeks ago by the U.S. House of Representatives, seeks to bar the U.S. Executive from using its Exchange Stabilization Fund to support foreign currencies, as President Clinton did with Mexico some months back. It is unlikely that the Senate will also pass the amendment; hence its impact will be more political than legislative. This is also the way it was perceived in Mexico—as part of the political warfare between Democrats and Republicans, with the latter trying to defeat Clinton in his bid for reelection in 1996.

However, Mexico's finance secretary took the occasion to try to assure the country's international creditors that everything is fine and dandy in Mexico and that "the international reserves had mounted to \$13.649 billion by July 14." The dollar-denominated treasury bond ("tesobono") debt, the official news bulletin went on, which had been \$29 billion in January 1994, is now \$7.783 billion, besides which "no financing is required" for the current account because, among other reasons, Mexico has started to generate a trade surplus, which amounted to some \$2.9 billion in the first six months of 1995.

The finance secretary is covering up reality, of course. The "tesobono" debt, which he presented as a total, is in fact only for the months of July and August. What would remain outstanding are the last four months' payments, another \$4.7 billion, which the secretary absurdly described as "a problem we are already past." The reality is that, taken as a whole, the international financial package and the "adjustment package" which the Zedillo government has applied since January to deal with the financial insolvency in which former President Carlos Salinas left Mexico, are in very shaky shape.

As the deadline on the remainder of the \$29 billion in tesobono payments approaches, signs are starting to appear of the real problems which the Zedillo government will confront when the Clinton rescue package, which has artificially kept national finances afloat, disappears.

Since the outset of 1995, it has been known that July and August would be the "critical juncture" for the treasury bonds, since it would then be necessary to pay off \$7.8 billion, after having liquidated \$16.7 billion in the previous six months. For the remaining four months of the year, \$4.7 billion will have to be liquidated. A mere trifle!

But that is not all. The \$20 billion Clinton rescue package

(of which \$7.5 billion has yet to be disbursed) is part of a \$49.25 billion international financial support package for Mexico, out of which \$17.75 billion is promised by the International Monetary Fund, of which \$9.725 billion has been disbursed. The Canadian government is supposed to contribute \$1.5 billion, and they have disbursed \$750 million. The Bank for International Settlements (BIS) had promised \$10 billion, but not one dollar of that money has arrived in Mexico.

Of the international rescue package, \$26.275 billion remains to be disbursed to Mexico, as the table shows, and it is still not known what will happen with the missing portions from the IMF, Canada, and BIS.

In reality, the Sanders Amendment—quite apart from the quarrel between the Republicans and Clinton—is the harbinger of a new IMF policy toward all debtor countries: force them to pay the foreign debt "with their own resources." This is the policy which was forced on Weimar Germany (1923-29), when they were forced to pay the World War I victors "war reparations" out of their own resources—which produced the worst hyperinflationary crisis in memory.

In Mexico's case, the fact is that even if everything promised in the Clinton package should be disbursed, Mexico will have to lay hands on even *more* resources—which necessarily will have to be "internal," (i.e., reduce domestic consumption even more), to comply with all of its international capital account obligations in the rest of this year. In the first half of 1995, the International Monetary Fund disbursed \$23 billion, of which some \$8 billion went to build up international reserves from \$5.6 billion in January to \$13.6 billion in July, and another \$15 billion contributed to pay off the \$16.7 billion in "tesobonos" which came due during that semester. All indications are that almost nothing has been paid of the other existing capital account obligations. Hence, for the second half of the year, we estimate that Mexico will have to pay more or less the following: \$12.5 billion in "tesobonos," \$20 billion in foreign debt of the banks, \$15 billion in foreign debt of private business, and \$3 billion in payments on public debt, for a total of \$50.5 billion.

To deal with this, the available money is the \$13.6 billion in reserves, plus the \$26.3 billion of the "package" which

International financial support to Mexico

(millions of dollars)

	Allocated	Disbursed	To be disbursed
U.S.	20,000	2,500	7,500
IMF	17,500	9,725	8,025
Canada	1,500	750	750
BIS	10,000	0	10,000
Total	49,250	2,975	26,275

has not yet been disbursed, which adds up to about \$40 billion. As is obvious, more than \$10 billion is still short—a fact which *EIR* has been pointing out since last February.

The speculative Wall Street and Chicago banking houses are already working on a program to direct Mexico's "own resources." For the "experts on emerging markets" of Bankers Trust Securities, Global Emerging Markets Advisors, Bear Sterns, Salomon Brothers, Nomura, etc., the Clinton package has sparked "a new overvaluation of the peso." In a suspiciously similar analysis which appeared in all the national dailies at once, these houses claim that "many suspect that what the [Mexican] government is doing is maintaining a solid peso during the present heavy period of 'tesobono' maturities." What is next, they say, is "the effect of weakening the peso."

According to this, the exchange rate by the end of the year ought to be between 6.85 and 7.25 pesos per dollar—which means an additional devaluation of 13-17%—since "6 pesos to the dollar is not an adequate devaluation" to "increase international reserves" and to assure "an export economy."

But beyond these "experts," are the perverse games being played by the autonomous Miguel Mancera, governor of the Bank of Mexico, who has already restarted his speculative practices with the tatters of the national economy (its "own resources").

All through July, the Bank of Mexico offered to pay "tesobonos" in advance of their maturity. The National Finance Company, Nafin, has acted the same way, offering to pay these same securities with an exchange rate outside the so-called spot (48-hour) market price. The official explanation is that "we are trying to eliminate the demand pressure on the currency market on pre-established days" (the calendar of liquidation of "tesobonos").

Due to the "excessive presence" of dollars in the market, as the result of these movements, the national currency stood in mid-July below 6 pesos to the dollar (at 5.95 pesos to the dollar, it was said that "the dollar got cheap again"). This caused a major stampede of capital out of the country, which in one day pushed the exchange rate back up to 6.20 pesos. In a matter of hours the Bank of Mexico threw in \$400 million to supply the strong demand of fleeing "investors."

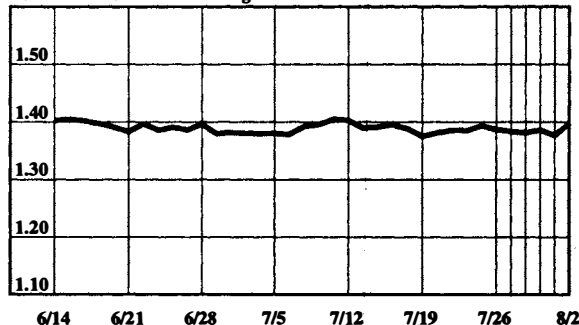
For their part, the secondary markets suffered a sudden setback in their "corporate demand," which forced interest rate increases in all the instruments being bought and sold, especially government securities. The Bank of Mexico contributed, via "credit auctions," an equivalent in pesos to \$808 million to lessen the "liquidity crunch" of the operators on that market.

What happened between July 19 and 20 in the Mexican financial markets was the first tremor, a warning of what will happen as the Clinton rescue package is running out, and as Mexico goes on trying to pay off the speculators with its own resources.

Currency Rates

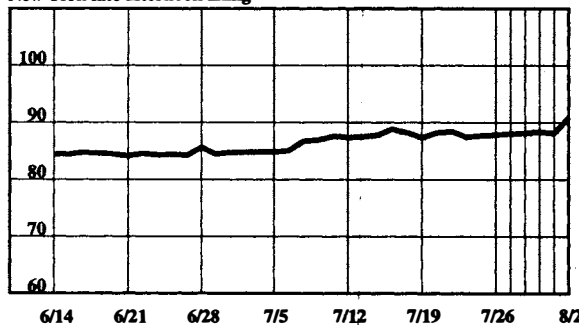
The dollar in deutschemarks

New York late afternoon fixing



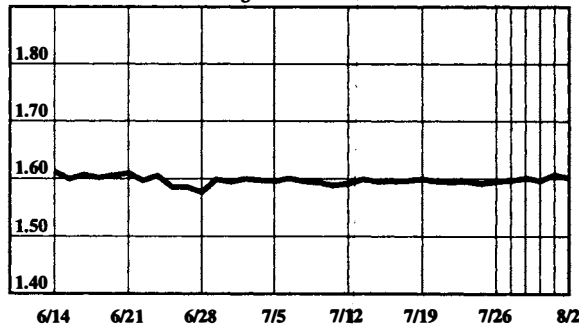
The dollar in yen

New York late afternoon fixing



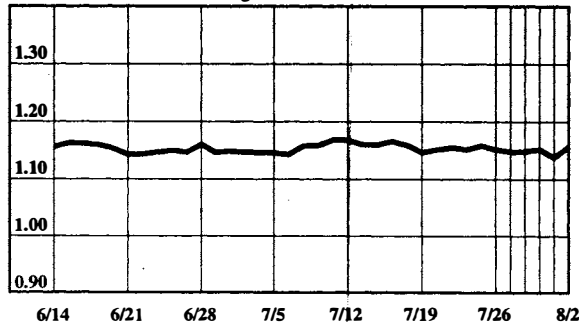
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The Enron affair: Bush-leaguers make a global power play

by Jeffrey Steinberg

At the very moment that Dwayne Andreas and his Archer Daniels Midland conglomerate are in hot water with the U.S. Justice Department over charges of global price fixing of three critical agricultural commodities, it looks like the Houston-based corporate friends of former President George Bush are trying to get away with similar insider dealings in the world energy sector.

Enron Corp., one of the country's biggest energy companies, is grabbing headlines from India, to Kuwait, to Russia, to Ibero-America, to China, as the result of a string of aggressive moves to parlay its ties to senior officials of the former Bush administration into winning contracts worth billions of dollars.

The biggest controversy is swelling in India, where a multibillion-dollar contract to build a power plant at Dabhol in the state of Maharashtra is now under intense review (see p. 12). The contract was originally grabbed by Enron back in 1992, when George Bush was still in the White House, and the company's chairman, Kenneth Lay, was the chairman of the Host Committee for the Republican National Convention where Bush was renominated. The contract came under intense scrutiny following a change of government in Maharashtra, and after company officials admitted that Enron had shelled out \$20 million in "educational funds" to convince Indian officials that the deal was a good investment.

On Aug. 3, CNN reported that the Enron Dabhol contract has been cancelled, although company officials immediately issued a statement saying that negotiations had not been totally cut off.

Geopolitical factors

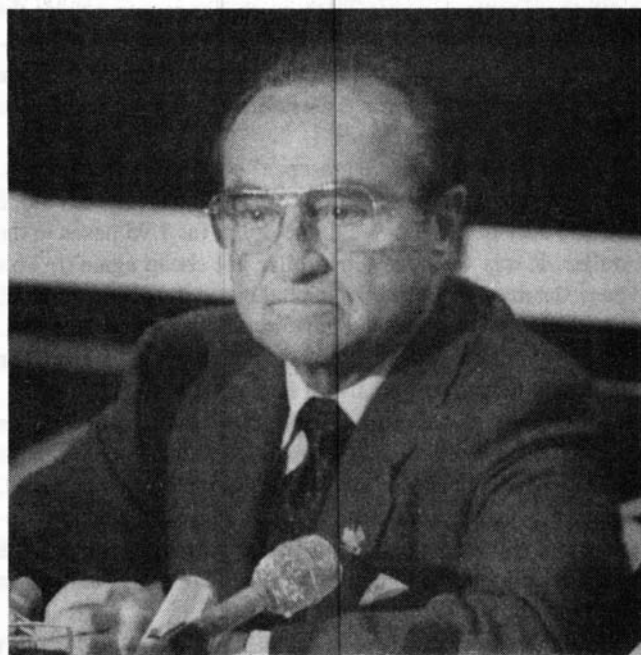
There is more at stake in the Enron machinations in India than a multibillion-dollar business deal. Enron is one of a nexus of multinational energy, raw material, and agricultural companies that are politically allied with the Bush crowd in the United States and with the London-centered Club of the Isles.

This apparatus has a tremendous stake in destroying the Clinton Presidency and repairing the breach in Anglo-American relations that has widened in recent months and is nearly at a point of no return. Politically, they are committed to a return to the "new world order" strategy that then-President Bush tried to orchestrate in partnership with British Prime Minister Margaret Thatcher, following the collapse of the

Soviet empire in 1989.

For this crowd, the real importance of a deal like the Dabhol power plant is the political influence and the opportunity to carry out secret intelligence activities that go along with the enormous cash profits. These efforts invariably are carried out in partnership with the International Monetary Fund and other agencies devoted to quashing any real economic growth and maintaining policy control over the economies of nation-states—including such powerful states as Russia and China.

One of the tell-tale signs that there was more to the Enron India deal than safe and abundant electricity, was the fact that, in June, at the conclusion of a visit to India, British Chancellor of the Exchequer Kenneth Clarke—no friend of the Clinton administration—issued a tough warning to the Indian government that a break-off of the Enron deal might have dire consequences for long-term British investment in the country's energy sector.



Dwayne Andreas of Archer Daniels Midland: His firm is under grand jury investigation for price-fixing, while another group of George Bush cronies, at Enron Corp., is under fire for insider trading in India.

A pattern of political warfare

Early this year, the Clinton administration directly intervened to scuttle a similar large-scale deal, involving the American corporation Conoco, which was about to consolidate a deal to open an oil refinery in Iran. The Conoco-Iran deal had been brokered, according to Washington sources, by former Secretary of State Alexander Haig, and involved large investments by some of George Bush's most prominent Texas business cronies. Had the Conoco deal gone through, some Washington sources are convinced that some of Bush's former CIA employees with a long track record of dirty dealings in the Persian Gulf would have gotten into the act and made things even more difficult for the Clinton administration.

The most blatant case of political wheeling and dealing by the Bush-leaguers came in April 1993, just three months after Bush left the White House. Enron President Kenneth Lay—a longtime pal of Bush, according to a Sept. 6, 1993 exposé in *New Yorker* magazine by Seymour Hersh—hired former Bush campaign manager and Secretary of State James Baker III, and former Bush Commerce Secretary Robert Mosbacher, as “consultants.” Wendy Gramm, the wife of Texas Sen. Phil Gramm (R) and the former head of the Commodity Futures Trading Commission, was placed on the company's board of directors.

That month, Baker and Mosbacher traveled to Kuwait with ex-President Bush, two of his sons, Marvin and Neil, and other ex-Bush administration officials. While George Bush partook of the Kuwaitis' hospitality, the rest of the delegation set out to bag a \$4 billion power plant construction contract. Needless to say, the ex-President's participation in the junket put Enron in a formidable position to win the deal, even though the Kuwaitis had received lower bids from several other companies.

The Bush-Enron crowd, while running into trouble in India of late, is moving fast on a number of other global fronts, including Russia and Ibero-America.

Gazprom privatization is a strategic issue

by Rachel Douglas

William Engdahl, Brian Lantz, and Roger Moore contributed research for this article.

In the matter of privatization of Russia's Gazprom, the Bush and Phil Gramm-linked, Houston-based Enron Corp. already plays an ominously key role. So does the British investment house Kleinwort Benson, a top investment firm of the London-centered oligarchy known as the Club of the Isles (see

EIR Special Report, “The Coming Fall of the House of Windsor,” Oct. 28, 1994); Kleinwort is notorious for its expertise in the looting of whole countries, termed “emerging markets.”

Because its privatization is considered by leading Russians to be a national security issue, the fate of Gazprom is of world strategic importance (see *EIR*, July 7, p. 42). Fully privatized, the Russian natural gas extraction and distribution firm would be the largest company in the world. Estimates of its assets range from \$100 billion up to \$1 trillion. Gazprom is believed to hold 24-33% of total known world natural gas reserves, and is a major gas supplier to Europe, especially Germany, Italy, and France. It is Russia's single largest hard-currency earner, having netted an estimated \$7 billion from exports in 1993. The Russian political figure closest to Gazprom is Prime Minister Viktor Chernomyrdin, who headed the agency during the end of the Soviet period.

Gazprom is already partly privatized, as a joint-stock company, but the sale of its shares to foreign interests looms as one of the hottest undecided economic policy questions in Russia.

Shares put on world market

In June, Gazprom Chairman Rem Vyakhirev told a press conference, after the first-ever meeting of Gazprom shareholders, that 9% of its shares will be sold on the world market. This is being handled by Kleinwort Benson. These are from the 10% of total Gazprom shares, obtained by the company itself for a nominal cost, in exchange for privatization vouchers, for eventual market sale. The remaining 1% will be sold inside Russia.

Vyakhirev's remarks were featured on June 20 in *Finansovyye Izvestiya*, a joint publication of the Moscow *Izvestia* and the London *Financial Times*. According to Vyakhirev, the structure of Gazprom ownership at present is: 15% of the shares were acquired by 282,000 workers and retirees from the natural gas industry; nearly 34% of the shares were sold at closed auction in 61 regions of Russia, creating 747,000 more co-owners of Gazprom; 40% of the shares still belong to the Russian state; 10%, as noted, were obtained by the firm itself.

Gazprom shares are unevenly distributed among these owners. One thousand shareholders took part in the meeting, each holding at least 8 million shares. Vyakhirev said that 262 of those present, among them the state's representatives, controlled 74.5% of the shares. In January, Vladimir Polevanov, then head of the state committee dealing with privatization of state industry, cited the purchase of 210 million shares of Gazprom by a single individual, Vasili Timofeyev from Tyumen, as an instance of the sort of unregulated, not properly taxed business activity, which had turned the privatization process into a looting frenzy. Polevanov subsequently lost his position, after publicly challenging Chernomyrdin about such abuses. Suspicions remain, that some purchases of large blocks of stock in Russian firms, by individual Russians,

cover for foreign interests, as well as domestic criminal interests.

The shareholders voted against permitting Gazprom shares to be freely traded on stock exchanges. "In view of the lack of laws regulating joint stock societies and the rights of shareholders," Vyakhirev explained, "[this] would be premature." (A month later, speaking to reporters after talks with visiting German gas industry representatives, Vyakhirev was asked about illegal trading of Gazprom shares, reported in several cities. He replied that the "black market" had come into play, and endorsed Chenomyrdin's political party, "Russia Is Our Home," as the force capable of cleaning it up.)

But Vyakhirev raised the next, most sensitive question. Addressing whether there might be a second share issue, he said that, first, "the state must sell its portion of Gazprom shares."

London eyes natural gas bonanza

A study released in May by the Royal Institute of Economic Affairs (RIEA) in London and featured in the *Financial Times International Gas Report* on May 26, under the headline "Cheap Russian Gas 'Bubble' to Hit Europe," eagerly prognosticated that the collapse of Russia's economy would compel Russian authorities to sell natural gas at "extremely competitive prices."

The RIEA maintains that vast revenues from Russian gas will be possible, without any new investment in its development. The study claims that the bargain-basement sale will depress prices so much, that further development of Russian energy supplies will not be cost-effective.

The involvement of Kleinwort Benson with Gazprom, suggests that the RIEA study is a smokescreen. For some time, *EIR* has learned, the British Foreign Office's Know How Fund has been quietly assisting the creation of "western-style" speculative financial markets in Russia. After five years of asset-stripping and criminalization of the Russian economy, under the reforms imposed in collaboration with the Margaret Thatcher and George Bush administrations and the International Monetary Fund, one remaining prospect in Russia is to grab ownership of privatized real assets and run up their paper value in an "emerging market" scam.

Already, market gossips term the scarcely traded shares of Russian companies, "undervalued." An article in *Forbes* last November gloated over the opportunities in Russia: "For a parallel, you needn't go very far back in U.S. financial history. In the 1980s empire builders like Ron Perelman, Henry Kravis, and Steve Wynn used junk bonds and financial leverage to tender for the undervalued equity of American companies."

Concentrating on the development of "financial services and equity markets" in Russia, the British Know How Fund has involved Kleinwort Benson for assistance. Kleinwort Benson, which dominates Hongkong's gold market along with the Hongkong and Shanghai Bank, is also a coordinator

for the privatization of huge state-owned firms, such as Italy's ENI and Turkey's oil business, Tupras.

"Kleinwort Benson has a policy to make no comment on the Gazprom share issue," a senior member of the firm told *EIR* on July 5. He added, "We continue to be satisfied with the progress of our negotiations with Gazprom and when there is something further to tell, you can be sure it will be announced." According to a source in the Texas natural gas industry, Kleinwort will not make a formal offering, but approach companies individually, with the stipulation that all discussions be confidential.

According to oil and gas industry sources, most of the proposed 9% share offering would go to existing or potential industrial customers of Gazprom, such as Enron or British Gas or BASF.

Through its adjunct, Enron Development Corp., the Houston firm has pursued an aggressive strategy in South American markets, of being "first in privatizing markets," in the company's own words. In August 1993, after Chernomyrdin visited Houston, Enron and Gazprom entered into a framework agreement.

Enron's 1993 Annual Report described its Gazprom undertaking: "The agreement unites two of the world's largest natural gas companies in an effort to develop new markets for Russian gas into European markets. While no specific projects have been completed, Enron has been evaluating with Gazprom opportunities in Italy, Greece, and Turkey, as well as in eastern Europe. Enron's experience will be used to identify, evaluate, develop, contract, finance, and negotiate gas sales and power purchase contracts for independent power projects. Gazprom will deliver gas to the power projects either directly or through one of its trade houses or partners. The agreement will serve as the cornerstone of Enron's Russian and eastern European development strategy."

Bush-league link to Enron: How dirty is it?

by Susan Maitra and Ramtanu Maitra

As the Enron deal to build a power plant in Dabhol, India (see *EIR*, June 16) has been put under the microscope by lawmakers, reports of close links between the Houston-based U.S. multinational Enron Development Corp., and former U.S. President George Bush, have hit the Indian media. On July 20, the *Asian Age*, a daily published simultaneously from New Delhi, Bombay, Calcutta, and London, reported on the 1993 *New Yorker* magazine story which revealed a direct tie between Enron and a number of Bush's close associ-

ates, as well as George Bush himself.

The exposé comes at a time when Enron is gasping for political support. The Texas firm's agreement with the Maharashtra state government, at the time ruled by the Congress Party with Sharad Pawar as chief minister, for construction of the first phase of the 2,015 megawatt Dabhol Power Project, is likely to be torn up. The agreement documents have already been reviewed by a commission under Deputy Chief Minister Gopinath Munde, set up by the newly elected Bharatiya Janata Party (BJP)-Shiv Sena alliance government now ruling the state of Maharashtra. A decision on the project is expected soon, and it is almost certain that if the project is not altogether scrapped, Enron will be asked to renegotiate some important aspects of the deal.

Enron has been softened up

Meanwhile, speculation regarding the fate of the project abounds. Leaks to the media indicate that the project will be allowed to go through, but only after "certain changes" are made to bring down the capital costs and the recurring electricity tariff. Although it is impossible to check out the claims presently being made, there is no doubt that Enron has come down from the high horse from which it was speaking with arrogance and disdain about the new review, and is instead showing eagerness to be accommodating.

At a press conference in Bombay on July 21, Enron's chief executive officer, Rebecca Mark, said that Enron is ready to consider use of naphtha as feedstock for the first phase of the project in place of the more expensive oil distillate agreed upon in the original contract. The higher cost of imported oil distillate, the critics have been pointing out, means more foreign exchange going out of the country. The use of naphtha in lieu of oil distillate will shave from 0.3¢ to 1¢ off the unit electricity tariff. The agreed tariff presently stands at 7.5¢ per kilowatt-hour, quite high by international standards.

In addition, Mark has also publicly expressed regrets over the testimony of Linda Powers, vice president of Global Finance, Enron's investment arm, before a U.S. Senate Appropriations subcommittee last January. On that occasion, Powers, who has since been removed, claimed that Enron had spent \$20 million to "educate Indians." Mark did not offer a denial of that statement, but merely indicated that it was poorly worded and the number quoted was "too high."

Political skeletons

The accommodating gestures now coming from Enron could be linked to revelations concerning Enron's influence-peddling around the world. The *New Yorker* article, written by Seymour Hersh, said that following his defeat in the 1992 U.S. presidential election, George Bush made a private trip to Kuwait that was partly devoted to peddling influence on behalf of Enron. He reportedly pitched in favor of Enron to win the 400 MWe Shuaiba North power plant contract.

Hersh wrote that such a high-level push was necessary because Enron's price for supplying a unit of electricity was 11¢ against the rival bid of 6¢ by the German company Deutsche Babcock.

In 1993, when Bush visited Kuwait, he was accompanied by his two sons, Neil and Marvin, and his former colleagues James Baker III and Thomas Kelley. Hersh wrote that the founder of Enron, Kenneth Lay, had already put former Secretary of State James Baker III, a fellow Texan and a close associate of George Bush, and Secretary of Commerce Robert Mosbacher, on the Enron payroll. Kelley, the director of operations for the Joint Chiefs of Staff at the Pentagon during the Persian Gulf war, was already hired by Lay to do the public relations job. Hersh pointed out that Lay is a Texan and a close friend of George Bush.

When approached by the Inter-Press Service (IPS), Diane Belizades, Enron's vice president for Public Relations, called the article "completely inaccurate." But Belizades said only that Bush's two sons were not employed by Enron and "James Baker did have one or two meetings on our behalf in Kuwait, but that was after George Bush had left."

IPS news service claims that Enron's political clout remained intact even after the Bush crowd had left Washington in 1992. Sen. Lloyd Bentsen, a Texan whom President Clinton chose as his first secretary of the Treasury, had received a generous campaign donation of \$14,000 from Enron during his senatorial campaign. Current Treasury Secretary Robert Rubin was a business associate of Enron as an investment banker at Goldman Sachs.

Influence-peddling

There are also reports that Clinton administration officials have publicly helped Enron win contracts in India as well as in Indonesia. And in the last two years, Enron has received U.S. government funds to build power plants in China, the Philippines, and Turkey. Enron has also won contracts in Pakistan and Russia while accompanying senior U.S. government officials on state trips, IPS noted.

The political influence-peddling nature of Enron has also been highlighted in India. Energy Minister N.K.P. Salve and former Maharashtra Chief Minister Sharad Pawar have spoken out unabashedly on behalf of Enron, and have supported the original agreement with Enron without reservations. Even now, Sharad Pawar is publicly promoting Enron and trying to keep the deal intact.

Recently it has been reported that Commerce Minister P. Chidambaram, a Harvard-educated lawyer, was also a recipient of a modest sum from Enron for providing legal advice on a one-shot basis; he allegedly advised Enron to go in for arbitration in London under the regulations of the United Nations Council for International Trade and Law if the Maharashtra state government scraps the deal. Minister Chidambaram, who has strongly denied any foul play, has insisted that his association with Enron has nothing to do with the contending issues in the controversial deal.

Business Briefs

Shipping

Unions fight to allow dredging to proceed

The presidents of the two dockworkers unions in the United States, the International Longshoremen's Association, which represents dockworkers on the East and Gulf coasts, and the International Longshoremen's and Warehousemen's Association, on the West Coast, have threatened to cooperate to shut down all ports in an attempt to convince politicians to allow the dredging of ports to move forward, the July 19 *Journal of Commerce* reported.

Ports need to be regularly dredged to keep ship channels deep enough, and many ports would like to dredge channels deeper in order to allow larger and more heavily laden ships into port. But environmentalists have effectively prevented most dredging for the past few years, arguing that dredged materials are so contaminated with pollutants that it is unsafe to dump the dredged seabed back into the sea.

On July 14, port officials in New York signed an agreement to send 150,000 cubic yards of dredged material to Utah. Doing so is costing ten times more than the normal method of dumping the material back into the ocean.

Central Asia

India, Russia, Iran forging trade ties

Central Asian nations, along with India, Russia, and Iran, are forging various pacts for opening up trade routes into Central Asia. S. Gavrikov, Russian consul general in Calcutta, reported on July 13 that members of the Community of Independent States in Central Asia may use Iranian railways to speed up the movement of cargo, and that the Indian Commerce Ministry is sponsoring a study to explore such a possibility.

Speaking at a seminar on business development in CIS nations organized by the Federation of Indian Export Organizations and the State Bank of India, Gavrikov said that such a rail route would cut the distance and transport

time for cargo moved via shipping routes through Black Sea ports. Most of the CIS countries are landlocked, and movement of cargo through the Russian ports to Central Asian destinations is time-consuming. An alternative, air cargo service, would be very expensive.

Iran and Turkmenistan are likely to conclude a treaty by the end of August with India on movement of goods to Central Asian republics, and a railway connection from Iran to Turkmenistan is expected to be established within three years. High-level delegations from Iran, Turkmenistan, and India held discussions in New Delhi in early July on the infrastructure needed for a rail and road route from Iran to Central Asia.

India and Kyrgyzstan are also looking at establishing a new trade route. New Delhi and Bishkek, the capital of Kyrgyzstan, are exploring use of a rail link between Turkmenistan and the Iranian port of Bandar Abbas, from where cargo can be transported to India by ship. "Only 130 km of the rail link need be established to enable Indian access to Central Asia via Iran. A delegation of businessmen, returning from a Central Asian tour, felt that the transport bottlenecks could be sorted out in two to three years," Indian Minister of State for External Affairs R.L. Bhatia said in talks with Kyrgyz Minister of State or Foreign Affairs Talgat E. Chinetov in late June. Kyrgyzstan is also exploring the possibility of exporting electricity to India.

China

Special economic zones ruled out

The Chinese government will not set up any "special economic zones" in central or western China, and there will be no additional preferential policies for existing SEZs on the east coast, the State Council announced on July 19. While the government is determined to promote development of the central and western regions, speculation that SEZs on the model of Shenzhen, near Hongkong, would be opened in these regions to attract foreign investment, is groundless, China's *Economic Daily* reported on July 25.

In the past, there were highly preferential

tax and other policies granted to the coastal SEZs, but there will be no additional tax breaks from the central government.

However, the SEZs could play a more important role in China's economic reform, as "experimental zones" where new policies or measures could be introduced before they are attempted in the national economy, the paper stated.

Labor

Puerto Rico unions protest 'reform'

Over 1,250 trade union leaders voted unanimously for a general strike against the anti-labor and anti-union clauses of a so-called labor reform proposal, during a summit meeting of the Trade Unions Committee (COS), a non-partisan coalition of all Puerto Rican unions, on July 23. Despite Gov. Pedro Rosello's insistence on the reform, it faces heavy opposition, including from the Industrialists Association, the Chamber of Commerce, and the two opposition political parties, the pro-autonomist PPD and the pro-independence PIP.

The reform is part of the "Puerto Rico Plan for the Year 2000" promoted by former PPD Gov. Rafael Hernandez Colon, whose objective is to integrate the island into George Bush's planned new world order. In it, Puerto Rico is to become the "linkage point between the two developing blocks in our hemisphere: the North American Free Trade Agreement and the South American Common Market."

The reform essentially puts an end to overtime, lowers the minimum wage below that now prevailing in the private sector, and cuts other benefits. "This government has legislated against the people, it has maintained a state of confrontation and intimidation against the working class, and has refused to accept trade union democracy," stated Renan Soto Soto, COS national coordinator and president of the teachers federation.

COS intends to campaign to defeat 10 anti-labor legislators, especially the presidents of both legislative chambers, in the 1996 elections.

Unfortunately, the COS's environmentalist prejudice has led it to oppose two develop-

ment programs under discussion (copper mining and the construction of a coal-based energy plant), which would provide thousands of productive jobs. (The official unemployment rate is 30%, but the real rate is about 50%.) During the last 25 years, all types of development projects have been killed by an environmentalist tendency within all the political parties, particularly the Second International-linked PIP led by environmentalist Sen. Ruben Berrios Martínez.

Environmentalism

'Eco-friendly' pesticide dooms Egypt's cotton

Egypt is facing serious boll weevil infestation of the cotton crop in some parts of the country, and authorities have resumed aerial spraying for the first time in two years, government newspapers reported on July 24. The daily *Al-Ahram*, under the headline "Cotton in Danger," laid the blame on the so-called environmentally friendly methods of pest control, which it said had again failed to stop the weevils.

The level of infestation was higher than in previous years, and some farmers have uprooted the crop in despair, the paper said.

Last year's cotton crop was down by over 100,000 tons, primarily because the pesticides weren't able to control the weevils.

Economic Policy

Swiss daily attacks state intervention

The pro-free market Swiss daily *Neue Zürcher Zeitung* in its July 22-23 issue, worried about what it called an emerging paradigm of state interventionism in international development policy.

The paper noted, that in the last 30 years, certain states in eastern Asia were able to build up much stronger economies than those of the rest of Asia, Ibero-America, or Africa. The main factor of that success seems to be the poli-

cy of "state intervention and coordination," such as that carried out, for example, by the Japanese Ministry for Industry and Trade, and the rejection of *laissez-faire*. "If it is true that state interventions are the reason for success in Asia, then the schoolbooks for development policy have to be completely rewritten . . . then the modern apostles of market economy from the World Bank and the IMF [International Monetary Fund] would soon be without jobs and bread."

This is not an academic question, the paper said, especially for the former East bloc: "If it turns out that the success of Asian tigers is related to factors beyond the sphere of the market, then also the communists, while [now] moving away from planned economy, could make an appeal to unorthodox measures. The same holds for Africa."

With a barrage of highly unconvincing arguments, the paper tries to give the impression that "development policy revisionism" is "lacking an empirical basis."

Space

India tests GSLV rocket with indigenous parts

Indian space scientists on July 25 announced that they had made a "good beginning" on development of the Geostationary Satellite Launch Vehicle, the most powerful rocket being developed by India, with successful tests of an engine, *Asian Age* reported.

The liquid-fueled engine is a better version of one that powered the Polar Satellite Launch Vehicle, launched on Oct. 15, 1994. However, it is the first time that the engine has been test-fired for 200 seconds, the longest duration attempted by the Indian Space Research Organization.

The most significant achievement of the July 24 test is the success of the silica phenolic material, developed by Indian scientists, used in the nozzle of the liquid engine. The material insulates the nozzle against flames that emerge from the rocket at temperatures of 1,300°C. "This means that we can build anything we want. We are not at the mercy of other countries anymore," one scientist said.

● **FOOD PRODUCTION** in the CIS fell another 13% in 1994, a report of its Committee for Statistics said. All republics except Armenia (up 3%) and Turkmenistan (up 2%), reported drops in production, *Agra-Europe* reported on July 17. In Moldova, production collapsed by 28%; Tajikistan, 25%; Kazakhstan and Ukraine, 17% each; Kyrgyzstan, 15%; Belarus, 14%; Azerbaijan, 13%; Georgia, 10%; Russia, 9%; and Uzbekistan, 1%.

● **THE GERMAN** Institute for Economic Research in Berlin is "spreading pessimism" on the economy in its annual forecast for 1996, the press reported. It said that after the international rise of interest rates since February 1994, worldwide economic activity has been shrinking, and is now affecting the German export industry.

● **THE TUBERCULOSIS** infection rate in Russia is 2%, the daily *Komsomolskaya Pravda* reported on July 26. World Health Organization guidelines state that 1% constitutes an epidemic. The paper blamed the epidemic on a lack of legislation enabling police to detain and screen homeless people. It did not mention that TB is usually transmitted via close contact with an infected person and compounded by conditions of chronic poor nutrition and poverty.

● **OVER 50 INDIAN** firms are now operating in Central Asia in pharmaceuticals, cotton yarn, packaging consumer products, textiles, and leather. The Indian government has offered \$35 million in credits to promote joint ventures.

● **AFRICAN** National Congress Secretary General Cyril Ramaphosa said the ANC was committed to breaking the "stranglehold" of the large conglomerates on the South African economy, the July 28 London *Financial Times* reported. They are blocking foreign investment, hampering growth, and frustrating black business ambitions, he said.

Non-Newtonian mathematics for economists

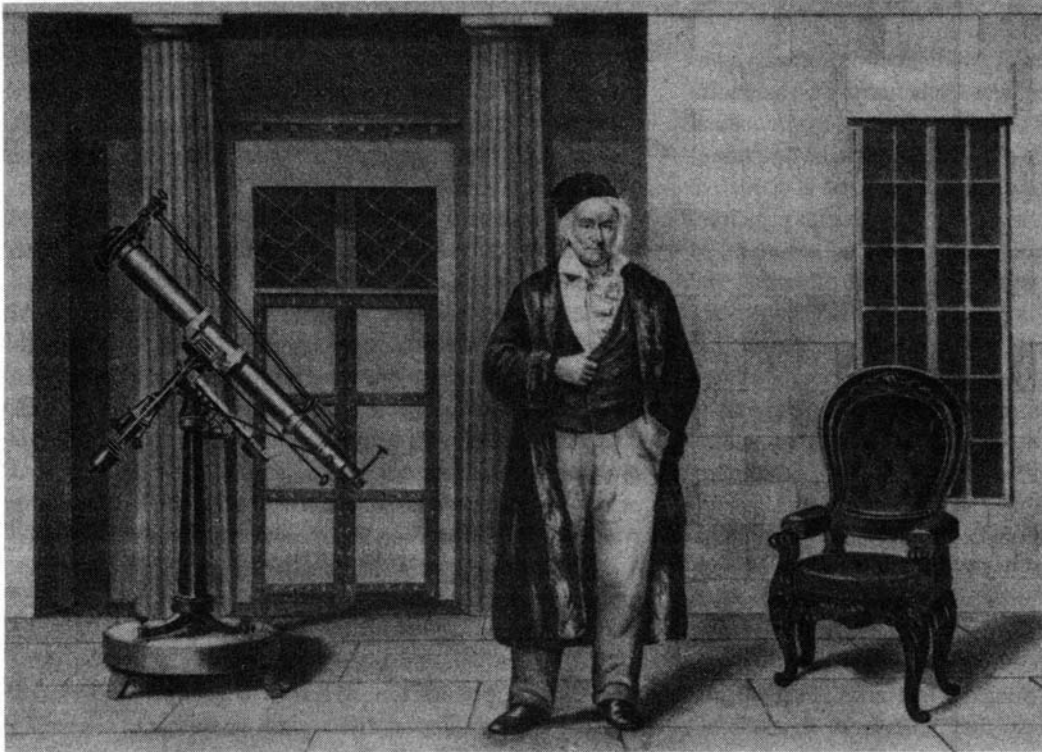
by Lyndon H. LaRouche, Jr.

The following economic advisory should be read as a sequel to the feature, "Why Most Nobel Prize Economists Are Quacks," EIR, July 28, 1995. In that feature, the author referenced the reader to his relevant work on the issues of mathematical representation of the cause-effect relations characteristic of real economic processes. In the following EIR Special Economics Feature, he summarizes the method to be employed.

The onrushing process of collapse of the International Monetary Fund-dominated global monetary and financial system, demonstrates, among other points, that all generally accepted mathematical representations of economic processes are devastatingly incompetent. The relevant alternative is named the LaRouche-Riemann method. However, a world which has suffered so much under the policies of the U.S. Nobel Prize-winners, should not be asked to accept an alternative economic teaching on blind faith. Therefore, it is not sufficient to know that the LaRouche-Riemann method works; it is necessary to render transparent both how, and why it works.

Two problems must be addressed, in selecting a method of measurement for representing real economic processes. The primary task is to define a method for representing the physical-economic process as such: This process is characteristically "not-entropic."¹ The secondary, but also crucial task, is that of representing

1. On the subject of the present writer's use of the term "not-entropy." It has been widely accepted classroom doctrine, for more than a century, that all inorganic processes tend to run down; this argument was posed by Britain's Lord Kelvin, during the middle of the last century. On Kelvin's instruction, his doctrine was given a mathematical form by two German academics, Rudolf Clausius and Hermann Grassman, who employed their own kinematic model of heat-exchange, in an imaginary, confined, particular gas-system, as a purported explanation of French scientist Sadi Carnot's caloric theory of heat. Kelvin and his collaborators defined the "frictional" loss of extractable work in such a mechanical model of a thermodynamical system, as "entropy." This was Kelvin's Second Law of



Mathematician Carl Friedrich Gauss, the chief patron of Bernhard Riemann. Contrary to the Newtonians, the faction of Gauss and Riemann was committed to the idea that the universe is ruled by an efficient principle of Reason.

the interaction between that economic process and a superimposed, characteristically linear (and, therefore entropic) monetary and financial system.

The method required for representing the real economy, the physical-economic process, is described, step-by-step, as follows.

LaRouche's discovery

The discovery upon which that LaRouche-Riemann method is based, was initially developed during the interval 1948-52. It originated in a commitment to a narrower purpose, that of showing the absurdity of Prof. Norbert Wiener's

insistence that the communication of human conceptions could be measured in the terms of his statistical "information theory."² The decision to use the facts of physical economy for this refutation of Wiener, led to the discovery.

That original argument deployed against Wiener's presumption, was that human "ecology" differs from that of lower species in the same general sense, that living processes differ characteristically from what we regard conventionally as non-living processes. This argument was premised on the fact, that the increase of the **potential relative population-density**³ of the human species, through such means as technological progress, represented a succession of clearly distinguishable phase-shifts: that these characteristic phase-shifts

Thermodynamics. During the 1940s, the Massachusetts Institute of Technology's Prof. Norbert Wiener employed the term "negative entropy" (shortened to the neologism "negentropy") to signify the statistical form of "reversed entropy," in the sense of a famous reconstruction of the Clausius-Grassman model by Ludwig Boltzmann: Boltzmann's so-called H-theorem. Wiener's argument was employed to found what has become known as "information theory." In this connection, Wiener claimed that the H-theorem provided a statistical means for measuring the "information content" of not only coded electronic transmissions, but also human communication of ideas. Earlier usage had identified "negative entropy" as a characteristic of the apparent violation of Kelvin's so-called "Second Law" by living processes in general, as distinct from the ostensibly entropic characteristics of ordinary non-living phenomena. For several decades, beginning 1948, this writer insisted that only the first meaning of "negentropy," as typified by the commonly characteristic distinction of living processes, should be accepted usage. Recently, for practical reasons, he has substituted the term "not-entropy."

2. Norbert Wiener, *Cybernetics* (New York: John Wiley & Sons, 1948). As of 1948, there existed two principal, previously developed premises in this writer's knowledge, for his competence to assault Wiener's thesis. During the late 1930s, this writer, already a dedicated follower of Gottfried Leibniz, had been deeply involved in constructing a proof of the absurdity of the arguments against Leibniz central to Immanuel Kant's *Critique of Pure Reason*. In 1948, he recognized the crucial fallacies of Wiener's "statistical information theory" to be a crude replication of the central argument, on the subject of the theory of knowledge, in Kant's three famous *Critiques*. Secondly, by 1946-47, the writer's interest had become absorbed with his own somewhat critical view of the use of the notion of "negative entropy" in biology, as, for example, by LeComte du Nouy.

3. Lyndon H. LaRouche, Jr., *So, You Wish To Learn All About Economics?* (New York: New Benjamin Franklin House, 1984), *passim*. "Relative" in "potential relative population-density" signifies, simply, the differences in quality of man-developed, and man-depleted habitat referenced.

in the development of society, distinguish the human species absolutely from all lower species.

The initial representation of this distinction between mankind and the inferior species, was elementary: the standpoint of geometry. Any logically consistent form of mathematical mapping of an existing range of technology can be described, with effective approximation, in the form of a deductive theorem-lattice. Any valid discovery of a superior principle, has the effect upon mathematical physics, for example, of requiring a corresponding change in the set of formal and ontological axioms underlying the pre-existing, generally accepted form of mathematical physics. It is the cumulative succession of such efficiently progressive, axiomatic changes in human knowledge for practice, which corresponds to the succession of phase-shifts in range of society's potential relative population-density.

This view defined an implied, functional ordering-principle underlying the increase of potential relative population-density. The initial thesis of the 1948-54 interval was, summarily, as follows. Let the physical and related consumption by households and the productive cycle, be regarded as analogous to the use of the term "energy of the system" in undergraduate thermodynamics. Societies rise or fall, in the degree to which they not only meet that "energy of the system" requirement, but also generate a margin of increased output of those qualities of requirement, which is analogous to "free energy." We have thus, implicitly, a ratio of "free energy" to "energy of the system."

An additional consideration is crucial. The development of society requires that a significant portion of that "free energy" be "re-invested" in the form of "energy of the system." This must not merely expand the scale of the society; it must increase the relative "capital-intensity" and "energy-intensity" of society's production, per capita and per unit of land-area employed. Thus, some minimal value of the ratio of "free energy" to "energy of the system" must be sustained, despite rising "capital-intensity" and "energy-intensity" of the mode used for the productive cycle. This constraint (array of inequalities) was employed to define the proper use of the term "negentropy," in counterposition to Wiener's use of the term. Recently, the term "not-entropy" was adopted as better serving this purpose.

About 1949-50, the argument against Wiener assumed this form. Since the characteristic distinction of the human species is the series of phase-shifts in potential relative population-density, describable in this way: The *ideas* which are characteristic of the successful thinking of cultures, are those ideas represented efficiently as the changes in practice which tend to increase the potential relative population-density of the human species. It is this implicit social content of each valid axiomatic-revolutionary discovery in science or art, which defines human knowledge: not Wiener's mechanistic, statistical approach.

It was already apparent, at that point in the investigation,

that no conventional classroom mathematics was adequate for mapping this kind of "not-entropic" economic process. The central function of valid axiomatic-revolutionary ideas, locates the function of economic growth in the revolutionary changes in axioms as such. The mathematical problem so presented, is that changes in the sets of axioms underlying deductive theorem-lattices, have the form of **absolute mathematical discontinuities**. That is: There is no formal method for reaching the new lattice deductively from the old. Such a mathematical discontinuity has a magnitude of unlimited smallness never reaching actual zero. That implies the existence of very powerful, extremely useful sorts of mathematical functions, but no ordinary notion of mathematics can cope with functions which are expressed in terms of such discontinuities. To apply the writer's original discovery, this problem of mathematical representation had to be addressed next. *A mathematical solution would be desirable, but a conceptual overview was indispensable.*

Thus, the next step, in early 1952, proved to be a study of Georg Cantor's treatment of those kinds of mathematical discontinuities.⁴ The study of Cantor's work on the subject of the mathematically transfinite, especially his so-called Aleph-series, pointed toward access to a deeper appreciation of the 1854 habilitation dissertation of Bernhard Riemann. Conversely, Riemann's fundamental discovery respecting the generalization of "non-Euclidean" geometries, showed how we must think of Cantor's functional notion of *implicitly enumerable density of mathematical discontinuities per arbitrarily chosen interval of action*.

That notion of relative density of discontinuities is the proper description of the culture which society transmits to its young.⁵ This notion of "density," references the accumulation of those valid scientific and artistic discoveries of principle (e.g., valid axiomatic-revolutionary changes), which mankind to date has accumulated to transmit to the educational experience of the young individuals.

Once one recognizes that Cantor's work is retracing the discovery made earlier by Riemann, there is an obvious advantage of choosing Riemann's geometrical approach, over

4. Georg Cantor, *Beiträge zur Begründung der transfiniten Mengenlehre*, **Georg Cantor: Gesammelte Abhandlungen mathematischen und philosophischen Inhalts**, Ernst Zermelo, ed. (1932) (Berlin: Verlag von Julius Springer, 1990), pp. 282-356. The standard English translation of this work, by the Franco-English critic of Cantor, Philip E. B. Jourdain, is published as Georg Cantor, **Contributions to the Founding of the Theory of Transfinite Numbers** (New York: Dover Publications, Inc., 1955). The publisher's note for the current reprint edition implies, erroneously, that Dover first published this in 1956. The author's original copy of the Dover reprint of the Jourdain translation (still in the writer's possession) was purchased, in a Minneapolis, Minnesota bookstore, in 1952. Caution is suggested in reading Jourdain's Preface and lengthy Introduction to this translation; in real life, that translator was not quite the faithful collaborator of Cantor which he pretends to have been.

5. Or, one might say, relative *cardinality* or *power*.

the relatively formalistic route used by Cantor.⁶ In the design of productive and related processes in modern economy, the conceptions which underlie the design of scientific experiments, and of derived machine-tool conceptions, are intrinsically geometric in nature. To think about production and economy, one must think geometrically, not algebraically.

Hence, the present writer's use of Riemann's work to address the mathematical implications of his own earlier discovery in economics, acquired the seemingly anomalous, but precisely descriptive name of the "LaRouche-Riemann Method."⁷ Examine the most elementary of the relevant features of Riemann's habilitation dissertation.⁸ For for the pur-

6. As a result of the control of the Berlin Academy of Science by the Newton devotee Frederick II of Prussia, and the subsequent, post-1814 takeover of France's Ecole Polytechnique by the Newtonians Laplace and Cauchy, the geometric method of Plato, Cusa, Leonardo da Vinci, Kepler, and Leibniz tended to be supplanted by the method of algebraic infinite series. Most significant was Leonhard Euler's attack upon Leibniz, on the issue of infinite algebraic series: Euler's denial of the existence of absolute mathematical discontinuities. The political success of the Newtonians, over the course of the Nineteenth Century, in establishing Euler's infinite series for natural logarithms as a standard of mathematical proof, led into the positivism of the Russell-Whitehead *Principia Mathematica*, and the, related, wild-eyed extremism of present-day "chaos theory." Thus, Karl Weierstrass and his former pupil, Georg Cantor, while attacking the same general problem of mathematics as Riemann, the existence of discontinuities, engaged the Newtonian adversary on his own terrain, infinite series, whereas Riemann attacked the problem from the standpoint of geometry: hence, Riemann's notably greater success for physics.

7. Although this writer consistently referenced this debt to Riemann during his one-semester course taught at various campuses during the 1966-73 interval, the first published use of the term "LaRouche-Riemann" method originated in November 1978, when the term was adopted for the purposes of a joint forecasting venture undertaken by the **Executive Intelligence Review**, in cooperation with the Fusion Energy Foundation. At that time, the prompting consideration was the fact that isentropic compression in thermonuclear fusion, as predefined mathematically by Riemann's 1859 *Über die Fortpflanzung ebener Luftwellen von endlicher Schwingungsweite*, has mathematical analogies to the propagation of the "shock-wave"-like phase-shifts generated through technological revolutions. (See, Riemann, *Werke*, pp. 157-175.) As a by-product of this same, highly successful, forecasting project, a translation of the Riemann paper was prepared by the same task-force; this appeared in *The International Journal of Fusion Energy*, Vol. 2, No. 3, 1980, pp. 1-23, under the title, "On the Propagation of Plane Airwaves of Finite Amplitude." This emphasis on Riemann's "shock-wave" paper, reflected an ongoing, friendly quarrel of the period, between the writer's organization and Lawrence Livermore Laboratories, on the mathematics of thermonuclear ignition in inertial confinement. Notably, that conflict reflected the influence of the U.S. Army Air Corps' Anglo-philic science adviser, Theodore von Karman, in promoting Lord Rayleigh's fanatical incompetency against Riemann's method. On the success of the 1979-83 *EIR Quarterly Economic Reports*, see David P. Goldman, "Volcker Caught in Mammoth Fraud," *EIR*, Nov. 1, 1983.

8. Bernhard Riemann, *Über die Hypothesen, welche der Geometrie zu Grunde liegen*, **Bernhard Riemanns gesammelte mathematische Werke** [hereinafter referenced as "Riemann, *Werke*"], Heinrich Weber, ed. (New York: Dover Publications, Inc. [reprint], 1953), pp. 272-287. Those concerned with the formal-mathematical implications of the dissertation as such, are referred to the later (1858) Paris representation of this: *Commen-tatio mathematica, qua respondere tenatur questionii ab IIIma Academia*

pose of clarity, the following passages repeat several of the points stated immediately above.

In the conclusion of his famous, 1854 habilitation dissertation, "On the Hypotheses Which Underlie Geometry," Riemann summarizes his argument: "This leads us to the domain of another science, into the realm of physics, which the nature of today's occasion [i.e., mathematics—LHL] does not permit us to enter."⁹ In present-day classroom terms, that statement of Riemann's has the following principal implications bearing upon the construction of a mathematical schema capable of adequately representing real economic processes.

Any **deductive** system of mathematics can be described as a formal theorem-lattice. A **theorem** in such a lattice is any proposition which is proven to be not inconsistent with an underlying set of interconnected **axioms and postulates**.¹⁰ The relevant model of reference for this notion of a theorem-lattice, is either a Euclidean geometry, or, preferably, the constructive type of geometry associated with the famous names of Gaspard Monge, Adrien M. Legendre, and Bernhard Riemann's geometry instructor, Jacob Steiner.

This presents the difficulty, that any alteration within that set of axioms and postulates, generates a new theorem-lattice, which is pervasively inconsistent with the first. This inconsistency between the two, is expressed otherwise as a **mathematical discontinuity**, or a **singularity**. When defined in this proper way, to show the existence of such a discontinuity signifies, that no theorem of the second theorem-lattice can be directly accessed from the starting-point of the first, unless we introduce the notion of the operation responsible for the relevant change within the set of axioms.

In other words, we must depart *pre-existing* mathematics, and detour, by way of *physics as such*, to reach the second of the two mathematical theorem-lattices. The crucial term of reference which we must introduce at this juncture, as Nicolaus of Cusa prescribed in his work founding modern science,¹¹ as Riemann does, is "measurement."¹² Consider this writer's favorite, frequently referenced classroom illustration of the principle involved.

Consider the estimation of the size of the Earth's polar meridian, by the famous member of Plato's Academy of Athens, Eratosthenes; a measurement of the curvature of the Earth made during the third century B.C., twenty-two centuries before any man was to have seen the curvature of

Parisiensi propositae, *Werke*, pp. 391-404 (in Latin), with appended notes by Weber: pp. 405-423 (in German).

9. "Es führt dies hinüber in das Gebiet einer andern Wissenschaft, in das Gebiet der Physik, welches wohl die Natur der heutigen Veranlassung nicht zu betreten erlaubt." Loc. cit., p. 286.

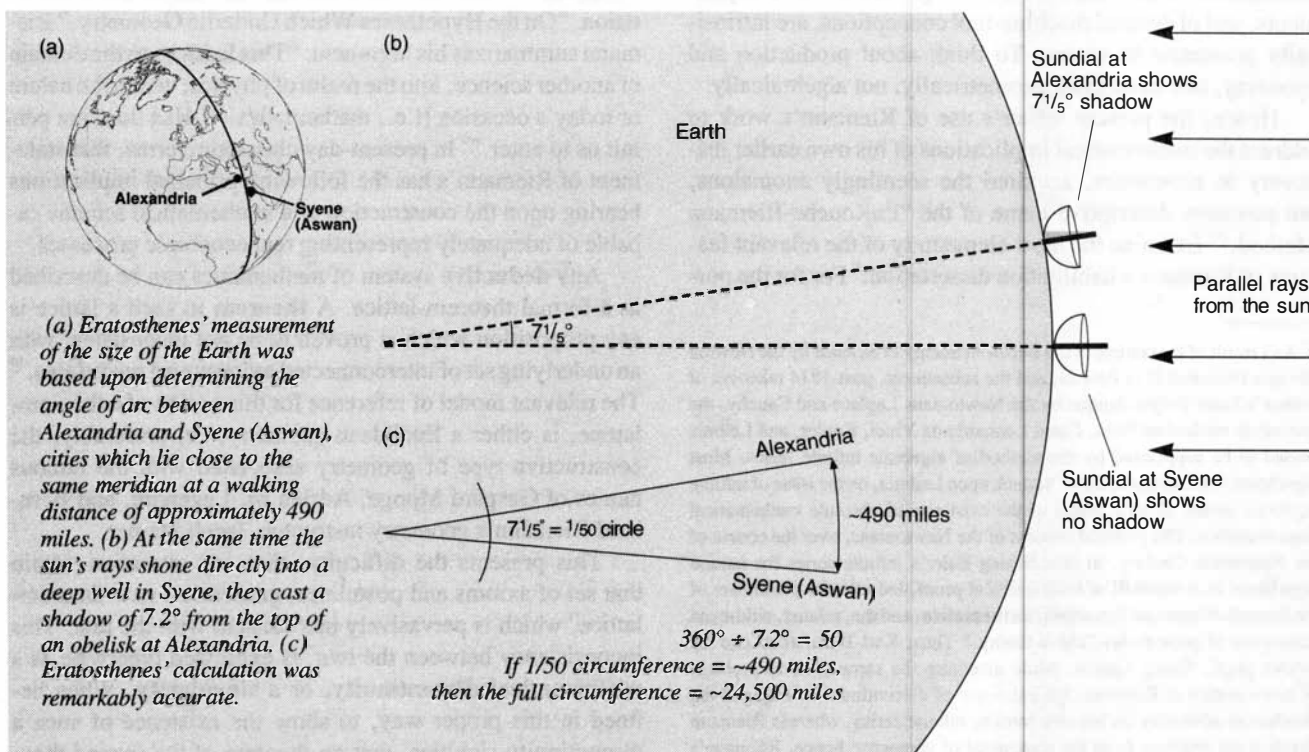
10. Plato's term for the set of axioms and postulates underlying a theorem-lattice is *hypothesis*.

11. *De docta ignorantia* (1440), *passim*.

12. Riemann, op. cit., "II. Maßverhältnisse, deren eine Mannigfaltigkeit von n Dimensionen fähig ist . . .," pp. 276-283.

FIGURE 1

Eratosthenes' measurement of the size of the Earth



the Earth.¹³ The twofold point to be made, is, briefly, as follows.

Using astronomy to determine a North-South line (a meridian of longitude), choose two points of significant, but measurable distance along that line, between them. Measure that distance. Construct identical sundials at each of the two points. Measure the shadow which a vertical stick casts, at noon on the same day, and compare the angles of the respective shadows. The difference between the two angles is adumbrated by the fact, that the Earth is not flat, but has a definite curvature (see **Figure 1**). Using the geometric principle of similarity and proportion, estimate the size of the circle passing through the Earth's two poles on the basis of the measured length of the arc-distance between the two points. Eratosthenes was off by about fifty miles, in estimating the polar diameter of the Earth.¹⁴

The two points illustrated by this example, are as follows.

First, this example illustrates what Plato signifies by an **idea**. Since this measurement was made twenty-two centu-

ries before anyone had seen the curvature of the Earth, what was measured was not an object defined by sense-perception. The senses were employed, of course; but, the idea of curvature was derived from the **certainty** that the evidence of the senses was self-contradictory: The difference in the angles of the shadow at the two points was the empirical expression of that self-contradictory quality. It was necessary to go to conceptions which existed outside the scope of sense-perception: into the realm which Plato defines as that of ideas.¹⁵

15. Divide the domain of science as a whole among three topical areas, areas differentiated from one another by the limitations of man's powers of sense-perception. Let what can be identified as a phenomenon, by the sense-perceptual apparatus, be named the domain of *macrophysics*. What is inaccessible in the very large (such as seeing directly the phenomenon of the distance between the Earth and the Moon), belongs to the domain of *astrophysics*. Phenomena which occur on a scale too small for discrimination directly by our senses, are of the domain of *microphysics*. Thus, the most elementary physical ideas of astrophysics and microphysics belong entirely to the domain of Platonic ideas. It is the student's practice of rigor in reliving the discoveries of Plato's Academy at Athens, and of Archimedes, from the Fourth and Third Centuries, B.C., which is the prerequisite training of the student's powers of judgment, for addressing the domains of astrophysics and microphysics. More fundamental, is what might be set aside, for purposes of classroom discussion, as a fourth department of scientific events: *causality*. The senses could never show us the *cause* of even those events which sense-perception might adequately identify: Cause exists for knowledge only in the domain of Platonic ideas.

13. See **Greek Mathematical Works**, Ivor Thomas, trans., Vol. II (Cambridge, Mass.: Harvard University Press, 1980), pp. 266-273. Cf. Lyndon H. LaRouche, Jr., "What Is God, That Man Is In His Image?," **Fidelio**, Spring 1995, pp. 28-29.

14. *Ibid.*

Second, this, like related ancient Greek discoveries, leads into the modern geodesy developed by Riemann's chief patron, Carl F. Gauss: the measurement of distances along the surface of the Earth, under the control of reference to astronomical measurements.¹⁶

Some reader might be tempted to object: "Why not say simply 'trigonometry'; why use the term which is probably stranger to the layman, 'geodesy'?" The critic would be committing a serious error, a type of error which is of direct relevance to the point at hand. Expressed as a recipe, the relevant rebuttal of the criticism is: *We should always state what we claim to know in terms of the manner in which we came to know it.* It is through recognizing, Socratically, that either we or those who taught us, might have overlooked a significant step of judgment actually taken, or omitted, in forming a conception, that crucial errors of assumption are uncovered, and corrected. More broadly, it is by reconsidering the way in which we acquired conceptions, by taking that process as an object of epistemological scrutiny, that a true scientific rigor is cultivated. In layman's terms: that we might come to know what we are talking about.

We should define Eratosthenes' act of discovery in the manner we might competently replicate it. It was through astronomy that Eratosthenes estimated the polar circumference of the Earth. He did this by methods which are related to the earlier proof, by Aristarchus, that the Earth orbited the Sun, and, also, the methods by which Eratosthenes estimated the distance of the Moon from the Earth, the latter a distance which no man was to have seen until about twenty-two-hundred years later. That is what we know in this matter; it should never be reformulated in a different fashion.

It is violations of our methodological prescription here, which are key to the way in which Isaac Newton, for example, stumbled into his fraudulent *et hypotheses non fingo*, and that numerous other frauds of Newton and his devotees were generated, and credulously adopted by later generations of students. As Riemann emphasized, contrary to Newton's somewhat hysterical insistence that he made no hypotheses, Newton made a very obvious hypothetical assumption, on which his mathematical physics depends entirely. Riemann identified one aspect of that error;¹⁷ but one may apply the same method used by Riemann there, to show that the entirety of the Newtonian system, in the present-day classroom, rests upon that same fallacious hypothesis. Had Newton, or his followers, paid closer attention to the method by which the Newtonians actually reached the opinions which they claimed as their knowledge, they probably would not have dared continue such blunders, nor chant their ritual *hypotheses non fingo*.

Those who profess to know the answer because they

16. See C.F. Gauss: *Werke*, Vol. IX (New York: Georg Olms Verlag, 1981), *passim*.

17. Riemann, *Werke*, p. 525.

looked it up in the back of the textbook, or because someone has told them, have merely "learned" that sort of answer, somewhat as a dog might have learned to retrieve a stick. Those who have not merely learned, but who *know* the answer, know it only because they have either made the original discovery, or have relived it, step by step. What we *know*—**knowledge**—is not the fruit of sense-certainty, but, rather, that which came to us through the rigorous demonstration of the kinds of ideas which could not be merely the interpretation of eyewitness observations. This point, respecting transparency of method, is the most obvious and crucial blunder of virtually all those generally accredited as economists, to date, who have claimed to address what is, in fact, such an ontologically complex subject-matter as the mathematical view of real economic processes.

For the competent economist, as for thoughtful physicists, the essential fraud of all empiricism, is: Akin to the traditional Aristoteleanism from which it is derived, empiricism insists that it addresses only the measurement of observed phenomena, free of the assumption of any governing hypothesis. This fraud is typified by Newton's *et hypotheses non fingo*. Contrary to that fraud, the indispensable role of the continuing improvement of formal mathematics as such, is to provide more powerful instruments of analysis for testing the consistency of any given formal theorem-lattice. Economy of effort in science requires, that we be able to expose, more directly and quickly, the nature of inconsistency between the axiomatic basis underlying a theorem-lattice and some given, empiricist or other, presumption respecting how we ought to measure.¹⁸ Eratosthenes' referenced measurement of the meridian is a simple illustration of that principle of science: the principle of scientific, i.e., Platonic, ideas.

In mathematics, or mathematical physics, such a Platonic form of idea is exemplified by the form of a set of axioms underlying any formal system, as what Plato and Riemann recognize as *hypothesis*. When we are speaking of formal theorem-lattice systems, such as a formal mathematics, "hypothesis" signifies the set of axiomatic assumptions underlying all provable theorems of a particular type of theorem-lattice (such as a Euclidean geometry, a linear algebra, etc.).¹⁹

The pupil who had received a good secondary education,

18. Such an inconsistency does not prove, intrinsically, either that the proposition, or the mathematics is wrong. It forces us to conceptualize the idea of the existence of such an inconsistency.

19. In short, when a speaker employs the term "hypothesis" as a synonym for "conjectured," or "intuited" solution to a riddle, for example, the speaker is showing himself to be illiterate in science. However, that sort of illiteracy does not identify the precise sense in which Isaac Newton misuses the same term; Newton's argument is that of the radical philosophical empiricists in the tradition of Sarpi, Galileo, Hobbes, Descartes, et al.: Newton is asserting that he relies solely upon sense-certainty. Newton is insisting—however wrongly—that there are nothing but "natural ingredients" of sense-phenomena in his system.



Building the cult of Isaac Newton: Venetian author Francesco Algarotti's 1737 "Newtonianism for the Lady."

a Classical humanist form of such education, would already have mastered some of the precedents for this: 1) He would be familiar, from the work of Plato's Academy at Athens, and Archimedes, with the distinction between systems of mathematics limited to "commensurables," and the so-called "incommensurables." 2) He would know Nicolaus of Cusa's conclusive proof of the division of the domain of the "incommensurables," between what we term the "irrationals" and the "transcendentals." 3) In his introductory education in the calculus, that student would also have come to understand how Leibniz and Jean Bernoulli showed the incompetence of Descartes' and Newton's "algebraic methods" (e.g., "infinite series"), and why, from the standpoint of the physics of refraction of light, "algebraic" methods must be replaced by "non-algebraic," or "transcendental" notions of mathematical function. 4) He might also know, that the emergence of the notion of the Riemann Surface function and Cantor's Aleph series, is traceable from those notions of mathematical discontinuities central to the mathematical work of Cusa and Leibniz's articulation of a differential calculus, the notion of discontinuities hysterically denied by Newton devotee Leonhard Euler.

In each historical case, such as the subsumption of all notions of magnitude under the generalization of "incommensurables," mathematics undergoes an axiomatic change within its underlying assumptions, its *hypothesis*. So, by the proof, cued to Ole Rømer's crucial measurement of the speed of light, of the experimentally demonstrable nature of generalized refraction of light, Leibniz and Bernoulli established the domain of the transcendental, as earlier demanded by Nicolaus of Cusa, who introduced the **isoperimetric princi-**

ple,²⁰ this the axiomatic basis for the mathematics of the transcendental domain. The linear hypothesis of Euclidean space-time (axiomatic self-evidence of points and lines), was superseded by the principle of the cycloid: a space-time in which (Cusa's) isoperimetricism, least time, and least action govern in a unified way.²¹ The Riemann Surface function, and Cantor's Aleph-series, implicitly define a physical universe in which the existence of not-entropic (e.g., living and cognitive) processes is not merely permitted, but necessary. Riemann's habilitation dissertation, his work on the Riemann Surface, upon plane air waves, and so on, all address this historical evolution of the notions of geometry under the impact of those ideas erupting from the domain of physics.

For the economist, the crucial point is, that economic processes exist only within the last of the types of geometry we have just listed: that of not-entropic processes, of the process of mankind's increasing domination of the universe: per capita, per family household, and per relevant unit of

20. Op. cit., *passim*. Cusa reworked Archimedes' theorems on quadrature of the circle, producing what he identified as a superior approach to Archimedes' determination of π . This discovery was incorporated in **De docta ignorantia** (1440), but supplied a formal elaboration in his "On the Quadrature of the Circle," (1450) W. Wertz, trans., **Fidelio**, Spring 1994, pp. 56-63. The new principle of hypothesis, which Cusa develops on the basis of his proof that π is transcendental, is known as the isoperimetric principle: The Euclid axioms, that point and straight line are self-evident, are discarded, and replaced by that isoperimetric principle which, in first approximation, treats the existence of circular action as primary (e.g., "self-evident").

21. See "20. John and Jacob Bernoulli, The Brachystochrone," **A Source Book in Mathematics 1200-1800**, D.J. Struik, ed., (Princeton, N.J.: Princeton University Press, 1986), pp. 391-399.

the Earth's surface area. That domination signifies, that the universe we are addressing is, itself, a not-entropic process. Any mathematics not appropriate to this sort of not-entropic process, is intrinsically incompetent for economic analysis.

Eratosthenes' referenced discovery, like related discoveries, implies a qualitative change in the way we should think about measuring differences along the surface of the Earth, and also the way in which astronomical observations are read. The corroborating differences in measurement to which we are led, axiomatically, by those ideas, posed in that way, reflect the *efficiency* of such a discovery: the proof of any axiomatic-revolutionary, or related discovery, is not its apparent formal consistency with an existing mathematics, but, rather, that it increases the human species' power in the universe.

The referenced examples of changes in types of mathematics, illustrate the point. As illustrated by the Eratosthenes case, once that type of proof of an idea is obtained, we must then modify the axioms of geometry to such effect that we have constructed a new mathematics, a new theorem-lattice. This step takes us into the midst of the discovery which Riemann presents in his habilitation dissertation.

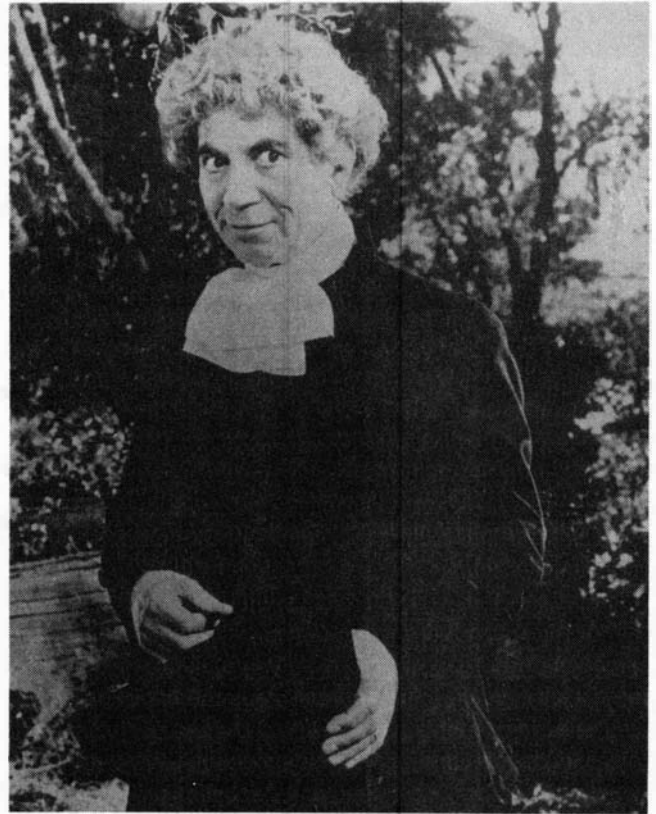
Riemann's discovery

It must be emphasized here, that the opening two paragraphs of Riemann's habilitation dissertation, which are subtitled "Plan of the Investigation," represent an utterance ranking, for its pungency, force, and direction, in the front rank among all scientific statements ever made.²² That pungency reflects the fact, that this is one of the most fundamental discoveries in the history of science as a whole. That quality, which permeates the dissertation, demands that the work be read and studied with a clear head, as few putative authorities appear to have done, to the present date: even including the Albert Einstein who praised the work.²³ We now summarize the crucial implications of Riemann's discovery for economics, restating the case in the terms of the writer's own thesis.

Mathematics, all geometry included, is not a product of the senses, but of the imagination. In the principal part, our mathematics are rooted within the ideas of geometry; what

22. "Plan der Untersuchung," Riemann, *Werke*, pp. 272-273.

23. Despite the early influence of Ernst Mach's positivism, Einstein repeatedly showed himself a moral, as well as most capable scientist. His acknowledgement of the debt to Bernhard Riemann's habilitation dissertation, as to Johannes Kepler, like his later collaboration with Kurt Gödel, typifies this. There is a consistent quality to these expressions of his morality in science; Einstein's expression of disgust with the fraudulent physics adopted by the 1920s Solvay Conferences, "God does not play dice," illustrates this. This morality centers around a consistent commitment to the rule of the universe by some efficient principle of Reason, in the sense that Plato, Nicolaus of Cusa, Kepler, Leibniz, Gauss, and Riemann are committed to that principle of science. However, as in his qualified defense of Max Planck, against the savagery of Mach's fanatically positivist devotees, he halts at the point the issue demands a thorough-going repudiation of the essential assumptions of empiricism.



Another view of Isaac Newton: Harpo Marx in the 1957 Hollywood film "The Story of Mankind."

most persons, including professional devotees of the Galileo-Newton tradition, consider mathematics, is derived from a naive conception of simple Euclidean solid geometry. Now focus upon a more narrowly defined aspect of the general problem so posed: the fallacies inhering in the attempt to construct mathematical economic models on the basis of a Newtonian form of today's generally accepted university-classroom mathematics.

That mathematics is derived from a special view of a conjectured Euclidean model for space-time. That space is assumed to be ontologically an empty space, defined by three senses of perfectly continuous, limitless extension: up-down, side-to-side, and backward-forward. This space is situated within a notion of time, as also perfectly continuous extension, in but one sense of direction: backward-forward. This can be identified usefully as a notion of geometry derived from the naive imagination. Those four senses of perfectly continuous, limitless extension (quadruply-extended space-time) constitute the distinguishing hypothesis of that geometry as a theorem-lattice.

To this is added a simplistic notion of imaginary *physical space-time*, which might be fairly described, otherwise, as "Things do rattle about if placed in an otherwise empty bucket." Given, an object, assumed to correspond to an actual or possible sense-perception. According to the hypothesis for



Bernhard Riemann: The opening paragraphs of his habilitation dissertation stand in the front rank among all scientific statements ever made.

simple space-time, a point, whose intrinsic space-time size is absolute zero, can be located as part of that object, and also as a place in quadruply-extended space-time. Extending that notion, any object can be mapped as occupying a relevant region of space-time; this mapping is done in terms of a large density of such points common, as places, to the object, and to space-time.

It is assumed, next, that motion of objects can be tracked in this manner (in quadruply-extended space-time). However, physical experience shows that space-time alone could not determine the motion of objects. The variability in the experienced motion, is assumed to correspond to what we may term **physical attributes**, such as mass, charge, smell, and so on. The notion of extension can be applied to each of these attributes. This prompts us to think of **physical space-time**, to think in terms of multiply-extended magnitudes in a way which is more general than the intuitive notion of simple space-time.

If it is adopted as part of the hypothesis for the system, that apparent cause-effect relations affecting motion can be adequately expressed in terms of manifold such assumedly physical factors of extension, the result of such attempted constructions of a physical space-time, is describable as an assumed **physical space-time manifold**. That geometry of the naive imagination, is the general map for the empiricist mathematical physics of Paolo Sarpi and such of his followers as Galileo Galilei, Francis Bacon, Thomas Hobbes, René Descartes, Isaac Newton, Leonhard Euler, Lord Rayleigh, and so on.²⁴

24. See discussion of Sarpi and his followers, in Lyndon H. LaRouche, Jr., "Why Most Nobel Prize Economists Are Quacks," *EIR* Aug. 4, 1995, *passim*.

That simplistic approach to mathematical physics, is the implicit basis for what are, presently, generally accepted notions bearing upon economics, both within the profession, and among illiterates, alike. This mechanistic schema of the Newtonians, is otherwise the pervasive misconception of the term "science" itself. This is the customary referent for use of the cant-phrase "scientific objectivity."

Riemann introduces this consideration in the two opening paragraphs. He attacks the problems of that naive geometry itself, thus:

It is known, that geometry presupposes both the conception of space, and the first principles for constructions in space, as something given. It gives only nominal definitions, while the essential determinations appear in the form of axioms. The relation of these presuppositions remains in darkness; one has insight neither, if and how far their connection is necessary, nor, a priori, if they are possible. From Euclid to Legendre, to name the most famous of recent workers in geometry, this darkness has been lifted neither by the mathematicians, nor by the philosophers who have busied themselves with it. . . . A necessary consequence of this [the foregoing considerations—LHL], is that the principles of geometry cannot be derived from general notions of magnitude, but rather that those properties, by which space is distinguished from other thinkable threefold extensions of magnitude, can be gathered only from experience.²⁵

Or, as Riemann puts the latter point at the conclusion of the same dissertation, within "the domain of physics," as distinct from mathematics *per se*.²⁶

The first mathematical challenge posed by the mere general idea of a *physical space-time manifold* is embodied in the fact, that such an idea precludes all notions of a static geometry. Since the close of the last century, it has been noted frequently, that once we take into account the fact, that we can not reduce the variability of velocities of motion, among even simple objects, to some principles of bare space-

25. Riemann, *Werke*, pp. 272-273: "Bekanntlich setzt die Geometrie sowohl den Begriff des Raumes, als die ersten Grundbegriffe für die Constructionen im Raume als etwas Gegebenes voraus. Sie giebt von ihnen nur Nominaldefinitionen, während die wesentlichen Bestimmungen in Form von Axiomen auftreten. Das Verhältniss dieser Voraussetzungen bleibt dabei im Dunkeln; man sieht weder ein, ob und wie weit ihre Verbindung nothwendig, noch a priori, ob sie möglich ist. Diese Dunkelheit wurde auch von Euklid bis Legendre, um den berühmtesten neueren Bearbeiter der Geometrie zu nennen, weder von Mathematikern, noch von den Philosophen, welche sich damit beschäftigten, gehoben. . . . Hiervon aber ist eine notwendige Folge, dass die Sätze der Geometrie sich nicht aus allgemeinen Größenbegriffen ableiten lassen, sondern dass diejenigen Eigenschaften, durch welche sich der Raum von anderen denkbaren dreifach ausgedehnten Größen unterscheidet, nur aus der Erfahrung entnommen werden können."

26. *Ibid.* p. 286.

time, the bare notions of space and time must be expelled from mathematical physics.²⁷ Since our notions of mathematics are derived from the threefold space of our imagination, how shall physics account mathematically for the distortion which the evidence of a physical space-time manifold imposes upon the possibility of representing motion in space-time?

Let us interrupt the description of Riemann's dissertation briefly, to inform the reader that, in the next few paragraphs, we are now about to address, not all of the crucial points of the dissertation, but several which all bear implicitly upon the problems of "economic modelling"; One of these most explicitly.

In addressing the first of a series of implications, on the concept of an n-fold extended magnitude,²⁸ Riemann states he has found but two existing literary sources which have been of assistance to him: Gauss's second treatise on biquadratic residues,²⁹ and a philosophical investigation of Johann Friedrich Herbart.³⁰ Then, in the opening paragraph of the next subsection, on the relations of measure,³¹ he states a crucial point on which our attention will be fixed: "Consequently, if we are to gain solid ground, an abstract investigation in formulas is indeed not to be evaded, but the results of that will allow a representation in the garment of geometry. . . . [T]he foundations are contained in Privy Councillor Gauss's treatise on curved surfaces."³² Let the echo of "a

27. This issue was already stated, in their own terms, by Leibniz and Jean Bernoulli, in the 1690s. Once Christiaan Huyghens learned, in 1677, that, during the previous year his former student, Ole Rømer, had given a measurement of approximately 3×10^8 meters per second for the "speed of light," Huyghens recognized immediately the implications of a constant rate of retarded light propagation for reflection and refraction. (See Poul Rasmussen, "Ole Rømer and the Discovery of the Speed of Light," *21st Century Science & Technology*, Spring 1993. See also, Christiaan Huyghens, *Treatise on Light* (1690) (New York: Dover Publications, Inc., 1962).) Leibniz's attacks on the incompetence, for physics, of the algebraic method employed by Newton, and his understanding of the requirement of a "non-algebraic" (i.e., transcendental) method, instead, reflected most significantly the demonstration of principles of reflection and refraction of light consistent with a constant rate of retarded propagation which is independent of the notions possible in terms of a naive physical space-time.

28. Op. cit., "I. Begriff einer n-fach ausgedehnten Größe," pp. 273-276.

29. "Zur Theorie der biquadratischen Reste," Gauss, *Werke*, Vol. II, E. Schering, ed., pp. 313-385, including notes by Shering.

30. J.F. Herbart was a famous opponent of the philosophy of Immanuel Kant. He came under the influence of Professor of History Friedrich Schiller at the Jena university, and became later a protégé of Wilhelm von Humboldt, assigned to Kant's former university at Königsberg for long period. During the middle of the 1830s, Herbart was invited to C.F. Gauss's Göttingen university, where he delivered a famous series of lectures. It was in this connection that Riemann was first exposed to him. Riemann's critical references to some of Herbart's arguments contain the material referenced at this point in his *Hypothesen*; see "I. Zur Psychologie unter Metaphysik," *Werke*, pp. 509-520.

31. "Maßverhältnisse, deren . . .," p. 276.

32. "Es wird daher, um festen Boden zu gewinnen, zwar eine abstracte Untersuchung in Formeln nicht zu vermeiden sein, die Resultate derselben

representation in the garment of geometry" resonate throughout reflections upon what now follows.

In 1952, when the writer re-read this Riemann dissertation in the light of Cantor's Aleph-transfinites, the writer's own relevant form of "relations of measure," was already the same principle of measurement subsumed by that same general conception of physical-economic "not-entropy" described here. Define the "not-entropy" of a physical-(macro)-economic process in the general terms employed above. Consider the following preparatory steps required for broadly defining the meaning of "relations of measure" applicable to such an economic process.

Assign some small, but significant "free energy" ratio, such as the suggested 5% figure. This ratio subsumes the following included inequalities: The potential relative population-density, must rise; the demographic characteristics of family households and of the population as a whole, must improve; the capital-intensity and power-intensity, measured in physical terms, must increase, per capita, per household, and per unit of relevant land-area employed; a portion of the "free energy" margin sufficient to sustain a value constantly not less than 5% free-energy ration, must be reinvested in the productive cycle, to the effects of increasing the capital-intensity, the power-intensity, and the scale of the process. The requirement of the constant 5% growth-factor, serves as a rule-of-thumb standard, to ensure that the margin of growth is sufficient to prevent the process from shifting, as a whole, into an entropic phase.

Those are the effective relations of measure characteristic of successful national economies. Adopting those relations of measure, to what sort of physical space-time are we implicitly referring? Look back to the earlier history of development of modern science; there, one encounters some useful suggestions.

The founding work of modern science, Nicolaus of Cusa's *De docta ignorantia*, introduced the notion in the form of a self-subsisting process, the isoperimetric principle, to supersede the axioms of point and straight line. This isoperimetric principle, in the guise of the cycloid of generalized refraction of light, became associated with the notions of "least action," "least time," and "least constraint." From the referenced work of Rømer and Huyghens, through Jean Bernoulli and Leibniz, and beyond, the notion of a principle of retarded propagation of light, as associated with the isoperimetric principle, etc., has served as the yardstick, the

aber werden sich im geometrischen Gewande darstellen lassen. . . . [S]ind die Grundlagen enthalten in der berühmten Abhandlung des Herrn Geheimen Hofraths Gauss über die krummen Flächen." p. 276. Riemann is referencing one of the most famous, and influential discoveries by C.F. Gauss, made doubly famous by the problems of Special Relativity. Gauss's summary work on this subject was originally published, in Latin, in 1828, under the title "Disquisitiones Generales Circa Superficies Curvas," *Werke*, Vol. IV, pp. 217-258. However, it would be useful to read, also, Gauss's "Theorie der krummen Flächen," Vol. VIII, pp. 363-452.

“clock,” of relative value for physical science in general. Now, noting that, define the motion of a not-entropic economic process relative to the measure provided by the “clock.”

As measured by that “clock,” we measure, in first approximation, the relations of production and consumption in societies taken as integrated entiresities. This is a statistical beginning, but not the required standard of measure. These first estimates must be expressed in a second approximation, in terms of *rates of change of the relations of production and consumption*; that, in turn, must be expressed as *rates of increase of potential relative population-density*.

This, in turn, requires that we re-examine the notion of economic not-entropy. The content of the not-entropy is not measured in terms of the increase of the numbers of market-basket objects, and of the ratio of production to consumption. Rather, the validity of efforts to measure performance in those market-basket terms, depends upon the coherence of that estimate with increase of the potential relative population-density. In other words, economic not-entropy, expressed as we have described its statistical approximation above, must parallel increase of the potential relative population-density. It is the increase of the potential relative population-density, as such, which is the ontological content of the not-entropy being estimated.

So, instead of measuring distance in physical-economic space-time in centimeter-gram-second, or analogous qualities of units, we measure that not-entropic effect expressed as increase of potential relative population-density. The value of the action is expressed *implicitly* in the latter measure. As we wrote, near the outset here: It is the implicit social content of each valid axiomatic revolutionary discovery in science or art, which defines human knowledge: not Wiener’s mechanistic, statistical approach. That implicit social content, is the efficiency of practiced ideas, to the effect of maintaining and also increasing the rate of increase of society’s potential relative population-density.

Consider the implications, for mathematics, of the points we have just summarized.

The first step in constructing a “physical-economic space-time manifold,” uses the countable categories of items indicated for such statistical studies. That second step is to employ that data-base to provide a means of measuring relations within the system in terms of the estimated relative not-entropy of the ongoing economic process as an integrated entirety. The third step, is to estimate the rate of not-entropy, as checked with and corrected by a comparison with the rate of not-entropy expressed in terms of potential relative population-density. The third step’s results must be reflected, as correction, upon the standards earlier estimated for the second step; that latter correction, must, in turn, be reflected upon the valuation of the statistical categories employed in the first step. Riemann’s work provides a conceptual guide for that multifaceted effort.

By introducing the principle, that relations of measure in physical-economic space-time are governed by the principle of rate of increase of potential relative population-density, we have located the mathematical representation of economic processes within non-Euclidean geometry, as Riemann’s dissertation defines the notion of such a geometry. To wit: In the graphs which we are able to construct, using appropriate market-basket data, we have embedded our standard of measure.

In Eratosthenes’ time, to the eye of the observer, the Earth was flat, and, therefore, it must be measured according to what passed for principles of plane geometry at that time. By showing that method of measurement to lead to a devastating contradiction, if regarded in a certain way, Eratosthenes required what became known later as principles of geodesy to be employed—the principles governing measure in curved surfaces, in place of the standards of plane geometry.

As we noted, above: Later, during the last quarter of Europe’s Seventeenth Century, once the astronomical researches of Ole Rømer had established a definite rate for retarded propagation of light radiation, the combined work of Huyghens, Leibniz, and Jean Bernoulli established the necessity for replacing the naive, Sarpi-Galileo form of perfectly continuous Euclidean space-time by a physical space-time of fivefold extension, a space-time which, according to Leibniz, was not perfectly continuous.³³ In addition to quadruply-extended space and time, the rate of retarded propagation of light must be added as another extension. To reflect that, it was necessary to adopt Cusa’s notion that the idea of triply-extended space must be subordinated to what Cusa was first to define, what was later named the transcendental domain, in which the isoperimetric principle, rather than axiomatic points and lines, defines the hypothesis underlying measure.

And, so on, in history since then.

In that tradition, aided by Riemann’s work, we are able to present the geometric shadow of the corresponding n-fold physical space-time manifold of physical economy, as an image in a triply-extended domain. Which is as if to say with the twenty-seven-year-old Riemann,³⁴ that “an abstract investigation in formulas is indeed not to be evaded, but the results of that will allow a representation in the garment of geometry.” The essential qualifications are, that we must never forget that that is precisely what we have done.³⁵

33. This was the issue of Newton devotee Leonhard Euler’s notorious 1761 attack upon Leibniz’s *Monadology*. See Lyndon H. LaRouche, Jr., “Appendix XI: Euler’s Fallacies on the Subjects of Infinite Divisibility and Leibniz’s Monads,” *The Science of Christian Economy* (Washington, D.C.: Schiller Institute, 1991), pp. 407-425.

34. Riemann was born on Sept. 17, 1826 (*Werke*, p. 541); the presentation of his habilitation dissertation occurred on June 10, 1854 (*ibid.*, p. 272 n).

35. If that fact were not made plain to students, and other “consumers” of economists’ work-product, the result would tend to be the type of superstition already typical of most Nobel-Prize-winning economists and their

To understand the relevant contribution by Riemann in the degree required for our purposes here, we must return to read Riemann in the very special way this writer reread Riemann's dissertation back in 1952. We must focus upon the specificity of that deeper insight into Riemann's discovery which had been prompted by this writer's study of Cantor's work.

Density of discontinuities

If the later *Beiträge*³⁶ is Georg Cantor's most important formal contribution to mathematics, his most important contribution to the philosophy of mathematics came in writings during the middle 1880s, from the appearance of his 1883 *Grundlagen* . . .³⁷ to nearly a decade prior to his 1897 *Beiträge* . . .³⁸ This includes a series of communications on the subject of the historical, philosophical, and methodological implications of the notion of the *transfinite*. From the *Grundlagen* onwards, during this interval, Cantor addressed chiefly formal issues of the mathematical transfinite, but, also, if in passing, of the *ontological transfinite*.³⁹

Briefly, among the historical-philosophical observations, Cantor identifies his notion of the transfinite to be coincident with Plato's *ontological* notion of *Becoming*, and his notion of the mathematical *Absolute* to be coincident with Plato's *ontological* conception of the *Good*. For the application of this to Riemann's discovery, the relevant issues are summarily implicit in Plato's *Parmenides* dialogue. The case in point is as follows.

In the *Parmenides*, Plato's Socrates lures Parmenides, the leader of the methodologically reductionist Eleatic school, into exposing the inescapable and axiomatically devastating paradoxes of the Eleatic dogma. The paradox is both formal and ontological, most significantly ontological. In the dialogue itself, Plato supplies only an ironical, passing reference to the solution for this paradox: Parmenides has left the principle of *change* out of account. The functional relationship of Plato's implicit argument to Riemann's discovery, is direct; Cantor's references to Plato's *Becoming* and *Good*, are directly relevant to both. Riemann himself supplies a significant clue to these connections, in a posthumously published, anti-Kant document presented under the title "*Zur Psychologie und Metaphysik*."⁴⁰

dupes. What we know is that for which we are able to account in terms of the manner in which we came to know it.

36. Op. cit.

37. Georg Cantor, *Grundlagen einer allgemeinen Mannigfaltigkeitslehre* (Leipzig: 1883). Originally published as *Über unendliche lineare Punktmannigfaltigkeiten*, *Werke* pp. 139-246.

38. See Note 4, above.

39. E.g., *Mitteilungen zur Lehre vom Transfiniten*, *Werke*, pp. 378-440.

40. *Werke*, pp. 509-520. My colleague, Dr. Jonathan Tennenbaum, has pointed out C.F. Gauss's devastating ridicule of Kant's work. Cantor, in the *Mitteilungen*, expresses similar contempt for Kant.

The relevant aspects of the common connections are essentially the following.

Reference the stated general case of a series of theorem-lattices, considered in a sequence corresponding to increases in potential relative population-density of a culture. We are presented, thus, with a lattice of theorem-lattices, each separated from the other by one or more absolute, logical-axiomatic discontinuities (e.g., mathematical discontinuities). Question: What is the ordering relationship among the members of such a lattice of theorem-lattices? Consider this as potentially an ontological paradox of the form treated by Plato's *Parmenides*.

Some discoveries may occur, in reality, either prior to or after certain other discoveries; however, they must always occur after some discoveries, and prior to some others. This is true for discoveries in the Classical art-forms and related matters, as for natural science. In other words, each valid axiomatic-revolutionary discovery in human knowledge, is identifiable as a term of the lattice of theorem-lattices, exists only by means of a necessary predecessor, and is itself a necessary predecessor of some other terms. This is the historical reality of the cumulative valid progress in knowledge, to date, of the human species as a whole. This is, for reasons broadly identified above, the function which locates the cause for successive increases in mankind's potential relative population-density. Question: What is the ordering-principle which might subsume all possible terms of this lattice of theorem-lattices?

On the relatively simpler level, if the series of terms being examined is of a certain quality, the solution to the type of paradox offered in the *Parmenides* is foreseeable. If the collection of terms can be expressed as an ordered series, or an ordered lattice, the terms can be expressed as either all, or at least some of the terms generated by a constant ordering principle, a constant concept of difference (change) among the terms. In that case, the single notion of that difference (change) may be substituted for a notion of each of the terms of the collection. In terms of the Plato dialogue, the *Many* can be represented, thus, by a *One*.

Cantor's principal work is centered upon the case of the representation of the *Many* of an indefinitely extended mathematical series, by a *One*. The treatment of the notion of mathematical *cardinality* in this scheme of reference, leads toward the notion of the higher transfinite, the Alephs, and to the generalization of the notion of counting in terms of cardinalities as such. The latter corresponds, most visibly, to the idea of the density of formal discontinuities represented by compared accumulations of valid axiomatic-revolutionary discoveries. Question: How is the latter *Many* to be represented by a constructible, or otherwise cognizable *One*?

The notion associated with the solution to that challenge is already to be found in the work of Plato: the notion of **higher hypothesis**. However, using the terms from Riemann's dissertation, the conceptualization of this solution,

actual knowledge of this notion of *higher hypothesis*, as an ontological actuality, “will be gathered only from experience.”

Consider the case of the student who has been afforded that Classical-humanist form of education, in which reliving the act of original axiomatic-revolutionary discoveries of principle, is the only accepted standard for knowledge. That student has the repeated experience of applying a principle of discovery which leads consistently to valid axiomatic-revolutionary discoveries. That repeated experience, that reconstructed mental act of discovery, has been rendered an object—an *idea*—accessible to conscious reflection, an object of thought. Like any such object of thought, that state of mind can be recalled, and also deployed. How should we name this quality—this *type*⁴¹—of thought-object?

Just as Plato identifies a valid new set of interdependent axioms, underlying a corresponding theorem-lattice, as an *hypothesis*, so he references the type of thought-object to which we have just made reference as an **higher hypothesis**. The fact that the mode of effecting valid axiomatic-revolutionary hypotheses may be itself improved, signifies a possible series of transitions to successively superior (more powerfully efficient) qualities of *higher hypothesis*, a state of mental activity which Plato’s method recognizes as **hypothesizing the higher hypothesis**. The latter is congruent with Cantor’s general notion of the transfinite; in other words, Plato’s ontological state of *Becoming*.⁴²

In the posthumously published paper, “*Zur Psychologie und Metaphysik*,” Riemann identifies both “hypothesis” and “higher hypotheses” as of a species he names *Geistesmassen*. This term is synonymous with Leibniz’s use of “Monad,” and the present writer’s preference for the term “thought-object”: ideas which correspond to the types of formal discontinuities being considered here. Every person who has reexperienced, repeatedly, valid axiomatic-revolutionary discoveries in the Classical-humanist manner referenced, is familiar with the existence of such ideas.

Now, that said, back to Plato’s **Parmenides**. Consider the case, that the principle of change, the One, ordering the generation of the members of the collection, the Many, is of the form of higher hypothesis. This is the case, if the members of the collection termed the Many, each represent valid axiomatic-revolutionary discoveries. Contrary to Kant’s **Critiques**,⁴³ the principle of valid axiomatic-revolutionary discovery is cognizable, and that from the vantage-point already identified here.

41. Using the term “type” in Cantor’s sense.

42. It is not necessary to treat the subject of the *Good* in the present context. On that see Lyndon H. LaRouche, Jr., “The Truth About Temporal Eternity,” *Fidelio*, Summer 1994, *passim*.

43. **Critique of Pure Reason** (1781), **Prolegomena to a Future Metaphysic** (1783), **Critique of Practical Reason** (1788), and **Critique of Judgment** (1790).

Also, contrary to Kant’s notorious **Critique of Judgment**, the same principle governs Classical forms of artistic creativity: as in the history of the pre-development of the method of motivic (modal) thorough-composition. The discoveries associated with this form of creativity are exemplified by Mozart (1782-86) and by Beethoven’s revolution in motivic thorough-composition, as exemplified by the late string quartets.⁴⁴ Johannes Brahms is also a master of that method of coherent musical creativity.

The immediately foregoing several summary observations serve to indicate the accessibility of the notion of a comprehensible ordering of a lattice of theorem-lattices. Relative to the economic-theoretical implications of Riemann’s dissertation, the point to be added here, is that this notion is not only intrinsically cognizable. This is a physically efficient notion, and is ontological in that sense. It is also ontological in a sense supplied earlier by Heraclitus and Plato.

The question is at least as old as these two ancient Greeks.

Once the ontological issue of Plato’s **Parmenides** is taken into consideration, the following question is implicitly posed. The subsuming One is a *perfect* expression for the domain typified by the subsumed Many. Consequently, does the ontologically intrinsic, relative *imperfection* of that Many signify that the ontological actuality reposes in the One, rather than the particular phenomena, or ideas of the Many? The One always has the content of *change*, relative to the particularity of each among the Many. Does this imply that that *change* is ontologically primary, relative to the content of each and all of the Many? In other words, is this *ontological* significance of Heraclitus’ “nothing is constant but change” to be applied?

That is the type of significance which the term “ontologically transfinite” has, when applied to the formally or geometrically transfinite orderings presented, respectively, by Cantor and Riemann’s dissertation.

Put the same proposition in the context of physical-economic processes.

Let the term “lattice of theorem-lattices” identify an array of theorem-lattices generated by a constant principle of axiomatic-revolutionary discovery: an higher hypothesis. Then, that higher hypothesis is the One which subsumes the Many theorem-lattices. Relative to any and all such theorem-lattices, it is that higher hypothesis which is, apparently, the efficient cause of the not-entropy generated in practice. It is that higher hypothesis which is (again: apparently) the relatively primary, efficient cause of the not-entropy. It is that higher hypothesis, which is, relatively primary, ontologically.

44. See Lyndon H. LaRouche, Jr., “Mozart’s 1782-1786 Revolution in Music,” *Fidelio*, Winter 1992, and Bruce Director, “What Mathematics Can Learn From Classical Music,” *Fidelio*, Winter 1994. The late Beethoven string quartets referenced are: E-flat major, Opus 127; B-flat major (The “Grosse Fuge” quartet), Opus 130; A-minor, Opus 132; B-flat major (“Grosse Fuge”), Opus 133; and, F major, Opus 135.



Felix Klein (left) and Leonard Euler. Klein attempted to defend Euler's scurrilous attack on Gottfried Leibniz in the matter of the "infinite series," perpetrating a monstrous fraud.



As Leonhard Euler, and, later Felix Klein,⁴⁵ refused to take into consideration: Correlation, even astonishingly precise correlation, is not necessarily cause. The cause is not the *formal* not-entropy of such a lattice of theorem-lattices; *the cause is expressed in those hermetically sovereign, creative powers of each individual person's mental processes: the developable potential for generating, receiving, replicating, and practicing efficiently the axiomatic-revolutionary discoveries in science and Classical art-forms.* This notion of causation, drawn from "experience," is the crux of the determination of a Riemannian physical-economic space-time.

Mankind's success in generating, successfully, upward-reaching phase-shifts in potential relative population-density, demonstrates that the universe is so composed, that the *developable* creative-mental potential of the individual human mind is capable of mastering that universe with increasing efficiency. On this account, the very idea of "scientific

objectivity" is a fraud, particularly if expressed as an empiricist, or "materialist" notion. *All knowledge is essentially subjective; all proof is, in the last analysis, essentially subjective.* It is our critical examination of those processes of the individual mind, through which valid axiomatic-revolutionary discoveries are generated, or their original generation replicated, which is the source of knowledge. This is shown to represent a valid claim to knowledge, at least relatively so, by the success of axiomatic-revolutionary scientific and artistic progress, in increasing mankind's potential relative population-density. It is through the critical self-examination of the individual mental processes through which such discoveries are generated, and their generation replicated, that true scientific knowledge is attained: the which, therefore, might be better termed "scientific subjectivity."

Notably, valid axiomatic-revolutionary discoveries can not be "communicated" explicitly. Rather, they are caused to reappear in other minds only by inducing the other person to replicate the process of the original act of discovery. One may search the medium of communication for eternity, and never find a trace of the original communication of such an idea to any person. What is communicated is the catalyst which may prompt the hearer to activate the appropriate generative processes within his or her own fully autonomous creative-mental processes. The result may thus appear, to the "information theorist," to be the greatest secret code in the universe: In effect, by this means, the means of a Classical-humanist mode of education, vastly more "information" is transmitted than the band-pass is capable of conducting.

45. Felix Klein, *Famous Problems of Elementary Geometry* (1895), W.W. Beman and D.E. Smith, trans., R.C. Archibald, ed. (New York: Chelsea Publishing Co., 1980), pp. 49-80. Klein is probably aware that the proof that π is transcendental, was first given, from the standpoint of geometry, by Nicolaus of Cusa; he knows, without question, that the transcendental character of π was conclusively established by Leibniz et al., during the 1690s. Yet, he insists that the transcendence of π was first proven by F. Lindemann, in 1882! The reason for Klein's gentle fraud, is that he is defending Euler's attack on Leibniz in the matter of "infinite series." Thus, Klein is motivated by his insistence upon an Euler-based algebraic "proof" (and, no other!) even at the expense of perpetrating a monstrous fraud on the history of science.

Thus, the following:

1) The cause of the not-entropic characteristic of healthy physical-economy, is the exercise of the developable and sovereign mental-creative potential of the individual human mind. It is the input to that potential, which produces the efficient not-entropy as an output.

2) The crucial social part of the process is the correlated form of individual potential for being stimulated to replicate the relevant act of discovery.

3) The human precondition, is the development of the individuals and their relations within society to foster this generation and replication of such ideas.

4) The efficient practice of this social process depends upon the preparation of man-altered nature to become suitable for the successful (not-entropic) application of these discoveries to nature. Those are the axioms governing that causation essential to the geometry of physical-economic processes. The not-entropic image of an implied cardinality function in terms of densities of singularities per chosen interval of relevant action, is the reflection of those axioms and their implications. The set of constraints (e.g., inequalities), governing acceptable changes in relations of production and consumption, must therefore be in conformity with such a notion of a not-entropic cardinality function: that set of inequalities must be characteristically not-entropic in effect.

As was noted near the outset here: *A mathematical solution (in the formal sense) would be desirable, but a conceptual view was indispensable.* The most important thing, is to know what to do. Above all, we must be guided by these considerations in defining the policies of education and popular culture which we foster and employ for the development of the mental-creative potential of the individual in society, especially the young.

Epilogue: the interaction principle

Respecting the interaction of the two, axiomatically inconsistent systems: the characteristically entropic, linear monetary-financial process and the characteristically not-entropic physical-economic process.

There are three typical states to be considered: 1) The two processes, the monetary-financial parasite and the physical-economic process, are "symbiotically" inter-linked, with the parasite dominant, but with such constraints that a phase-shift of the economic process into an entropic mode does not occur; 2) The two processes are similarly linked, but the dominating monetary-financial process progressively decouples itself from the economic process; 3) The physical-economic process is employed by government to regulate the monetary and financial process to such a degree, that the latter becomes a subsidiary institution of the former. The first, was what might be termed the "normal" state of symbiosis within the industrialized economies, during the several centuries preceding 1963. The second, is the presently, hyperbolically degenerating state of the combined world econo-

my and monetary-financial systems. The third, is the preferred arrangement, implicitly defined by the George Washington administration of the U.S. Federal republic: the so-called "model" represented by the Franklin-Hamilton-Carey-List "American System of political-economy."⁴⁶

The crucial issue of the interaction, is the role of the sovereign nation-state form of national economy. "Experience," in Riemann's referenced sense of *Erfahrung*, informs us that the achievement of the most desirable, third form of interaction requires a strong role of a sovereign nation-state's government in the economy. The U.S.A.'s historical experience clearly indicates what the outlines of those governmental functions, on several levels, must be.

The national government must retain sovereign responsibility for regulation of the currency and national credit, monetary, and financial affairs generally, and conditions of trade. This sovereign authority must be applied most emphatically to international affairs, and, as may be deemed necessary for national economic security, in some limited aspects of domestic commerce. Government, at the various national, regional,⁴⁷ and local levels, must assume responsibility for providing essential basic economic infrastructure, including measures to ensure adequate quality of universal education, health-care delivery, and promotion of scientific and technological progress.⁴⁸

It is desirable that the preponderance of remaining economic activity be accomplished through privately owned farms and other enterprises. The economic principle governing this is encountered as early as the Fifteenth-Century France of Louis XI, and, more generally, in the nation-states of western Europe. Exemplary of those origins of the modern private enterprise, is the use of governmental patents to grant limited-term monopolies on manufacture and sale to inventors and their business associates; this is the origin of the limited-term, modern patent issued to inventors. The social function of private ownership, is to foster the application of the creative powers and intellectual prudence and courage of the individual entrepreneur, as a person, to the fostering of the generation and efficient use of improvements in methods and practices to the economic advantage of the

46. See, for example, *The Political Economy of the American Revolution*, Nancy Spannaus and Christopher White, eds. (New York: Campaigner Publications, 1977).

47. In the U.S.A.'s Federal constitutional tradition, the regional authority lies primarily with the Federal state, except as national interest may prescribe a Federal responsibility.

48. National water-management, including principal ports and inland waterways, watersheds, and relevant sanitation are included. Also, general public transportation should be either a governmental economic responsibility, or government-regulated area of private investment. The organization and regulation of adequate national power-supplies, adequately provided for the regions and localities, is a key governmental responsibility. Basic urban infrastructure is also a governmental responsibility, chiefly of local government under national guidance and state regulation as to standards.

nation and humanity more generally.

The division of authority and responsibility between the state and the private entrepreneur, is defined essentially by the nature of the social responsibilities implicitly assumed, or neglected by each. The development of basic economic infrastructure, represents the requirement, that a responsibility be met to the entire land-area of the relevant political unit, to the population considered as a whole, and to those general matters in which only government can assume efficient direct responsibility. Within the framework of governmental responsibility to provide or to regulate, the private entrepreneur should enjoy a broad, if nonetheless delimited authority.

That is not, as some misguided ideologues would describe it, a "mixed economy"; it is the only sane construction of a modern economy.

The most efficient performance of national economies has been achieved through what President Charles de Gaulle's France knew as "indicative planning." The state employs its combined monopolies of regulation and scale of economic operations, to foster the rate of investment and growth in those projects and other special categories of enterprise, which will supply the relatively greatest rate of well-balanced growth of the economy as a whole. The use of national credit, to foster beneficial and needed public works, and large-scale science-driver programs, such as aerospace development ventures,

are typical of the strategic uses of concentrating public credit to foster the relatively highest rates of long-term growth and development in the economy as a whole.

A monopoly on the creation of public credit, as provided by Article I of the U.S. Federal Constitution, and the focusing of that public credit to foster full employment in combined public and private enterprises most beneficial to the general interest in sustained technological progress, is the principal instrument through which the government fosters optimal rates of growth of income, output, and tax-revenue base, in the economy as a whole.

The general rule which ought to be applied, is that, in the physical economy as such, the state must foster relatively high rates of capital-intensity, power-intensity, and scientific and technological progress. This is achieved chiefly, by the use of tax-incentives and deployment of low-cost public credit, to favor the recycling of margins of relative "free energy" in economic output into technology-driver forms of productive and related investment.

In short, the problem of the interaction between the two axiomatically distinct kinds of processes, is almost entirely a matter of the responsibility, by governments of sovereign national economies, to regulate monetary and financial affairs. The object of such regulation must be to bring about and maintain the third of the three possible forms of interaction identified here.

Coming soon in EIR

EIR will soon be featuring a dialogue between Lyndon LaRouche and a leading Russian economist, Academician Dmitri S. Lvov, on what should be done to solve the economic crisis in Russia. Academician Lvov is vice director of the Central Economic-Mathematical Institute of the Russian Academy of Sciences.

In a radio interview on Aug. 2, LaRouche reported that *EIR* will publish a paper by Academician Lvov, with a reply by LaRouche, "in order to give to an international audience a sense of this kind of ongoing professional discussion internationally, among influential institutions such as this one, and our own. . . . I find most of the discussion of the Russian economy around the so-called constituency institutions around Washington, to be pretty much incompetent. . . . By reading the dialogue between myself and the academician and others, I hope some Americans, including some influentials around Washington, will have a somewhat *corrected* view of what actually is going on."



Lyndon and Helga LaRouche in Moscow, April 1994.

Russia will not step in to save Serbian bullies

by Konstantin George

A key component of the British attempt to sabotage, delay, or otherwise contain U.S.-led decisive military actions against Serbian forces in Bosnia has been to promote the view that decisive western military action would somehow provoke a Russian counter-action. At the official level, the Russian government has nurtured this view in words. In reality, the notion of a Russian "intervention" is pure bluff. Any western figure who believes otherwise has been wrongly advised by people who, at the very least, are woefully ignorant of the array of options in domestic and international relations confronting Russia.

A first insight into the actual Russian policy can be gained through a discussion given to *EIR* on July 26 by a senior Russian commentator who has close links to the Russian General Staff. Concerning what to expect from Russia in the Balkans, he said: "You will hear a lot of anti-western noises, and anti-western sentiments will surely increase domestically, and that is, admittedly not unimportant. But, on the ground, the Russians will do nothing. They will make a lot of noise, but nothing more than that. Forget about our sending arms to the Serbs; there is no interest in antagonizing the countries bordering Serbia, through which deliveries would have to come. Hungary, Romania, Bulgaria, Macedonia, and Albania would all not allow it and want good relations with the West."

Russia and the Muslim world

This line of argument can be followed upward to the global-strategic level. At the first level, Serbia means nothing to Russia in comparison to Russia's paramount interest in maintaining and developing good relations with the Muslim world. So-called "Pan-Orthodox" sentimentalities, mostly a

myth anyway, dissolve in an instant when confronted with the vital imperatives of Russian State strategic interests.

For example, since the break-up of the Soviet Union, one of the main Eurasian pillars of Russian foreign policy has been building a strategic axis with Iran. This reality is familiar to western readers through the Russian sale of civilian nuclear reactors and conventional military arms, such as the three Kilo-class submarines and modern aircraft to Iran. The intense collaboration with Iran has been key to Russia's ability to maintain stable, pro-Russian governments in all the newly independent Central Asian republics, which in every case are ruled by Presidents who were the Communist Party leaders in the last years of the U.S.S.R. Iran has also helped Russia cool down significantly the war in Tajikistan.

Iran is also one of the leading political and military supporters of Bosnia in its war against Serbian aggression. In short, were Russia to actively intervene on the Serbian side, it would lose Iran's friendship, and open up the potential for instability in Central Asia. Not to mention that the basis for a future "comeback" of Russian influence in the Middle East as a whole would be squandered.

Beyond Iran is the question of Russia's relation to the Arab Muslim world. The leadership in Moscow has no doubt what a fiasco it would have in this area were it to intervene for Serbia. On Aug. 1, as quoted in the Aug. 2 issue of the French paper *Le Figaro*, the foreign minister of the United Arab Emirates (U.A.E.) told the Russian ambassador: "You risk losing many of your friends and your interests in the Arab-Islamic world, if you continue to support the Serbian aggressors."

This is no mere question of prestige and influence, but of economic life and death. There is a definite link between

Russian relations to the Muslim world and the very survival of the Russian huge military-industrial complex. Along with the rest of Russian industry, the crucial military-industrial complex has been severely damaged by economic shock therapy applied under the prodding of the International Monetary Fund. In contrast to the more compliant attitude taken concerning civilian industry, the Russia leadership has acted to contain the damage to the military-industrial complex through a transitional policy of increasing arms sales abroad, thus establishing a "life-line" stream of foreign exchange income for the hard-pressed sector.

With the exception of China, the main arms sales contracts signed to date have been with Islamic nations, and it is with these that the prospects for large future increases lie. The most important Russian customers include Iran, the U.A.E., and Malaysia. Iran and Malaysia have been in the forefront of organizing within the Muslim world to break the arms embargo against Bosnia.

It must also be recalled that Russia is already in hot water in the Muslim world because of the manner in which its armed forces have operated against the Muslim civilian population of Chechnya. The threat to its position in Muslim world opinion was an unspoken, but decisive consideration behind the Russian policy shift to a negotiated settlement of the Chechen conflict.

Russia and the Balkans

The recognition that Russia will not intervene on behalf of the Serbs should the West make the threatened air strikes, was prominently featured in the leading French daily, *Le Monde*, on Aug. 2, in an article titled: "Ex-Yugoslavia Is Not a Priority for Moscow." Its author, *Le Monde* Moscow correspondent Sophie Shihab, wrote that Russia's "capacity to pull strings in the region is not convincing to the Russian political class itself." She began by citing a commentary in the Russian government daily *Izvestia*, which mocked Foreign Minister Andrei Kozyrev's contention that it was his diplomacy that averted a Serb attack on the Bosnian enclave of Gorazde. *Izvestia* stressed that the attack was averted by the NATO ultimatum, adding: "The sole path toward peace consists, today, in using force . . . everyone understands this, save Moscow."

Shihab then cited identical commentaries that appeared in the Russian dailies *Sevodnya* and *Kommersant*, making the point that the "historic influence" of Russia in the Balkans is a "myth." They stressed that Russia, by having played the "Serbian card," had thrown away the real opportunity to exert influence that Europe had offered it, to play a "mediating role among the Slavic peoples of the Balkans."

Shihab observed that there has been a distinct shift in the Russia media during 1995, away from past strident support of the Serbs. Overall, the Russian elites are worried over the crisis-ridden domestic situation. Preoccupied with "their own well-being," they are in no mood or position to

engage in Balkan adventures. Rather, the Russians have played the Serbian card to extract concessions from the West on broader issues, such as securing a revision in the Conventional Forces in Europe (CFE) agreement, allowing more Russian troops and equipment to deploy in the southern regions of Russia.

On the same day, coverage in the other leading French daily, *Le Figaro*, expressed the same view, citing an editorial in *Sevodnya*, "The Balkans Have Always Brought Only Misfortune to Russia," and then one Givi Gumbaridze, director of the "Reform Foundation" in Russia, saying that Russia would never seriously engage in an intervention in former Yugoslavia, as this would "only unveil the weakness" of Russia as a "great power."

The coverage in the two widely read Paris newspapers has contributed to help puncture the myth of a Russian intervention at a time when French President Chirac has toughened France's position in favor of attacking the Serbian aggressors.

The Balkans, first of all, are not confined to the territory of former Yugoslavia. Within the Balkan peninsula to the east and south of Serbia lie Bulgaria and Greece, and this region is of far more urgent concern to Russia.

The concern begins with the question of pipeline routes for Russian oil and gas. To bypass Turkey, Russia is constructing a pipeline route through Romania and Bulgaria down to the Greek port of Alexandroupolis on the north shore of the Aegean in the Greek province of Thrace. In a reversion of sorts to its 19th-century policy, Russia's main interest in a "Slavic brother" friendly state in the Balkans centers on Bulgaria, formerly a Soviet satellite nation, and not Serbia.

One should recall the model of 1875-77, when Serbia was at war with the Turks. Then as now, there was extensive Russian aid to the Serbs in the form of "volunteers" and arms, but the Russian State abstained from intervening, and allowed the Serbs to be defeated. When the Russian State did step in, in 1877, it was on behalf of Bulgaria. Russian armies dealt decisive defeats to the Turks, and the Russian-dictated Treaty of San Stefano in 1877, created a "Greater Bulgaria" under Russian tutelage. Incidentally, this same treaty, even though the Turks had been militarily swept from the Balkans, awarded nothing to Serbia. San Stefano was a short-lived result, reversed by the Congress of Berlin in 1878, but it revealed the true contours of Russian Balkans policy, behind the volumes of rhetoric for the "Serbian cause."

In the present period, the physical signs of a Russian-Bulgarian orientation may not arise too often, but they are there. Most notable is Russia's diplomatic recognition of the Republic of Macedonia, enacted in August 1992, not coincidentally, while President Boris Yeltsin was visiting Bulgaria. It was Russia, operating in tandem with Bulgaria, and not any of the western nations, which became the first great power to recognize the Republic of Macedonia as an independent State.

Holbrooke testifies on Bosnia, Bush, Chirac

Richard Holbrooke, Assistant Secretary of State for European and Canadian Affairs, appeared before the House International Relations Committee on July 28. Following are excerpts from his testimony.

Holbrooke: I think in the enormous noise of this week on Bosnia—the vote in the Senate, the situation on the ground, the refugees—it was perhaps insufficiently noted that the secretary general of the United Nations relinquished his fingers on the U.N. side of the dual key and that Mr. [Yasushi] Akashi also did likewise. . . . The dual key is one of the worst ideas ever invented.

The decks are now being cleared for action. By that I mean air action.

On the Bush administration

Rep. James Moran, Jr. (D-Va.): But, we can go back to the point where Admiral Boorda, I believe, recommended that we stop the shelling of Dubrovnik [in Croatia] and the Bush/Baker policy team decided we ought not intervene at that point. It was clear that if they were successful, it would move on and certainly it did. We knew the type of thugs that were implementing Bosnian Serb aggression, and yet we continued to maintain that this was an internal civil war when we knew better. . . .

Holbrooke: . . . I agree with you about Dubrovnik. The moment to stop this thing was when Vukovar and Dubrovnik were being destroyed. The fundamental mistakes—the United States voted for that arms embargo. How could we have made that vote in the United Nations and then reaffirmed it in 1991-1992? It was wrong. . . . I think the arms embargo was the most outrageous thing to impose. But now we're stuck with it. . . .

Congressman [Manzullo] . . . I want to point out, since you've unfortunately attacked my President, that the arms embargo was voted on twice in the previous administration and it was one of the most disgraceful votes in the history of the United States. It was wrong at the time and we inherited the debris.

On French President Chirac

Let us note, by the way, in passing, and in fairness to the French and the British, particularly the French, that 42 French have died in Bosnia—on an American population base, that would be over 200 Americans—and that Chirac, facing that problem, has asked for reinforcements, a rapid

reaction force. He doesn't want to pull out; he wants to get tougher. I have great admiration for President Chirac. I think he's on the right track.

. . . I do not believe it's true to say that President Chirac is opposed to air strikes. He has taken a very tough stand.

Rep. Peter King (R-N.Y.): You alluded to President Chirac in your statement. Clearly, he has a different style than his predecessor. Do you see any changes in substance vis-à-vis the French policy, as it will affect American policy and in our relationship between France and the United States as a result of President Chirac?

Holbrooke: Oh, there's going to be a tremendous change. For the last few years, France had cohabitation; a President of one party, a prime minister of another. The President, for whom we all have great respect, was old and not in good health. You now have a united French government under a dynamic President, who, I might add, I have had occasion to spend a good deal of time with. I'm very impressed by the fact that he knows America better than any previous French leader in history. He's lived here, he's worked here, he's famously a Howard Johnson's employee. He is a new kind of French leader, and the group he has assembled around him is very, very impressive. They're united, and they are going to play a major role in Europe's destiny. He's going to be President for seven years.

For many years now the undisputed leader of Europe has been [German] Chancellor Kohl. I've spoken many times before this committee and elsewhere of the central importance of Germany in Europe, and Germany as America's most important continental partner. I stand by those descriptions, but I am very pleased to see the development of relations with France. I've also been privileged to be present at some of President Clinton's meetings with President Chirac. They have a good personal relationship, and I think that will develop.

On the arms embargo

I have been a long, public opponent of the arms embargo. It was a disgrace that we voted for it in 1991.

But be clear of the consequences of a vote: A vote for lifting the arms embargo is also a vote for the U.N.'s withdrawal, which is also a vote for the 25,000 troops to assist in the withdrawal. . . . A failure to support our NATO allies in a difficult withdrawal which they could not complete successfully without NATO would mean—and I use this term advisedly—the end of NATO. We are NATO. If the British, the French, the Dutch, the Danes, the Canadians—all of whom have had deaths in Bosnia, start a withdrawal and get into trouble and we don't come to their aid, I don't see how we can credibly say that we are NATO, that NATO has a future. . . . I do not think the dissolution of NATO is in America's national security interests. And I believe that our failure to support the British and French, if the U.N. withdraws, would mean the effective end of NATO.

Mazowiecki resigns U.N. post, blasts 'hypocrisy' over Bosnia

by Umberto Pascali

On July 27, United Nations Human Rights Special Investigator Tadeusz Mazowiecki resigned following the conquest by the Greater Serbians of the U.N.-protected safe zones of Srebrenica and Zepa in eastern Bosnia. The resignation signals the beginning of the end for the U.N. gang of bureaucrats led by U.N. Secretary General Boutros Boutros-Ghali and U.N. Special Envoy Yasushi Akashi. Mazowiecki's courageous act marks a condemnation without appeal for the U.N. gang and its British sponsors.

Two days before, on July 25, the special International Tribunal on War Crimes in Former Yugoslavia had indicted and issued arrest warrants for the leaders of the Greater Serbians (see *Documentation*), including Radovan Karadzic, Ratko Mladic, and Milan Martic. These war criminals were protected by Boutros-Ghali and U.N. mediator Lord David Owen, and the ones the U.N. forced Bosnian President Alija Izetbegovic to "negotiate with."

Mazowiecki explained to *EIR* the reasons for his decision (in the interview below). The last straw for the former Polish prime minister, was a conference in London in which the U.N. bosses and the representatives of the "international community" accepted the slaughter of Srebrenica and de facto gave the green light to the Serbs for the subsequent conquest of Zepa. He stressed: "I believe the Bosnian people have the right to arm and defend themselves." In the resignation letter to Boutros-Ghali, Mazowiecki wrote that "any statement about the defense of human rights loses its credibility in the absence of a consistent and courageous attitude on the part of the international community and its leaders."

"I cannot take part in a fictitious process of defending human rights," he wrote, referring to the overrunning of the two safe areas that the U.N. had solemnly committed itself to defend. The London Conference on Bosnia had "accepted the fall of Srebrenica and resigned itself to the fate of Zepa." This is "unacceptable." He said that the decision to resign was the consequence of the "horrendous tragedy which has beset the population of those 'safe havens' guaranteed by international agreements. . . . The very stability of the international order and the principles of civilization is at stake over the question of Bosnia. [The fall of the two enclaves] constitutes a *turning point* in the situation."

Mazowiecki then spoke to reporters who were crowding the U.N. offices in Geneva, who were shocked that a high

U.N. official resigned over principles. "We fought in Poland against a totalitarian system in the hope of another Europe. How can one imagine that the children of the men and women we are abandoning today can create the Europe of tomorrow? We are hypocritical as far as Bosnia is concerned when we are claiming to defend it but in reality we are abandoning it."

The former Polish prime minister attacked U.N. Special Envoy Akashi and his "I don't take sides" attitude by name, according to German radio. This was the attitude that confronted Mazowiecki every time, starting in 1992-93, he would present a report on Serbian atrocities to U.N. officials. His final report on violations of human rights, which will be made public in the immediate future, documents acts of terror and atrocities "on an enormous scale."

Mazowiecki told the Argentine daily *Página 12* some of the details of the atrocities committed by the Greater Serbians against the population of Srebrenica. "I have still in mind, for example, what I was told by a woman that was evacuated from Srebrenica to Tuzla [after the conquest of the safe area]. At a certain point some Serbian soldiers got on the bus. One of them took a five-year-old child who was traveling with her by his neck. He cut his throat with a knife and said that he was going to decapitate the child if the women who traveled on the bus did not immediately give them all the money they had. . . . Another example: A nurse traveling with a convoy of 70 wounded from Potocari (near Srebrenica) reported that the vans that transported the victims were stopped by Serbian soldiers. All of them were forced to leave the cars. They were shot. Only those whose legs had been amputated were spared. The nurse also reported to have seen persons with their noses and ears cut, as well as human bodies mutilated of their heads and their arms and legs. I have seen a lot of atrocities, but never of such extreme magnitude."

Serbs and Bosnians thank Mazowiecki

One of the first letters the Polish leader received, arrived from Serbia. Its signer was Vera Webel Tatic, president of the Center for Anti-War Action in Serbia, one of the leaders of the resistance against the Belgrade regime of Slobodan Milosevic. The letter, made available to *EIR*, reads in part: "Dear Sir: We received information about your resignation. . . . We do regret it, but we are not surprised. During our meeting, when our delegation complained about the activities

and attitude of the U.N., you agreed with us and accepted our complaints.

“Actually, your agreement with our view on this issue was the basis for your resignation. We see your resignation as a revolt of a man of humanity and morality and that of a fighter who does not make compromises vis-à-vis the inert and bureaucratic organization of the U.N., which inevitably must be transformed as soon as possible, especially after the shame and dishonor they called on themselves in Bosnia. We express our regret that this transformation started with your resignation and *not* with the resignation of Mr. Yasushi Akaishi, who was the one secretly negotiating with the criminals; the fact was referred to in your report. The same applies to Mr. Boutros-Ghali, who approved these secret negotiations. We think about the immoral trade between the [kidnapped] soldiers of Unprofor in exchange for the U.N. tolerance of mass expulsion of refugees from Bosnia.”

On July 31, the Bosnian President Izetbegovic expressed his feelings to Mazowiecki in a personal letter: “We in Bosnia understand your decision to resign as the expression of authentic dignity and the unbreakable conscience of an intellectual. By refusing to participate in the chorus of indifference toward clear crimes and toward unexpressible human suffering, you are encouraging our determination to defend truth and justice despite everything. . . .”

Interview: Tadeusz Mazowiecki

Without a shakeup, no peace in Bosnia

Tadeusz Mazowiecki became prime minister of Poland in August 1989, the first non-communist prime minister in 45 years. He was chairman of the Democratic Union (now the Freedom Union), a post-Solidarity party. He is currently a deputy in the Polish Parliament. He was interviewed on July 31 by Umberto Pascali and Anna Kaczor-Wei.

EIR: Would you agree that the policy of the leadership of the United Nations toward the Bosnian Serbs reminds one of Neville Chamberlain toward Hitler in the 1930s?

Mazowiecki: I do not know why you refer only to the leadership of the United Nations. I think that the U.N. can do only as much as is decided by the states which can make decisions, and at the moment the U.N. is a sort of a whipping boy. The U.N. is not a force on its own, and it can do only what the decisive countries say. Of course, I have a critical view of the long-term policy of the main leaders of the U.N., because

it has certain shortcomings. But I could express the same kind of criticism toward not only the U.N., but also the leaders of many countries.

EIR: How will the situation in Bosnia develop now?

Mazowiecki: I do not make forecasts and I am not a prophet: I think that peace is the goal, but only a just peace. However, I think that we have reached the point at which negotiations and a just peace cannot be accomplished without some shakeup, because the side of the Bosnian Serbs has signed various agreements—for example at the first London conference—but it has not fulfilled them. We have reached a point that this group [the Bosnian Serbs], I would say, is blackmailing the whole international community, and, without a shakeup, there will be no peace there, no just peace.

EIR: What do you think about the recent statement by Pope John Paul II, who condemned what is going on in Bosnia? You talked about a shakeup, what do you mean by this?

Mazowiecki: I know the statement of the pope you referred to, and I can say that it reflects the pope’s great concern, which I am familiar with, and secondly, his awareness that this is a threat to certain basic principles of our civilization. I also think that we have reached the point at which this war is no longer only being conducted against Bosnia, but against certain principles of the international order.

Concerning the second part of your question, I will answer it the following way: The most important problem, in my opinion, is that the main western democratic countries be able to finally establish a unified and consistent stand. What I think is the worst, is this cacophony of voices which took place at the conference in London, and, frankly speaking, throughout those three years, when somebody said—for example, the American President—that there is a need for a decisive reaction, immediately you could hear a voice of some American general saying that an intervention is not possible. And the other way around: When somebody from the military forces would say that there is a necessity for a more decisive reaction and another kind of mandate, then politicians would respond in the spirit of, “We do not want to die for Sarajevo.” We have a situation in which a small group of people, namely, Serbian leaders in Bosnia, are shaking superpowers. I can only say that without a unified stand, without a consistent stand, without a certain determination, there will be no peace there.

EIR: Is there anything else you would like to say?

Mazowiecki: I would like to add that I treat my resignation precisely as a protest against that helplessness and against the reconciliation with this helplessness. I think that we have reached a very dangerous point and that the international community cannot treat this as some sort of exotic matter which is far away from them, because the principles of international coexistence have been threatened.

Mladic, Karadzic, others indicted for war crimes

What follows are excerpts from the press statement made by the Prosecutor, Justice Richard Goldstone, in conjunction with the announcement of indictments on July 25, 1995 by the "International Tribunal for the Prosecution of Persons Responsible for Serious Violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia Since 1991," under the United Nations. It was released in The Hague, Netherlands.

The five indictments announced today are the result of investigations begun in 1994, and in the case of the indictment in respect of Ratko Mladic and Radovan Karadzic, follows the deferral application granted in May. The indictments are illustrative of a consistent prosecution strategy, namely, the investigation and indictment of leaders in the former Yugoslavia who are suspected of being criminally responsible, either directly or indirectly, for widespread and serious violations of international humanitarian law.

The strategy includes the investigation of lower-level persons directly involved in carrying out the crimes in order to build effective cases against the military and civilian leaders who were party to the overall planning and organization of those crimes.

It is in this context that the indictments relating to specific locations and events in Bosnia-Herzegovina are incorporated in the indictment against the two Bosnian Serb leaders, Radovan Karadzic and Ratko Mladic, now indicted. Today's indictments cover a wide variety of criminal offenses and demonstrate the different degrees of participation of the accused persons. Our investigations show that the methods used in Bozanski Smac, Brcko, and Prijedor to take control of the non-Serb population are typical of the methods used in many other places throughout Bosnia-Herzegovina.

It is important to recall statements of the secretary general and the Security Council that a primary objective of the Tribunal is to establish individual responsibility for the crimes committed in the former Yugoslavia in order to avoid the attribution of collective guilt. In this regard, the reference in the indictments to "Bosnian Serb" pertains to the Bosnian Serbs who are in the military or civilian service of the authorities in Pale. No reference is intended to those Bosnian Serbs who neither support nor associate themselves with the commission of the crimes charged. . . .

That serious violations of international humanitarian law have taken place in Bosnia-Herzegovina over the past three

weeks is manifest. Once again, the media have brought us the vivid portrayal of the human tragedies which have resulted from the unlawful attacks by Bosnian Serbs on United Nations-designated "safe areas." Those events are under investigation by my Office. The criminal responsibility of Dr. Karadzic and General Mladic with regard to those and other crimes committed since the outbreak of hostilities throughout Bosnia-Herzegovina is also under investigation and, if warranted, indictments against them will be appropriately amended. The investigation in respect of Dr. Karadzic and General Mladic is not limited to the matters discussed in the indictment announced today and is still ongoing.

Pursuant to the deferral order granted on 16 May 1995 by a Trial Chamber of the Tribunal in respect of the investigation by the Government of Bosnia-Herzegovina into the alleged criminal conduct of Mico Stanisic, the investigation by the Office of the Prosecutor concerning Mico Stanisic and other senior Bosnian Serb military and civilian officials is still proceeding. We are not yet in a position to state when indictments will be issued. . . .

Karadzic and Mladic indictment

Below is the fact sheet released to media on the crimes for which Karadzic and Mladic are indicted. Twenty-one other individuals were also indicted.—Editors.

1) Crimes perpetrated against the civilian population and against places of worship.

Radovan Karadzic and Ratko Mladic, individually or in concert with others, planned, instigated, ordered or otherwise aided and abetted in the planning, preparation, execution of the persecutions on political and religious grounds of Bosnian Muslim and Bosnian Croat civilians, or knew or had reason to know that subordinates were about to do the same or had done so, and failed to take the necessary and reasonable measures to prevent such acts or to punish the perpetrators thereof.

They committed the following crimes:

A. Genocide and crimes against humanity

The acts and omissions involved were not justified by military necessity and are related to:

- *the internment of thousands of Bosnian Muslims and Croats in detention facilities* where they were subjected to widespread acts of physical and psychological abuse and to inhuman conditions. Examples are the Omarska, Keraterm, Luka and Sisica camps, which were staffed and operated by military and police personnel and their agents under the control of Radovan Karadzic and Ratko Mladic. Detention facility personnel killed detainees, seriously injured them and deliberately imposed upon them conditions intended to bring about their physical destruction. Detainees were repeatedly subject to and/or witnessed inhuman acts, including murders, rapes, and sexual assaults, tortures, beatings, robberies, as well as other forms of mental and physical abuse. In many instances, women and girls who were detained were

raped at the camps or were taken from the detention centers and raped or otherwise sexually abused at other locations.

- *the targeting of Bosnian Muslim and Bosnian Croat communities*, and in particular their political leaders, intellectuals, and professionals.

- *the deportation of thousands of Bosnian Muslim and Bosnian Croat civilians* from the areas of Slasenica, Prijedor, Bosanski Sarnac, Brcko, and Foca, including women, children, and elderly persons who were taken directly from their homes.

- *the shelling of civilian gatherings* in Sarajevo (1992, 1993, 1994), Srebrenica (1993), and Tuzla (1995) in order to kill, terrorize and demoralize the Bosnian Muslim and Bosnian Croat civilian populations.

- *the appropriation and plunder of real and personal property* of Bosnian Muslim and Bosnian Croat civilians.

- *the persecution of civilians*, including the systematic destruction of Bosnian Muslim and Bosnian Croat homes and businesses in order to insure that the inhabitants could not and would not return to their homes and communities.

- *the systematic damaging and/or destruction of sacred sites*, both Muslim and Roman Catholic.

B. War crimes and grave breaches of the Geneva Convention

The acts and omissions involved are:

- the unlawful confinement of civilians in detention facilities, and outrages upon the personal dignity of the detainees

- the deliberate attacks on the civilian population
- the destruction or willful damage to religious institutions

- the extensive destruction of property
- the appropriation and plunder of public and private property

2. Sarajevo sniping campaign

Throughout the siege of Sarajevo there has been a systematic campaign of deliberate targeting of civilians by snipers of the Bosnian Serb military, and their agents. Since April 1992, a substantial number of civilians have been killed or wounded.

The deliberate attack on the civilian population is a *violation of the laws or customs of war*.

The killing and the wounding by sniper fire on these civilians is a *crime against humanity*.

3. U.N. hostages and human shields

Between 26 May 1995 and 2 June 1995, Bosnian Serb military personnel under the direction and control of **Radovan Karadzic** and **Ratko Mladic** seized 284 U.N.-peacekeepers in many locations, and between 26 May and 19 June 1995, they selected certain U.N.-hostages for use as "human shields."

Radovan Karadzic and **Ratko Mladic** are charged with *violations of the laws or customs of war and grave breaches of the Geneva Convention*.

Proven: The Cali Cartel put Samper in the Presidency

by Our Special Correspondent

Colombian President Ernesto Samper Pizano, fast on his way to becoming ex-President, is having a rough time pretending that reality doesn't exist. Colombia's Prosecutor General, the state security bodies, and the U.S. Drug Enforcement Administration have in their possession mountains of documents, and, now, key witnesses, which prove beyond a reasonable doubt that Samper was put in power thanks to the multimillion-dollar contributions which the Cali Cartel gave his 1994 electoral campaign.

Tacitly acknowledging that his campaign did, in fact, receive drug monies, Samper went on national television on July 27 to insist: "Colombians may rest assured that if any filtering of [drug] money is proven, it happened behind my back." The same day, he sent a letter to the Investigations and Accusations Commission of the House of Representatives, the only body which can judge a President, requesting that the commission obtain from the Prosecutor General's office all evidence which it might have on him, and conduct its own investigation.

Samper gave that speech because, the day before, the treasurer of his 1994 presidential campaign, Santiago Medina, had been arrested. Medina had received some 15 billion pesos (\$20 million) in cash and checks from the Cali Cartel, for Samper's campaign. Samper won the election on June 19 by a slim margin of 1%—a squeaker victory in which the cartel's "contributions" were crucial.

The Prosecutor General ordered Medina's arrest because he could not explain, in a previous interrogation, why he had received a check for 40 million pesos (\$46,000) written by a Cali Cartel front-company, nor why this check had been used to pay expenses for Samper's campaign. According to well-informed sources, however, the Prosecutor General has now documented that the campaign conducted at least 500 million pesos (\$575,000) never recorded in its official books. To Samper's dismay, Medina, caught red-handed, decided to cooperate, and on July 28, detailed to prosecutors how the drug monies were handled by the campaign, and handed over additional documentation that proved that part of the campaign's funds were kept in a secret account in Chase Manhattan Bank in New York. That account was used not only for monies from drug-traffickers, but also for funds supplied by various multinational companies which, by law,

are prohibited from giving money to finance electoral campaigns. Fernando Botero Zea, Samper's defense minister until Aug. 2, was Samper's campaign manager in 1994 and one of those who handled the secret account.

Nor did the campaign staff receive drug monies behind Samper's back. Medina told prosecutors that Samper had been a friend from way back of the Rodríguez Orejuela brothers, Miguel and Gilberto, the *jefes maximos* of the Cali Cartel, and that Medina had met twice with the Cali traffickers to request and receive money from them—on orders from Samper and Botero. On one occasion, he personally received at his house, several boxes, packed in wrapping paper, filled with cash sent by the drug-traffickers. Botero made the decisions on how the money was to be distributed.

Samper's promises to the cartel

In one of the meetings with the traffickers, Medina presented them with a list of five points which Samper promised to carry out as President, in exchange for the money. Samper, according to Medina's sworn statement, committed himself to negotiating sentence reductions with the drug-traffickers; to backing the previous Prosecutor General, Gustavo de Greiff, a promoter of drug-legalization; and to doing everything in his power "so that this [confrontation between the state and traffickers] comes to the best possible conclusion."

Medina detailed how he received the green light to accept the monies for Samper himself, mediated through Horacio Serpa Uribe, Samper's current interior minister, then head of political debate for the campaign, and through Botero.

These explosive revelations, backed by documents in the hands of Colombian prosecutors, confirm what *EIR* has charged for 16 years: that Ernesto Samper Pizano is a spokesman for the drug-traffickers, and his goal for decades has been the legalization of narcotics. Just after Samper was elected in July 1994, *EIR's* Feature story, "Dope Mob Buys Colombian Presidency" (July 15, 1994), caused many Samper supporters to revile *EIR*. *EIR's* offices in Bogotá were the targets of a series of security incidents, including multiple telephone threats.

The campaign of intimidation against *EIR* in Bogotá has not ended. On Aug. 3, an individual with a Cali accent phoned the home of *EIR* correspondent Javier Almarío Almarío and said: "You all are going to pay for writing all that bulls—t."

Institutions must be defended

How did Samper's government, then, become one of the most effective ever *against* the drug trade? After Samper won the elections, the U.S. government of William Clinton let Samper know that they knew of his drug connections, but made him an offer he couldn't refuse: They were prepared to grant him "a clean slate," provided that his government took on the drug trade. Pressures were applied, such that the only way Samper could continue as President, was by going after

the Cali Cartel. Thus, it fell to Samper to dismantle the very criminal organizations which put him in office, and for whom he had worked for years.

Five of the seven kingpins of the Cali Cartel, responsible for sending 80% of the cocaine and much of the heroin consumed in the United States, are today in jail. Samper's government, squeezed between the power of the cartels and the power of the United States, allowed anti-drug forces to act, while stalling on reforming the legal system of plea-bargaining and light sentences which the cartel had bought for themselves under the previous government of President César Gaviria (now secretary general of the Organization of American States).

But inexorably, the campaign against the cartel brought to light the devastating proof of Samper's own close ties to that cartel. The evidence on Samper and his team has now overwhelmed any that hope that Samper et al. may have had that they could hang onto power, by turning on their former owners. U.S. Vice President Al Gore's July 25 praise for Samper and his defense minister, Botero, as "brave" anti-drug fighters, delivered in his keynote speech to the Defense Ministers of the Western Hemisphere, gathered in Williamsburg, Virginia for a two-day summit, proved ill-timed, as the cascade of evidence revealed in the days following has brought both men to the point of going to jail, on charges of taking drug monies.

Botero and Serpa had been prepared to take the rap for Samper, in order to save his Presidency. As of this writing, however, Botero is under investigation by the Prosecutor General's office for his handling of the parallel accounts of the Samper campaign; Samper's campaign treasurer is in jail; the Prosecutor's office is expected to request that the Supreme Court investigate Communications Minister Armando Benedetti, on charges of taking drug money; and Interior Minister Serpa is under investigation for obstruction of justice, accused of threatening Medina that he had better not implicate the President or his ministers in his statements to authorities. Serpa is also being investigated, on suspicion that the July 29 theft of the affidavit of Medina's confessions to authorities, was ordered by Serpa and Botero, while the head of the DAS (the equivalent of the FBI), Ramiro Bejarano, has been accused of illegally visiting Medina in jail, also of threatening him to keep quiet. The Prosecutor General's office has now sent copies of the evidence against the President to the Congressional Accusations Committee, for it to judge.

Events have overwhelmed the strategy of those in Washington and Bogotá who had believed that Samper should be kept in office, in order to maintain the appearance of institutional stability. As long as Samper remains in the Presidency, Colombia is de facto without a government, as the President has lost all legitimacy before the nation. Events must rapidly take another course, including the possible annulling of the drug-rigged 1994 presidential elections.

Sri Lankan crisis enters perilous stage

by Ramtanu Maitra and Susan Maitra

A fierce battle is raging between the secessionist Liberation Tigers of Tamil Eelam (LTTE), widely known as the Tigers, and the Sri Lankan Army in Jaffna, the northern stronghold of the Tigers. Reports indicate that the Tigers have received major setbacks in recent skirmishes, but it would be wrong to write their obituary.

In retaliation for the recent annihilation of some 300 men in the Welis Oya area of northeastern Sri Lanka at the hands of the Sri Lankan military, the Tigers engineered the assassination of Brig. Nalin Angammana, Sri Lanka's top military commander and the man identified with the Welis Oya operation.

The current battle promises to be yet another endless campaign and a clear indication that the country—notwithstanding the sincere attempts of President Chandrika Kumaratunga during her one year in power to loosen the mortal deadlock between the Hindu Tamils and Buddhist Sinhalese ethnic groups—has slipped into the bottomless abyss, drawn in by the manipulating and ruthless Tigers.

There is no question that the Tigers, who have recruited strong political backers in the southern Indian state of Tamil Nadu and have developed intimate links with the international drug and gun cartel, have become puppets in the hands of various intelligence agencies working on behalf of geopoliticians to keep the South Asian cauldron boiling.

The genesis

To find the roots of the decades-old ethnic conflict, one has to go back to the colonial British rule over Sri Lanka which ended in 1948. The British policy in the island nation was no different from their policy in the subcontinent: They provided special privileges to the powerful minority—Tamils, in the case of Sri Lanka. But the British colonials had another perfidious game going, too.

Tamils, who had been present in Sri Lanka since the seventh century, had their kingdom in Jaffna, and had not allowed it to be merged with the Buddhist-ruled kingdoms of Kotte and Kandy. It was only during the Portuguese rule in 1597, and then under the British, that the Tamils had surrendered this option. In 1948, when the British physically left Sri Lanka (then known as Ceylon), the Ceylon Independence Act of 1947 provided only for the grant of an order-in-council, unlike in India, where the Constituent Assembly was empowered to draft and adopt the Constitution for the entire country.

In 1970, the Sri Lankan Constituent Assembly passed a resolution to break the legal continuity with the British Parliament and drafted a new Constitution. The Tamils claim that by breaking the legal continuity, the sovereignty of the three kingdoms reverted back to the people and hence, the new Constitution is not binding on the Tamil people.

Legalities aside, the British had meanwhile created a Sinhala wealthy class (the *goigama* class in Sinhala language), which identified itself closely with the British aristocracy. Education, lifestyle, and even Anglo-Saxon names were adopted by these people to secure the so-called "British" label. The darker-skinned Tamils were naturally considered inferior by this class. In addition, the Buddhist Sangha, with its strong affinity to Sinhala chauvinism, was used to spread anti-Tamil hatred on behalf of Sinhala culture. The subsequent anti-Tamil role of the Sinhala leaders, through a series of betrayals, and enhancing the Sinhala grip on the country, at the highest level, only perpetuated the hatred between the two major religious and ethnic groups.

The intimacy of the Sinhala leaders' association with the British, the manner of the British transfer of power to Ceylon, and existing commercial ties, led to close association with Britain on security matters. Accordingly, on the day that Ceylon became independent, the Ceylon-U.K. Defense Agreement came into existence, under the terms of which Britain retained the use of an airbase in Katunayake and the naval base in Trincomalee. Although these bases are not in the hands of the British any longer, the agreement itself shows the then-intimate relations between London and Colombo, the Sri Lanka capital, and the eagerness of the Sinhala leaders to keep the umbilical cord with London intact.

The conflict mushrooms

Following a series of betrayals by the anglophile Sinhala leaders carrying Anglo-Saxon names and politically backed by the chauvinist Sangha, what emerged was the Tamil Tigers demanding "Eelam"—the Tamil name for Sri Lanka. As soon as the Tamil movement slipped away from such stalwarts as Chelvanayake and Amirthalingam and found its protector in the gun-toting Tamil Tigers, the island-nation was ready to become the "base" for the drugs-for-guns nexus of the Iran-Contra types. Now it poses a threat not only to Sri Lanka, but to the Indian subcontinent and the maritime traffic connecting the Arabian Sea and the Indian Ocean. Arms began to pour in from Singapore, an outpost of the British and Chinese interest and a base of the Israeli Mossad-ADL crowd, to support the "Tamil victims"—now represented by the larger-than-life assassin, Vellupillai Prabhakaran.

It became evident quickly enough that the LTTE has more firepower than the Sri Lankan Army itself. The United National Party (UNP), composed of the worst anglophiles and promoters of free trade and privatization, under the presidency of Junius Robert Jayewardene, brought in the British SAS and the Mossad to train the Sri Lankan security person-

nel in counter-terrorism. What was also known, however, at the time, was that the same intelligence groups were involved in training the Tigers with explosives and the latest small and medium-size arms.

Once the conflict began to draw blood in plenty, the British moved in through Amnesty International to condemn the Sri Lankan government for committing atrocities, first against the Tamils and later against the Sinhalas in the south. In fact, less than three weeks before the massive slaughter of Tamils in Colombo in July 1983, Amnesty International had come up with a report detailing the reign of repression and terror let loose by the security forces in the north and east of the island. Amnesty International said in that report that the Sri Lankan Prevention of Terrorism Act (1979) was more draconian than similar acts then in effect in South Africa and Britain.

Later, Amnesty International went after Sri Lankan President Ranasinghe Premadasa for his ham-handed suppression of the right-wing Sinhala chauvinists, the Janatha Vimukti Peramuna (JVP), which was heavily infiltrated by the Israeli Mossad. When Sri Lankan foreign minister, later defense minister, Ranjan Wijeratne rightly identified Amnesty International as "another terrorist movement," the Anti-Defamation League asset and then U.S. Rep. Stephen Solarz (D-N.Y.) criticized Wijeratne, who has since been assassinated, saying: "I am concerned about unsupported allegations that Amnesty International supports the Janatha Vimukti Peramuna (JVP)." He also stressed that he had the "highest respect" for Amnesty.

The self-destructive Indian policy

Meanwhile, in the 1960s and 1970s in India's southern state of Tamil Nadu, separated from the Tamil-dominated Jaffna by a 21-mile stretch of water known as the Palk Strait, a violent movement for a Greater Tamil State, separate from India, had begun to take shape. The events in Sri Lanka added zest to the Indian secessionists, who, in the tradition of British promoters of "nationals and sub-nationals," had declared virtual war against Delhi, citing "linguistic invasion" from northern India as the *cause célèbre*. Despite the danger that was clearly visible, the Indian government fell for the support of the Tamils, with the obvious intent of controlling Colombo by using the "Tamil card." This policy of Mrs. Indira Gandhi, which was later overturned with little apparent effect by Rajiv Gandhi, was ostensibly to "teach Colombo a lesson" for allowing President Reagan's emissary Vernon Walters to visit Sri Lanka and discuss the possibilities of acquiring military base facilities in Trincomalee, situated on the eastern coast of Sri Lanka.

As a result of this policy, the Indian state of Tamil Nadu became a shelter for the Tigers, and soon the shelter was turned into Tiger country. The Tamil Nadu state government, under the nurturing eyes of India's security and intelligence agencies, allowed the Tigers to annihilate all other Tamil groups, some of whom were decidedly moderate and against



Junius Richard Jayewardene, President in 1978-89, brought in British SAS and the Mossad to train security personnel in counter-terrorism—but they trained the Tigers as well.

violence, and to emerge as the sole arbiter of the Tamil cause. However, Tigers did not restrict their base within Tamil Nadu. From Tamil Nadu, the Tigers have extended their claws northward, and have forged ties with the Naxalites who control the unmanned forests of Andhra Pradesh and Orissa. There is evidence that the Tigers have strong ties to the Libyans and the Pakistani ISI, or, in other words, with the drug- and gun-running Afghans. Besides being trained by mercenaries of the British SAS and the Israeli Mossad, and having assassinated a number of heads of government, including Rajiv Gandhi of India, the Tigers now possess missiles which can knock down any military aircraft that the Sri Lankan Air Force can deploy. These surface-to-air missiles were reportedly procured by the Tigers from Russia.

Fresh dangers

As the Sri Lankan Army has decided to put pressures on the Tigers, lodged in the north and northeast of Sri Lanka, the Indian supporters of the Tigers have begun to exert pressure on New Delhi to back the Tigers once more. V. Gopalasamy, leader of the Tamil Nadu-based political party, MDMK, says that his support extended to the LTTE and formation of Eelam in Sri Lanka was a "conscious, deeply thought-out decision." Gopalasamy, who is waiting in the wings, makes it clear that most Tamil Nadu political leaders support the Eelam movement. One of the two leading parties in the state of Tamil Nadu, the DMK, passed an official resolution supporting Eelam in 1984. Gopalasamy, dismissing any suggestion that the pro-Eelam movement is anti-national, tells reporters that there is "no need to take the permission of the Indian government" before adopting such a position.

International Intelligence

Senator echoes EIR— Zapatistas aren't Mexican

In an interview published by the weekly magazine *Siempre!* Maj. Gen. Luis Garfias Magaña (ret.), Mexican Senate Defense Commission chief, pointed to the foreign nature of the Zapatista operation in Chiapas, such as *EIR* has warned from the outset. "These people are trying to get this conflict to be prolonged unnecessarily for publicity effects, both internally and abroad. It has come up with the absurdity of opening a rebel embassy in Paris and there's been an attempt to do it also in Barcelona, Spain," General Garfias said, calling on the Zedillo administration for an "energetic solution" because any delay after 16 months of talks "harms the government's image."

Garfias mentioned the attacks on "a group of congressmen who went to France to give a press conference in Paris," and said that he "was in Madrid last May and saw on the walls of some streets slogans on behalf of EZLN, which means the existence of groups that seek to promote the EZLN fight in Europe."

Bhutto government seeks to quell Mohajirs

More than 2,000 Mohajirs have been arrested in Karachi and Hyderabad, Pakistan, by paramilitary troops. The government of Benazir Bhutto is currently involved in negotiations with the Mohajir constituency group, the MQM, whose leader Altaf Hussein was recently given official asylum in London by the British government.

Hussein told the London periodical *Asian Age* (July 26 issue): "We are still ready to negotiate, despite these barbaric actions by the PPP [Pakistan People's Party] government of Pakistan, but there is a lot of pressure on us to announce a fresh agitation campaign. The total responsibility will then rest on the government of Pakistan."

In Karachi, Pakistani Rangers and the Frontier Constabulary assaulted Mohajir strongholds in lightning assaults, then cor-

doned off the areas, and proceeded to arrest hundreds of men.

The government approach is to put the MQM under siege while expressing readiness to restore peace in Karachi through talks with the MQM over the modalities of enforcing law and order and over the substantive issues concerning the place of the Mohajirs in present-day Pakistan. The un-governability of Karachi has been the major point of attack against Prime Minister Bhutto.

Split verdict in case of Greenpeace vs. publisher

A Hamburg state court rendered a split decision in the 80,000 deutschemark lawsuit filed by the transnational giant organization Greenpeace against Böttiger Verlag, a small German publishing company. The July 28 ruling was seen as quite a victory for the small publisher in this unequal match. The Hamburg courts, which recently sentenced a journalist to six months in jail or a DM 500,000 fine for calling East German communist leader Gregor Gysi a "Stasi snitch," are very anti-free speech.

The suit was filed over an invitation sent by Böttiger Verlag to journalists asking them to come on April 24, 1994 to Bov, Denmark, just over the border from Flensburg in Germany, to view a video copy of the anti-Greenpeace film, "Man in the Rainbow," which had been aired in Scandinavia over protests by Greenpeace.

The German State-owned broadcaster Norddeutsche Rundfunk had bought the German rights for more than DM 100,000, but showed no intention of broadcasting the film, feeding suspicions that NDR had spent State-collected television fees in order *not* to broadcast the film.

Shortly before the press conference, Danish TV 2 forbade the publisher to show the film, although the Danish Press Council had cleared the Danish channel of any breach of professional conduct.

Shortly thereafter, Greenpeace issued a fact sheet with pre-coined slanders against the "LaRouche network" and the publisher, mentioning the press conference in Bov. At

this time, a spokesman for the self-professed eco-terrorist organization Earth First!, Mike Roselle, showed up at the Greenpeace headquarters in Amsterdam, to discuss how to deal with the film with GP-International director Sawyer. Roselle praised the use of violence in the film and expressed gratitude for Greenpeace's support of EF! campaigns. Greenpeace then sued Böttiger Verlag.

The Hamburg court found that the statement that the film proves "the collaboration of Greenpeace with the terrorist organization Earth First!" cannot be denied, but the allegation that Greenpeace had "diverted contributions to the accounts of independent organizations which were privately accessible to a tiny number of the top functionaries," was not proven, and the complaint was granted.

The "criminal prehistory of Mr. Greenpeace," founder David McTaggart, which the film referred to, was outdated, the court ruled, and could no longer be held against him. Yet, it could not be denied that he had "built up the . . . organization into a business based on fears over the environment."

Two Presidents seek historic Korea conference

President Clinton and South Korean President Kim Young-sam discussed a plan for the United States to sponsor a peace conference between North and South Korea, during Kim's recent Washington trip, according to a report by the State-owned Korean Broadcasting System (KBS), shown with English translation by ABC-TV in Washington on July 27.

Such a conference, to be modeled on Clinton's Israel-PLO accords at the White House, would be a historic move in the reunification of Korea, the Korean TV station stressed.

Addressing a joint session of Congress on July 26, President Kim, in the United States for the dedication of the Korean War Memorial, called for resumption of the North-South dialogue. "Peace on the Korean peninsula can only take root through dia-

Briefly

logue and cooperation between the South and the North," he said. "Without dialogue nothing can be accomplished. . . . I am thus grateful that both the President and Congress have stressed the central importance of the South-North dialogue. . . ."

"The republic's unification policy aims to ultimately make Korea one nation and one state, by gradually restoring a sense of national community through peaceful co-existence, reconciliation, and cooperation with the North. . . . Therefore we are pursuing a joint national development plan, designed to promote mutual prosperity of the South and the North. It is for this reason that the Republic is planning to shoulder the brunt of the costs of providing North Korea with the Korean model light-water nuclear reactors, and play a central role in the project.

" . . . When the day comes that the Korean peninsula finally becomes one nation again, genuine peace and prosperity will finally prevail in Northeast Asia."

Prince rips up illusion of prosperity in Russia

A joke circulating in the streets of Moscow is used to illustrate the "time of troubles" that Russia is now entering. In a discussion with France's *Le Figaro* on July 27, Prince Vladimir Obolenski tells the joke: "Clinton goes to see God, and asks him, 'When will my people, finally, be happy?' God responds: 'In 20 years.' Clinton breaks out into tears, and runs away. Boris Yeltsin arrives, and asks the same question. God breaks out into tears, and runs away."

Obolenski, who spent his youth in a camp for "children of the enemies of the regime" under the Bolsheviks, uses this anecdote to underscore how he sees the horrifying situation now in Russia: "The State doesn't exist any more. The country is devolving into neo-feudal principalities. Only the criminals are prospering, while the majority of the population is withering away." He says Russia has exchanged the old "iron curtain" for a new "gold curtain. We who don't know how to steal, nor take or give

bribes under the table, we who don't want to participate in the looting of our own country, have again become marginalized, forced to fend for ourselves."

He is not interested in hearing about the real estate boom now going on, or the fabulous wealth of certain banks, or enterprises like Gazprom, which finances the new political party of Prime Minister Viktor Chernomyrdin. He stresses that there are 30,000 homeless children in Moscow alone, that life expectancy for men has dropped from 64 years in 1987 to 58 in 1995, and that, if the new middle class is estimated to be at 30 million people, 120 million Russians are shunted aside.

Obolenski's own solution is a constitutional monarchy, which he claims is the only regime suited to the mentality of the Russians—but not with the current Romanov claimants. He tells *Figaro*, "In the shadows, almost clandestinely, the habits and traditions of old Russia persist. This underground culture is preserved within the narrow circles that bring together some families and friends," mainly descendants of the nobility, or heirs of the old "orders."

Colombia's ELN vows to 'humanize' war

Manuel Pérez, the chief of Colombia's terrorist National Liberation Army (ELN), issued a communiqué which was reported in the July 27 press in Bogotá, promising that the ELN will henceforth take measures to "humanize the war," by following the Geneva Protocols. No longer, he promised, will the ELN recruit children under 15 years of age, carry out actions which damage the environment, or kidnap only for money. They will henceforth only carry out "political" kidnappings, he wrote. The ELN will also now try not to harm civilians when they attack "the enemy," the letter allegedly promised.

The reported letter reads like a ploy for increased international support from the human rights mafia, but does serve as an admission of the barbaric practices this British-linked narco-terrorist group has engaged in for years.

● **VIETNAM**, following the recent normalization of relations with the United States, formally joined ASEAN, the Association of South East Asian Nations, on July 28, and Russian Foreign Minister Andrei Kozyrev is making the first official visit of a post-Soviet high-level government official to Hanoi.

● **THE AUM Shinri Kyo** group threatened to kill President Clinton, according to the July 8 issue of the Japanese weekly *Gendai Koron*, which cited Japanese police sources. Aum allegedly planned sarin gas attacks in New York and other American cities, including plans to use remote-controlled helicopters in Washington to spray sarin in areas where Clinton is known to walk.

● **THE NGO FORUM** at the U.N. women's conference in Beijing could be cut by as much as one-third, to 10,000, due to obstructions being put up by the Chinese authorities. A U.N. decision-making body in Geneva has also barred 11 groups from attending the NGO forum, reportedly on the basis of "prodding" by China and Iran.

● **EGYPT** and Saudi Arabia started week-long naval war games in the Red Sea on July 25. According to the Saudi Press Agency, the exercises aim at "boosting the capabilities of commanders, officers, and troops in the fields of leadership and control over warships participating in the operations theater." But they are rumored to be a dry run for forcing an eventual embargo on Sudan.

● **FREEMASONRY** is the force which fuels ideological and philosophical liberalism, said Argentina's Cardinal Primate Antonio Quarracino during three discussions on his weekly television show, July 8, 15, and 22. The presentations are related to the fight between the Catholic Church and the Menem government over the effects of Menem's economic program, dictated by the International Monetary Fund.

African leaders indict IMF, call for new economic order

by Our Special Correspondent

Meeting in Paris on July 11, the Schiller Institute and the former President of Uganda, Godfrey Lukongwa Binaisa, were joined by a delegation of members of the National Constitutional Conference (NCC) of Nigeria to discuss Binaisa's initiative to form an African Civil Rights Movement and to present the "Truth about Nigeria." The two delegations were the speakers at a public conference, which the Schiller Institute had organized under the title "Peace, Development, and the Rights of Man." This was followed by a press conference the next morning. During the week in Paris, the delegations also met privately with members of Parliament and diplomats.

The Nigerian delegation was led by Chief Chukwuemeka Odumegwu-Ojukwu, the former leader of Biafra, and included Chief Abiola Ogundokun, Mr. Baba Adi, Sen. Sharif Ali, all members of the NCC, and Dr. George A. Obiozor, the director general of the Nigerian Institute for International Affairs. They were joined at the podium by Prof. B. O. Olusanya, the Nigerian ambassador to France. More than 200 Africans and Frenchmen participated in the public debate, and about 20 representatives of the press came to the press conference. In the report that follows, we publish the texts of many of the speeches.

The struggle for liberation

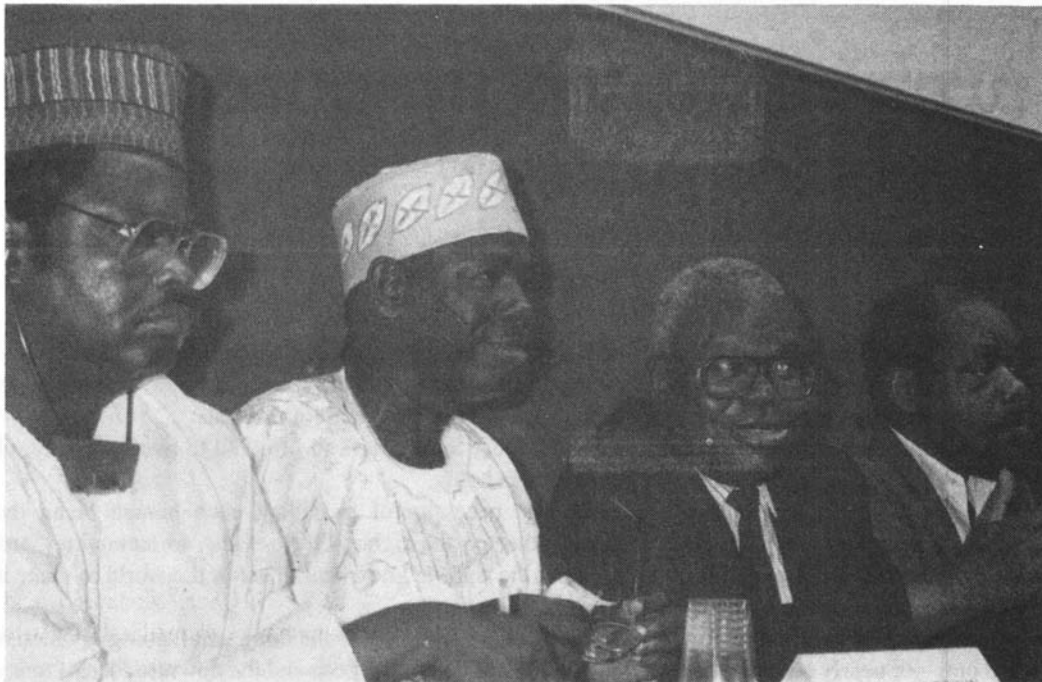
Commanding the authority of an elder statesman from Africa, who had served his country as Attorney General and as President, and who was forced to flee for his life three times, Godfrey Binaisa analyzed Africa's fate after independence. He described how, 35 years ago, the African colonies received their own flags and how their elites began riding around in Mercedes, but the former colonies were never granted real economic independence. According to Binaisa, most of the colonial oppression lived on through the institu-

tions of Bretton Woods: the International Monetary Fund (IMF) and the World Bank, which were formed in 1944, with no African present.

Binaisa made a passionate appeal to all Africans of good will to join him now in an African Civil Rights Movement (see *EIR*, May 19, 1995, for the text of his call). "This is the last mile we have to walk in our struggle for total liberation," he declared. He pointed out that in the 1940s and '50s, no colonialist ever came to offer independence to Africa, but the African nationalists fought for it until they got it in the 1960s. The same is true today. The IMF and the World Bank must be replaced by a new, just world economic order.

Binaisa drew attention to the tragedy in East Africa. He strongly opposed the often-held view, that the recent war in Rwanda was a civil war, pointing to the fact that the conflict escalated in 1990, when neighboring Uganda equipped and trained an invasion force which later claimed to be the Rwandan Popular Front rebel force. Binaisa placed the responsibility for the genocide in Rwanda with those outside the country who aided and abetted the crime, and he stressed that many people in the former colonial power, Great Britain, whose Overseas Minister Lynda Chalker enjoys personal friendship with Uganda's present regime, hold the cynical view that "there are too many Africans anyway, and wars reduce the population." Binaisa warned, that the United Nations tribunal against genocide in Rwanda would be one-sided, and would only provoke a new round of revenge later on. Instead, he proposed to go back to the African tradition of mediation and reconciliation, proposing Archbishop Desmond Tutu of South Africa, Chief Ojukwu of Nigeria, Leopold Senghor of Senegal, and Albert Tevoedgere of Benin to be part of such a mission.

The Nigerian delegation supported Binaisa's call for changes in the world economic system, and stressed in partic-



Nigerian leaders mobilize at a Schiller Institute-sponsored conference in Paris, to defeat the lying propaganda campaign against their country. Left to right: Baba Adi, Chief Abiola Ogundokun, Nigerian Ambassador to France Prof. B.O. Olusanya, Chief Chukwuemeka Odumegwu-Ojukwu.

ular their responsibility as the biggest nation in Africa. The speakers explained that they were not a government delegation, but that they came to Paris on their own initiative to join the Schiller Institute and Binaisa, because they thought that only this global approach could solve Africa's problems. They refuted the picture of Nigeria that is usually given in the western press, by reporting on the procedures of the National Constitutional Conference, which sat for almost 12 months in Nigeria's capital, Abuja, and on June 27 presented a new draft Constitution to head of State Gen. Sani Abacha. Chief Ojukwu described the conference as a national peace conference, and said that he was very confident that their proposals for transition to an elected government would be accepted by the military. Dr. Obiozor outlined Nigeria's commitment to fulfill its regional and Africa-wide responsibilities. He pointed to the missions in Liberia and other countries, where Nigerian forces were trying to help restore or preserve peace. In conclusion, the Nigerian delegation appealed to the western governments to give Nigeria a fair chance for its attempts at nation-building, which would be successful, if outside interference would stop and the economy could be freed from IMF conditionalities and return to successful growth and stability.

Schiller Institute proposes solutions

The speakers from the Schiller Institute, Jacques Cheminade of France and Uwe Friesecke of Germany, stressed the strategic context as the background to Africa's problems. After outlining the global financial crisis, which has reached

the point of a threatening collapse, they presented as a solution Lyndon LaRouche's plan for a new, just world economic order, which is based on a global bankruptcy reorganization and the realization of continent-wide great projects, such as an east-west railway link in Africa across the Sahel and the Lake Chad water project.

They warned that nobody should underestimate the ferocity with which the western elites behind the IMF system, centered in the City of London, would try to destroy anyone who tries to build an alternative to their dying system. For this, they deploy their intelligence services, which do not hesitate to organize coups and assassinations, as could be seen during the coup attempt against the Nigerian government in March. In the eyes of London, General Abacha's crime is not the fact that his government was not democratically elected, but that he broke with the IMF Structural Adjustment Program.

Friesecke stressed that not only Africa was a victim of the IMF's murderous policy, but also Ibero-America, and since 1990, eastern Europe, in particular Russia and Ukraine. He appealed to the Nigerian delegation to use their influence to make sure that the Nigerian government joins with those forces who are demanding a new, just world economic order. For this, the African Civil Rights Movement will go back to the principles of the inalienable rights of man, as they were formulated in the American Declaration of Independence, and as they define the right of a people to acquire the most advanced technologies for their own development. In this way, development becomes the basis for peace.

The Schiller Institute's proposed great projects for Africa

by Jacques Cheminade

Mr. Cheminade delivered the following keynote speech to the conference of the Schiller Institute on July 11 in Paris. He is a leading member of the institute and a former presidential candidate in France. The speech has been translated from French.

We are at a moment in history when Africa is being subjected to violence, poverty, and death. Africa is truly a victim of triage, a racist triage which excludes and eliminates whoever is politically and economically weakest. Everybody knows it, most of them say it, and no one—or nearly no one—does anything that might be needed to take up the challenge.

I am happy to be here with you to attempt to do it, with a delegation of the National Constitutional Conference of Nigeria and the former President of Uganda, Mr. Binaisa, and with you all.

First of all, the Schiller Institute wishes to open up a forum for debate, where each person might contribute whatever unites us and not what separates us, whatever unites us in order to wage war against death and indifference. This debate has no meaning unless it leads to action; in that sense, it is a search for the common good between francophone Africans and anglophone Africans, between Islam and Christianity, to the ancient light of the animism of the *griots* [African poet/musicians] and the oracles; as well as a search for the common good between Africans and non-Africans—or rather, among Africans in the larger sense, since, through our origins, we are all indebted to Africa.

In this dialogue for action, I am certain that we will show ourselves to be patriots and world citizens at the same time—as the German poet Friedrich Schiller, who gave his name to our institute, put it—in that, the more we are patriots, the more we will be world citizens. And let me tell you that I am happy about this “paradox” of having anglophone Africans here in Paris, addressing a majority of francophone Africans, along with me, a Frenchman from Argentina, to launch this dialogue.

We are breaking with accepted ideas, implanted by an imperialism that has always sought to divide and conquer; we are breaking with the “rules of the game,” with a closed system, the cage in which they seek to shut us up. Our agreed point of departure is, thus, to not speak either the language

or the speech of London, Washington, Paris, or Moscow—or anywhere—but that of the search for truth, without afterthoughts, with two principal foundations:

- Respect for the right to life, and to live in dignity, of each human being;
- The necessity of providing each human being the means, that is, the right to have work, to technology and science, the right to know and to act in the world to make it a better place.

For us here, contrary to the dominant ideology, which is an ideology of death, the poor and the downtrodden of today are not a burden, but a huge opportunity for the future of humanity. That is where we begin, with this respect for what is human within man, that is, his love for his neighbor and his desire to put his stamp on that love within society and the economy.

Five things we reject

This leads us to five rejections:

1) Rejection of racism, colonialism, and financial neo-colonialism. In former times, that would have seemed a commonplace for any honest man; today, alas, we hear more and more often in the West, and even elsewhere, about a recolonization effort—truly slavery. We reject this denial of humanity to certain people among us, for we understand it as an aggression against that which is best within ourselves.

2) Rejection of the institutions that promote this economic recolonization, rejection of the International Monetary Fund, the World Bank, and all the institutions associated with them. Their austerity and triage policy on behalf of the financial cancer which is eating away at the world has already led to the deaths of millions of human beings. Our commitment is to stop this financial genocide, whose consequences would be the worst of this century—this genocide which we must stop, for it will be worse, if we do not stop it, than that perpetrated by Hitler and Stalin!

We have two expressions of this genocide right before our very eyes, both equally intolerable:

- A veritable effort to cause the disintegration of countries and people, in which financial austerity destroys public health, research, and education, and seeks to impose “triage” against the peoples of the South.

- A technological apartheid, which, under military or ecological pretexts, withholds from the countries and peoples of the South technologies needed for development—nuclear, chemical, or biological—at the same time that it does not hesitate to dump on them the wastes of those very industries installed in the North.

3) Rejection of the ideology which justifies this triage, and which breaks down into two forms:

- A “hard” ideology, direct racism, which holds forth and acts in a way that would have been unthinkable only 30 years ago;

- A “soft” ideology, the indirect racism, which aims to render its victims consensual: that is, constant manipulation through the media and the hypocritical use of human rights and democracy, defiling these beautiful words in order to abolish independence.

4) Rejection of the on-the-ground intermediaries, in Africa itself, of this policy—rejection of a local oligarchy and comprador milieu, which, whether military or not, put their own countries through a periodic culling. These are the servants who, at the head of their country or in the United Nations, carry out the policy of their financial masters, the colonialists—the British especially, but the French and others, too.

5) Rejection of seeing the memory of Africa and its dynamism abolished.

The memory, that is, of both its elders and the objects of its culture, its archeology—today looted—and its dynamism, that is, its youth, for the moment excluded from political participation. Duty to memory and right to have work and participation should be wedded together here. I would like to pay homage to two friends who have blazed this trail:

The one, whom I did not know, but who is for me a great friend to read, is Cheik Anta Diop, whom I would like to evoke here, translating into the Wolof language Einstein’s theory of general relativity.

The other, whom I did know as a friend through the long conversations I’ve had with him, Kotto Essomé, whom I wish to evoke here in the search for the lost identity of his continent, with the beautiful series of articles published in *Science et Vie* beginning in July 1978, telling us: “Among the demons, the art of diversion consists in fashioning demons through a visual illusion. In order to exorcise them all, Africa must take recourse to this trinity: that which brings together the inferno of self-consciousness, the sun of demystification, and the wheel of return.”

So, those are the five things we reject; from there, we formulate a threefold positive program. In order to roll back the present order of things, which is absolutely unacceptable, three projects must be undertaken:

1) The logic of great projects

We must give back to Africa the right of development and progress, which is the first of the human rights. To do



Jacques Cheminade: “I am happy about this ‘paradox’ of having anglophone Africans here in Paris, addressing a majority of francophone Africans, along with me, a Frenchman from Argentina, to launch this dialogue.”

this, the European countries must change their own policies, both vis-à-vis the East on their own continent, and vis-à-vis the South, that is, Africa.

For the present financial logic, of contraction and death, we must substitute a logic of great works and great projects.

Let me show you, with a few illustrations, what it is we must move toward together, in order that our rights be acknowledged.

a) A new West-East/North-South Marshall Plan, starting from Europe, and going east as far as China, south as far as South Africa.

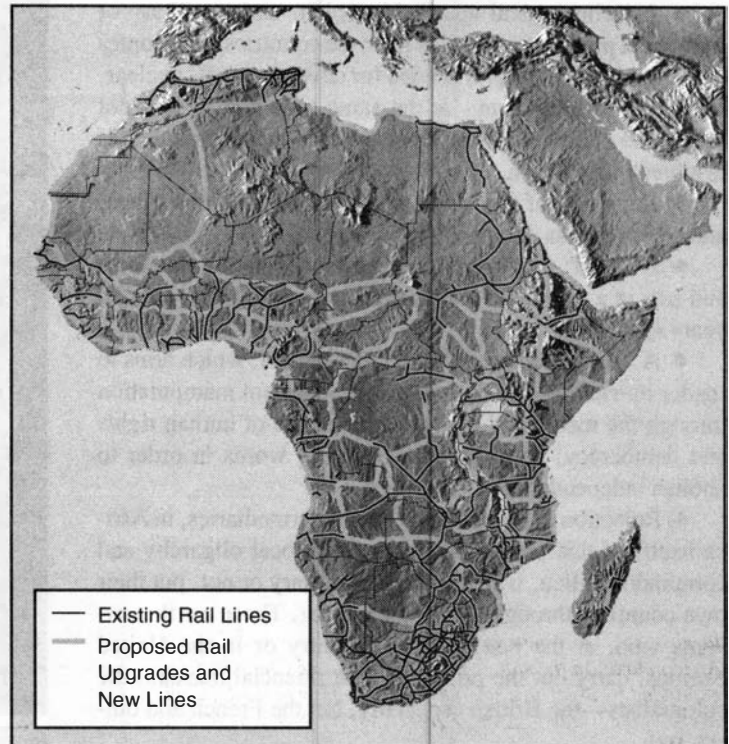
This means constructing basic infrastructure, per square kilometer and per capita, to permit a new “takeoff” by mobilizing the reservoirs of human creativity, today abandoned or held back. This means building bridges, ports, highways, high-speed railways, emancipation from slavery, creating the conditions for development, reviving hope. It does not mean presenting a project “all done,” turnkeys in hand, but replacing the current financial dictatorship with the possibility for development, for the people who are involved to take into their own hands.

This means nothing less than overturning the order of things.

An outline of this exists, in a latent state, in the Delors plan for great European projects. But this is limited to western Europe, and no financing was anticipated.

FIGURE 1

Africa, existing and proposed rail lines



Africa's basic transcontinental rail lines must finally be built. Entire sections of the Cape to Cairo railroad have collapsed due to regional wars and disrepair. The east-west trunk line from Dakar, Senegal to Djibouti was never built. New transcontinental routes must be added and all lines upgraded.

On the contrary, we must organize loans at long-term, low-cost interest: that is the development plan that Lyndon LaRouche, who inspired our institute, has worked on for a long time, such that through them, a physical economy may be reestablished, with respect for man's creative powers, replacing today's financial economy. Africa, in this context, must be the region of the world which develops the most rapidly, because it is there, that the greatest latent reserves of progress are found.

b) This plan is an extension of a concept that Mr. LaRouche developed for the Middle East, between the Israelis and the Palestinians: that of peace through mutual economic development, through a common design, in the common interest, allowing them to overcome otherwise insurmountable differences.

This must be our inspiration, but made real—not like things are today in the Middle East, where peace is left in agony for lack of financing, for lack of generosity from the developed countries. The residents of Gaza or Jericho are only seeing a drop in their living standard; how could they truly love peace?

Hence, in order to achieve peace, we need to put in place the "logic" of a new Marshall Plan—long-term, low-interest credits, taking the place of the present system of high interest rates and zero or negative growth in the physical economy. We must clear the field by putting into bankruptcy the financial forces that oppose it. We must, at the same time, whether in the Middle East or Africa, improve people's daily living

conditions—transport, schooling, sewage, access to water—and create a mass effect great enough for takeoff conditions to be met.

c) As an example, let's look at what that would give us for Africa, with existing railways and proposed ones (**Figure 1**).

The emancipation from slavery presupposes three great works of rail connections by high-speed train:

- An east-west route, Dakar-Djibouti, never completed, but under planning since 1880-85.
- A north-south route, Algeria-Tunisia-Ivory Coast.
- Circumferential railroads, constructed following the Mediterranean and Atlantic coastlines.

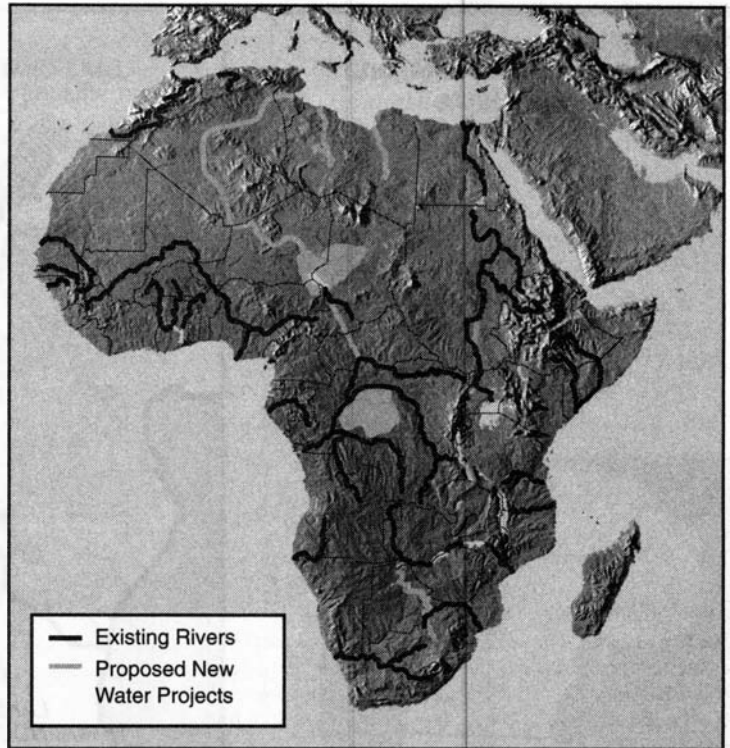
In fact, conceptually, this means substituting the existing system from inland to the coast, corresponding to the slave-trading and resource-looting routes, with a coast-to-inland system, the emancipation route, and an interior-interior network, the grand pan-African communication route for which we can be grateful to our precursors, Nkrumah, Lumumba, Um Nyobé, or even Ben Barka.

d) Waterways and inland lakes to green the deserts and transform this African "continent of lost water" into a garden (**Figure 2**).

This means exploiting all latent resources of water, to bring water from where it is dispersed or evaporates to where it is needed for irrigation and energy production. The "development arteries" must therefore be conceived around dams or nuclear plants, while avoiding, at all cost, the large, phara-

FIGURE 2

Africa, rivers and proposed waterways



Existing rivers, and proposed new lakes and waterways. Damming part of the Zaire (Congo) River, the second largest river in volume in the world, would create a Central African lake. In the sub-Sahara region, Lake Chad must be expanded by diverting north some of the flow of the Ubangi River. Lake Chad could give rise to a trans-Sahara canal to the Mediterranean.

onic projects in which the human contribution counts for nothing.

2) The Lake Chad project

Along with this logic of great projects, we must create “regional lungs.” For example: a Lake Chad project (Figure 3), around which hundreds or thousands of smaller projects could arise. Here, we begin with the interests of the populations and the region, favoring medium- and long-term profit, and not short-term projects, or immediate profit.

Lake Chad today extends across 2,000-3,000 km², whereas, in 1970, it covered 22,000. It has, since then, lost 90% of its area.

This means revitalizing this lung of water in central Africa.

The importance of the site is essential from four stand-points:

- *Geographic:* This is the geometric center of the continent;
- *Cultural:* This is the crossroad of civilizations;
- *Climatic:* This is the central African lung of water (the convergence zone between the dry air mass from the Sahara and the humid tropical air);
- *Commercial:* This is the center of North-South and East-West trade.

The current situation cannot continue. We must make the lake a symbol of a new Africa, with the larger objective of rolling back the Sahara.

First stage: revitalizing the lake. The tributary flows from the Chari-Logone are insufficient. Therefore, it is necessary to pump water from the Ubangi and Zaire rivers, and to transport it via pressurized conduits over 200 km, to feed the Ubangi, which will, in turn, feed the Saharan pan (reservoir dams upstream from Bangui).

The objective is to return the lake to its depth of 283 meters and stabilize its size at this level.

Second stage: regulating the hydrographic system. Polderization of the lake in order to recover arable land and prevent silting. Since the land surrounding the lake is very rich (ex-maritime), one can thereby turn this region into a virtual “inland Holland.”

Third stage: priming the water cycle, the motor for the ecosystem.

This means reviving the works undertaken before the war by Hippolyte Dessolier, who studied how to produce rain artificially by generating “superheated air,” mirroring what is naturally produced near the summits of the Tibesti, Ennedi, or Aïr. His aim, for us to take up again, was to “turn back the Sahara,” as he wrote in 1930.

Some will object that this Lake Chad project, as a whole, is not profitable. Sure, it is not financially profitable, in the short term, but it is “profitable” for the people. This is an absolute change in logic which must be imposed.

Figure 4 shows the revitalized Africa which will result from construction of such waterways and railroads, forming an integrated continent, freed from slavery.

FIGURE 3

Lake Chad-Congo Basin, and Jonglei Canal projects

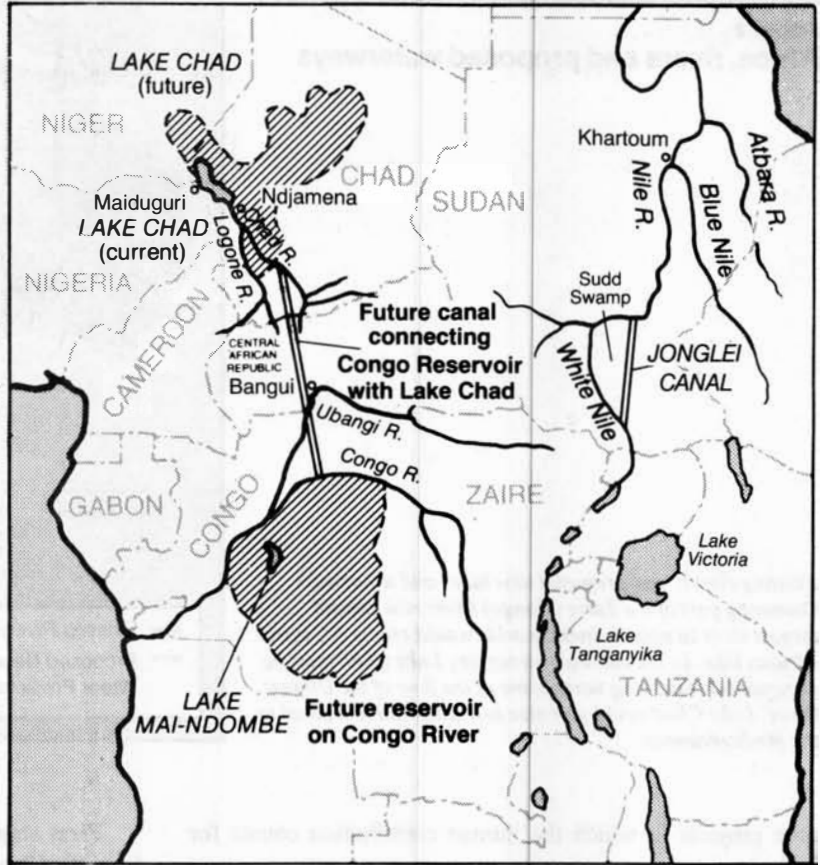
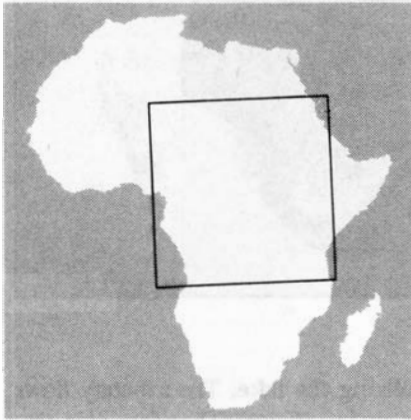
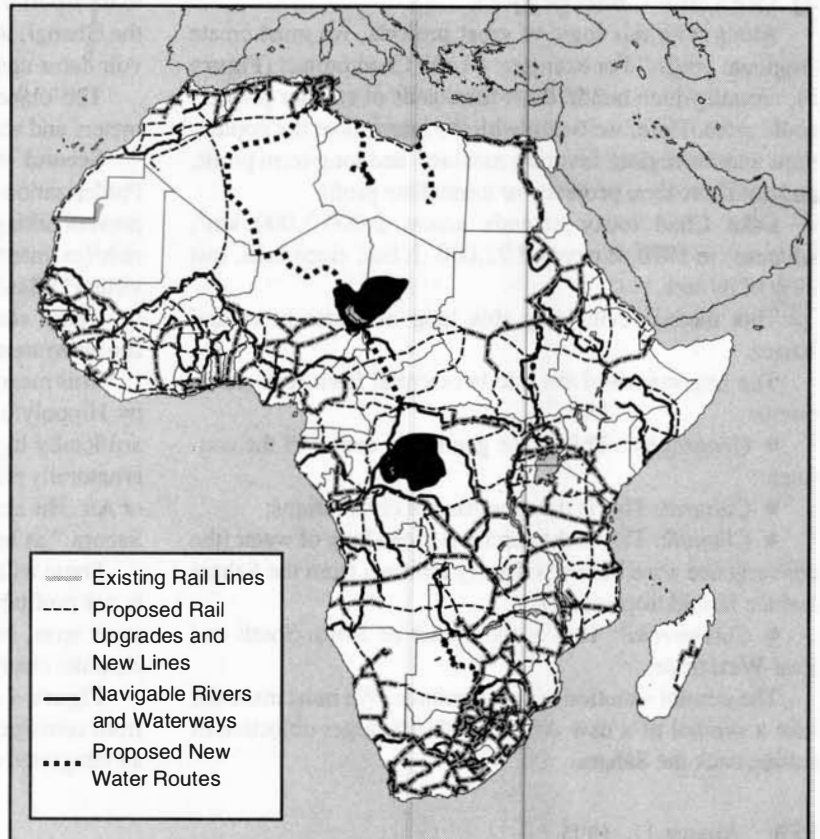


FIGURE 4

Africa, rail and waterway development



The transcontinental rail and priority water projects show the vast potential for this huge continent. Finishing the Jonglei Canal on the White Nile in southern Sudan could add over 5% to the flow of the Nile. All such projects, combined with nuclear-powered development complexes, would be the basis for billions more people.

3) Involving the people with great projects

Conceptualizing the great projects as a whole, as well as the regional projects, such as Lake Chad, is clearly not everything. We must wage a political battle to create the conditions for realizing these projects. Messrs. Binaisa and Ojukwu will speak to you about that. I will simply say two things:

- The great projects cannot come down from on high, and the small projects are, in themselves, not enough. We must involve the people in the great projects and thereby invent a true pedagogy of participation in progress. That is what builds democracy.

- The great projects must be supported by the people: We must give rise to the local institutions for representative mandate and real defense of human rights. These institutions have yet to be found, and you must find them together, among Africans.

For us Europeans, we have the duty to give you the means. This is where the essential role of the African diaspora comes in, people who can constitute, both in Africa and within the European countries, an essential and irreplaceable political instrument to press for this policy. It is necessary to invent a hyphenated diaspora.

To conclude, I must underline that today is the moment to get going. Unacceptable limits have been reached.

As the great German poet Friedrich Schiller says in *William Tell*, when the peasants are revolting against their overlords and take the Rütli Oath:

No, there's a limit to the tyrant's power,
When the oppressed can find no justice, when
The burden grows unbearable—he reaches
With hopeful courage up unto the heavens
And seizes hither his eternal rights,
Which hang above, inalienable
And indestructible as stars themselves. . . .

We are, 35 years after African independence, at one of those moments in history. Moreover, the destructive financial and monetary system under which we live, is itself doomed to disintegrate: We must prepare whatever will succeed it. In order to construct this future, Africa must be without complexes, but should not let itself get carried away by its passions or its rage, even if they are legitimate.

The fraud of technological relativism

The victorious war is conducted with both the heart and reason, wedded together in action. Thus, above all, don't let yourselves say that there are "appropriate" technologies, poorer for the poor people, closer to what you've been told are "your roots," close to "nature."

Instead, listen to what Cheik Anta Diop has to say in his *Introduction to Civilization or Barbarism*:

"Then, some estimate how inappropriate, fundamental-

ly, is the notion, so frequently trotted out, of foreign ideological importations into Africa: It results from a perfect ignorance of the African past. Inasmuch as modern technology and science come from Europe, so, in antiquity, universal knowledge flowed from the Nile Valley to the rest of the world, and in particular into Greece, which will serve as an intermediary link.

"Consequently, no thought, no ideology, by its essence, is foreign to Africa, which was the land of their birth. It is thus in all liberty that Africans must delve into the common intellectual heritage of humanity, letting themselves be guided by nothing more than notions of utility, of efficiency."

Whenever the attitude of Europeans discourages you, listen, from the other side of the Mediterranean, to Abbot Henri Grégoire, in his "On the Literature of the Negroes," written in 1808, where he raises the cry of justice in demonstrating what the "Negroes" (as they were called at that time) have contributed to the world. Today, too, these voices of justice must again be lifted up in Europe.

Here, today, we are a bit like a crowd—the crowd which we represent—which murmurs, hesitates, stammers, shuffles, and occasionally expresses itself the wrong way. For, in the effort to take up again the flame of hope, as this 20th century comes to an end, we are and we will be maladroit, just as all those are, who do something for the first time. But, this clumsiness itself is the gauge of our honesty.

Hence, let us make an effort to go forward, with the immense army of princes, of pharaohs, of downtrodden, of ill-treated, of slaves, of wisemen, and of *griots* who march beside us.

Let us make the effort to go forward, while thinking again about what Cheik Anta Diop said to us in the spring of 1960, that spring of the first hope: "The intellectuals must study the past, not in order to entertain themselves, but to learn its lessons." Lessons of our common past, your past, the past of those who claim, as is just, their property, and who offer in exchange their forgotten part of the human patrimony. Lessons of this Egypt, our common mother, who will give rise to so much in Africa and Greece: Lessons of the grottos of Namibia, where the foreshadowings of Lascaux and Altamira appear. Lessons of the great Dogon cliff, of the Fang faces from the Upper Nile, the Nok faces, those of the Onis of Ifé in the eternal youth, to their brothers at Reims, and to this beauty which belongs to the world.

Let us construct, like the architects of the Mbaris' houses of your history, the houses open to the four winds, always renovated in style, while remaining faithful to the same vision of truth.

Let us seek our sources, without burying ourselves in the roots, and let us attempt, together, to rediscover something that we might be able to transmit to future generations, greater and more beautiful than ourselves.

It is in the darkest hours that hope is born, for evil provokes good to discover and to do good, our task as men.

A new Civil Rights Movement for Africa

by Godfrey Binaisa

Mr. Binaisa is the former President of Uganda.

To introduce myself, I happen, by accident of birth, to have been born in a country known today as Uganda. I lived there, I grew up there. In addition to many other things, I'm a prison graduate of the maximum security prison in Kampala. I was locked up by the British for about one year before independence. I got my impetus to fight for independence, to join the national struggle, from West Africa, by reading the newspaper called *West African Pilot*, which used to be published by Dr. Nambia Sekué. That newspaper used to change hands so often in Uganda, that it always ended it up in tatters. Because it was banned by the British, we were not allowed to read it, it was too revolutionary.

Then we got our independence in 1962, when I happened to have been appointed the first indigenous Attorney General. I held that post for five years, until I resigned on my own accord to go back to private law practice.

I come here to inaugurate the founding of the civil rights movement for all of Africa. That is my purpose here. That was my purpose recently in Sweden, where I went as part of a delegation with the Schiller Institute. I came to this conclusion, after seeing that there is no other way. Thirty-five years ago, most black African countries gained their independence from their colonial masters. All we witnessed, was a lowering of the national flags of the colonial master over our skies, and the replacing of those flags by our little national flags, our little national anthems—and the big Mercedes-Benzes of our Presidents and ministers.

We did nothing more than that, because as soon as we got independence, we found in place the International Monetary Fund [IMF] and the World Bank, which had been established in Bretton Woods, New Hampshire, in the United States of America, in 1944. They were established without consulting any of us, because it was 15 or 16 years before any of us became independent—beside Ethiopia and Liberia, which were already independent. Perhaps Egypt, you may say, but in many other respects, also Egypt was still suffering from the agonies of being semi-independent.

The World Bank and the IMF are doling out money to us, under very strict conditionalities, which have to be observed by us African countries. It's a question of "take it or leave it." And we can't leave it. It's a question of telling you that, as long as you pay interest, you can take some time

before you pay the principal. It's the question of the IMF being a debt collector for the big banks in the West. That's how it is. Some people say, "Oh! The IMF in some countries has done wonders." I don't know of a single country where the IMF has done wonders, except in some isolated examples. But even in the colonial days, remember that there were some colonies which were governed slightly better than others. That didn't mean that the colonial system was a good system of government, just because Colony X was governed slightly better than Colony Y. Therefore, that argument doesn't hold much water.

'It is up to us to decide'

Now, to come to the second phase of our liberation. The reason why I'm launching this Civil Rights Movement for the whole continent is that, to me, this is the last mile which all of us have to travel if we are to reach the goal of total liberation of Africa. We have to reach that goal by traveling this very last mile. We have to engage the former colonial masters in debate. Some of them don't even want to think; they are afraid of being engaged in debate. They just say, "Oh! this is impossible. This can't change." But just as with the colonial system itself, before we became independent, none of these colonial masters ever came to us to say, "Colonialism is bad," "I'm quitting tomorrow," or "I'm quitting next week." None of them ever did that. It was we, Africans, who said that. We said, "We are tired of colonialism." The famous African-American freedom fighter, Frederick Douglass, wrote: "It's up to us to decide the limits of our endurance. It's up to us to decide."

When we decided, we got independence, on paper only, but we got it. None of you can tell me that the British, the French, the Portuguese, the Spanish, ever woke up one day and made the announcement that they were granting independence to A, B, or C. They were forced into it, because the nationalists engaged them in furious debate. Some of the nationalists paid the ultimate price: with their lives. Some paid the price of being incarcerated to long prison times, paying heavy fines, being beaten. But at the end, what happened? Once the agenda for independence was agreed upon between the political parties and the colonialists, there was a lot of friendship. I remember in 1957 seeing pictures of Kwame Nkrumah, in English papers. He was nothing but smiles. You couldn't even have believed that the same Kwame Nkrumah had been imprisoned by the British authorities in what we used to know as the Gold Coast.

Because the agenda had been agreed. What I'm saying to the former colonial masters, is, "We are not your enemies." It's they who want to be our enemies. We've been their friends for so long that we are getting a little tired. Some time ago, they used the color of the skin as some kind of excuse. But I ask them: Suppose all of you here were white people. Wouldn't it be so boring to look everywhere and see nothing but all white faces? But just because of this mixture of color,

the world looks so beautiful! We are like a forest. All the flowers in a forest are not the same color. Beauty does not rhyme with uniformity of color. So it's only a stupid person who thinks about color as meaning something very much.

They don't want to engage us in debate. I am prepared to argue with any of them, anytime, anywhere. And many other Africans are ready, prepared, and willing, if we only give them a chance.

I regard the Civil Rights Movement as the second milestone toward our total liberation, in the same way we regarded the first milestone of getting independence by kicking the imperialists out of our countries, by having our sovereignty given back to us.

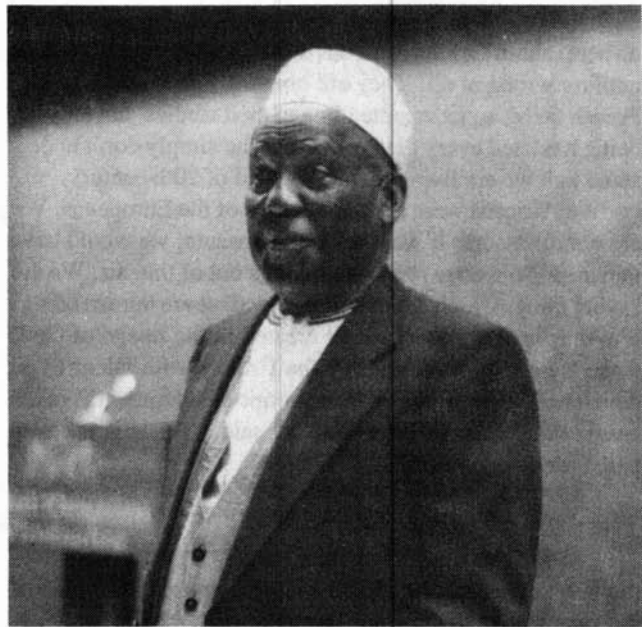
The Civil Rights Movement in America

People in America, where I live, understand the Civil Rights Movement. It was started a long time ago. The person who gave it a lot of impetus was Martin Luther King, Jr., and his colleagues. There are Civil Rights laws, beginning with the major act of Congress in 1964, followed by all the amendments that followed. So, we have something concrete, something written out in law, something which includes [laws against] discrimination according to color, according to gender. For instance, in the IMF, you have to be a Frenchman, i.e., to be French and to be a man, to be head of the IMF. There is no civil right there. And you have to be an American citizen to head the World Bank. This shows that even the so-called advanced countries are not all that advanced yet.

Consider the United Nations. What I call the Victors Club, i.e., the permanent members of the Security Council, are only the victors who won the war against Germany and Japan. And although some of those victors haven't got the economic strength of the vanquished, still, because they were victors in 1945, they are entitled to the permanent seats. My question is: How permanent will they be? Is there no need for change at all after 50 years of the same faces, the same ideas, most of the time stale ideas? In the democracies in the West, elected officials must go to the people to get fresh mandates. But that is not so for the U.N.

In the same way, we Africans have got to stick to the IMF, because somebody in Bretton Woods in 1944 came up with the idea, and therefore we are saddled with it. But what happened in 1944? U.S. President [Franklin] Roosevelt met with Sir Winston Churchill to inaugurate the Atlantic Charter. Roosevelt was trying to prevail upon Churchill to tell him that there was no use continuing with the colonial system anymore. But all those good wishes which President Roosevelt expressed were nullified, as we know, by all these conditionalities, by what happened later.

Today, we are being frustrated. Another person who stood out was President Kennedy. He also stood out when he was a senator. He spoke about freedom and development in the colonies. He continued the same policies until he was mowed



Godfrey Binaisa: "The reason why I'm launching this Civil Rights Movement for the whole continent is that, to me, this is the last mile which all of us have to travel if we are to reach the goal of total liberation of Africa."

down by bullets in Dallas. The other person who stood out was Charles de Gaulle of France. He stood against his own fellow countrymen, generals in Algiers, he said, "Enough is enough! I'm granting independence to the French colonies." Remember what happened when Sekou Toure led Guinea Conakry out of the French Union, and got independence.

The truth must be told

We are not against all whites, not at all. We know some people who have done some very good work. Now, we have confidence in President Clinton. He has expressed an opinion that World Bank and the IMF deserve another look. There are many other people of the same view, like Lyndon LaRouche of the Schiller Institute. These are not Africans. Make no mistake, Africans are not stupid. They are fully aware of who is on their side and who is not, and also they are aware of a vast number of people in the West who know the truth and hide it. They only tell you when they are in private. Then they'll say, "Yes, I understand what you are saying is the truth, but I dare not to say that, because the people won't buy newspapers. The people in the West are only used to buying garbage. Therefore, I give them the garbage they need. They don't need the truth anymore." So that's what we are told.

This is a terrible commentary on the world today, in the late 20th century, when man is supposed to have been making progress for the last 2,000 years. I hope that since we now have a Gaullist in power in France, President [Jacques] Chirac, he will follow the great statesman Charles de Gaulle and imple-

ment the policy of de Gaulle, and stop all this nonsense going on here, about kicking Africans out of France, who have done nothing wrong at all. They are obeying French law, paying French taxes, some are attending to their studies, but they are being harassed every day by people who simply don't understand that we are living toward the end of 20th century.

We Africans were contemporaries of the Europeans. We are not dinosaurs. If we had been dinosaurs, we would have perished. So we are not saying things out of thin air. We are saying things which are the truth. Since we are human beings like they are, since we are all created in the image of God, since we are all bestowed by the Creator with talent to be developed, we are entitled to economic development. We are entitled to peace; as Pope Paul VI said, "Peace is the new name for development."

The attack on Rwanda

I will tell you briefly about a country which is so dear to my heart. You may have read a letter I wrote to the youth of my country, regarding the Republic of Rwanda, which is next door to Uganda. Without shame, Armed Forces of Uganda, in broad daylight, attacked the sister Republic of Rwanda, in violation of United Nations Charter and of the Organization of African Unity Charter. Why? You may say because the President of Uganda was chairman of the OAU. And the man who was the secretary general of the OAU, Salim Ahmad Salim, was his personal friend, and another personal friend was President [Julius] Nyerere of Tanzania. So you can see the conspiracy going around.

And then, the people who gave it all the impetus it needed to take off, were the British Intelligence Service. They knew what was happening. Recently, Baroness Chalker said, "In any case, the Africans in Rwanda were too many." So they can get rid of a few millions, the world won't be worse off. . . . This is the attitude, and yet the British press did not pick up this story, they never told us how this war started. They only said it was a "civil war." I ask them: Have they ever seen a civil war starting from outside the country? Did the American Civil War start in Mexico or in Canada? This was an attack. And they tell us now, that there should be a genocide tribunal to try the Hutus.

In fact, without even the trials, they are already dying by the hundreds. According to my information, between 10 and 20 Hutus die every day in the central prison of Kigali, which had been built for 800 people but is now housing more than 10,000. There is only standing room there, no sleeping room. We are told that the genocide tribunal will try the people who are suspected of having participated in this outrageous crime of genocide.

But the U.N. resolution that set up this genocide tribunal, after the experience with Hitler, says, "Not even a head of state will be spared." But, today, we have never heard about the instigators in Rwanda, the aiders and abettors, those who procured counsel. Where is [Ugandan President Yoweri]

Museveni himself, where is his chief of staff, where is his Defense Council, where are members of his cabinet, under the principle of collective responsibility? Will all these people appear in the dock? We are told: "No, no, no. Don't talk about that, that is too much!" That's not too much at all! Already the Hutus have suffered a lot, even the Tutsis have suffered. I'm not trying to say that no Hutus are guilty. But by the same token, there are also Tutsis who are guilty.

Is this U.N. tribunal going to be fair? Is there going to be a fair trial? This is why, on Aug. 22, 1994, I had the guts to write a letter to the *New York Times*—it was published—suggesting that no international tribunal was going to solve this question. What Africa needs is an African solution that can only be found in reconciliation, in arbitration, and in mediation, by Africans themselves.

I would suggest as mediators, people such as Archbishop of Capetown Desmond Tutu, a very high-level, respected theologian; my friend here, Chief Ojukwu, who, as leader of Biafra, went through this same problem and has learned a big lesson—he is today a member of the Constitutional Conference in Nigeria—who could make a wonderful contribution to these warring factions; Leopold Senghor, the former President of Senegal, who is a francophone African leader, highly respected. These people could go into Rwanda, and Burundi, before it busts. But everybody is now waiting until Burundi explodes. And then, they will wring their hands and they'll say, "Oh! We didn't know. This is too much."

Now, the only thing we can do is to launch a Civil Rights Movement and do it in the same way that we launched the movements to fight for our independence 35 years ago. And then pressure the powers that be, because some of them are still amenable to debate or to reason. Even in England, I know some people in Parliament who would welcome a reconciliation tribunal. The mediators could also decide who should be charged and who not. Because with the U.N., who is going to say that this Hutu is guilty and this Tutsi is innocent. . . ? The U.N. hasn't even told us whether the defendants, i.e., the Hutus, will even get due process. They haven't told us if the U.N. will finance the defense of the Hutus. Otherwise, the Hutus are just as good. If I were a Hutu, I would not even answer to my name. I would stand mute, as we say in law, if I am already a condemned man.

In conclusion, all we are interested in, is to create a New World Economic Order, by way of a Civil Rights Movement, because this is the only movement that will not discriminate because of color, religion, or tribe. We, the Africans, are the only ones who are still called *tribes*. But by *tribesman* is meant someone so backward that he is not even a human being. Some missionary books that I have read say that the African is poor because he is backward, and is backward because he is poor. Where do you go from there? And if you want to get out of the whole thing, you are not desired any more in France or in Europe. The African is not wanted. But your gold or your diamonds or your timber, they still want it.

Nigeria will forge its own future

by B. O. Olusanya

Professor Olusanya is the Nigerian ambassador to France.

Since I am supposed to be an introductory speaker, my main objective will be to provide the general framework, for which the other speakers will give the details. Because these are men who have been closely involved in Nigerian politics for many years, they are in a better position to provide details.

Since this is not a purely Nigerian or anglophone gathering, there may be more than a few people who are not familiar with Nigeria. That's why I will first make some factual statements.

Nigeria is on the West Coast of Africa, bounded on the east by the Republic of Cameroon, on the north by Niger and Chad, and on the west by the Republic of Benin. In the south is the Atlantic Ocean.

It is a very big country—923,760 square kilometers in size. The last official population count was 90 million, but if you allow for a rate of 3% growth per annum, the current population would be about 100 million. This is almost twice the size of France's population. It is a multi-ethnic country (I do not use the word tribe), with the three main groups being the Hausa-Fulanis, the Ibos, and the Yorubas. Beyond that, there are almost 250 ethnic groups in the country, each with its own language, its own culture, its own particular history.

There are two main religions: Islam and Christianity, and there are also people who follow traditional religion. I say this to explain to you the complexity of the Nigerian situation, because many outsiders commenting on Nigeria are not aware of this. Given the complexity of our situation, it should be a miracle that we have been able to go as far as we have, keeping the country together as one, and to have made the progress we have made. How many countries, with this kind of complexity, have managed to stay together as one and to move forward for the past 35 years?

A conspiracy to destabilize Nigeria

Many foreign newspapers, because they do not understand this complexity, tend to be off the mark when commenting on Nigeria. But the press of some countries are not just off the mark, they are outright mischievous. I will give

you two examples. Recently, Nigeria was to host the World Cup for people under 16. Some countries got together and managed to say that there was an outbreak of typhoid or cholera in one of the towns where the games were to be played. The representative, an Austrian, who was an honest man, wrote to the FIFA to tell them this was not true. There was no outbreak of any disease anywhere at all. But that was not the end of the mischief. Later on, Nigeria was indeed disqualified, on the grounds that there was a security problem. This cannot be regarded as opportune; it is outright conspiracy.

I will touch upon another area for which Nigeria is often lambasted—drugs. Everybody in the world knows that Colombia is responsible for 90% of the drugs that get into the United States. Some countries in Asia produce drugs. Nigeria does not produce any, but a few people are supposed to be carriers. And yet Nigeria is now decertified.

To me, there is obviously what one would call a conspiracy on the part of some groups, in order to destabilize the nation. I think we should keep this in mind.

Of course, we have a crisis. But this is nothing peculiar to Nigeria. We have a crisis of nation-building. Every nation that has been established in the world underwent such crises. America had to fight a civil war to keep the two sides together. For many years, the English-speaking and the French-speaking Canadians were constantly quarreling, so much so that a famous Canadian historian described Canada as two nations warring within one single State.

Nation-building brings along with it tensions and conflict. It is not peculiar to a particular part of the world or to a particular group of people. According to social sciences, it is tensions and conflicts that in the end lead to stability and creativity.

Time is needed to build a nation

I mentioned at the outset that ours is a complex country. It is also a *new* country. It is true that many of the societies that form what we call modern-day Nigeria have been in existence from time immemorial. But the country itself was brought together in 1914. It became independent in 1960. That means we had 46 years of colonial rule, and then only 35 years of existence as a sovereign nation. Thirty-five years is nothing in the life of any nation. The process of nation-building is a long, difficult, tedious one. It requires courage, it requires perseverance and vision. Time is what is needed, because we are dealing with human beings and their feelings, their emotions, their freedom to reason among themselves, to argue and to disagree, etc. It takes time to weld people into one nation.

So, nation-building is a long process, and it is accompanied by crises. I challenge anyone to show me a nation that has established stability that has escaped the crisis of nation-building. Our crisis in Nigeria is not unusual. (It is good to emphasize it, because very often things in Africa are seen as

special, but they are not special. Before we had these problems in Bosnia, everybody was looking at Africa and saying, "Oh, these Africans, they are always fighting.") The difference is that the advanced nations, in the process of forming the nation, overcame this problem of ethnic conflicts. In some cases, they have not even done that. Look at Northern Ireland.

I appeal to people to situate what is happening in Nigeria in a historical context. They should see things in the broad perspective of world developments, to realize that different parts of the world develop at different paces. At different stages of development, there will always be tensions and conflicts. Nations in Latin America have gone or are going through this process also.

What is important is to have a people who recognize that they have a collective destiny, a common vision, a common goal. Throughout all conflicts, they are able at different stages to reconcile themselves, so as to form not only a civil nation but a creative nation.

The Constitutional Conference

The third point I wish to emphasize is the criticisms of the present government, the talk about democracy. I want to give a short background of how this government came into existence in November 1993. At that time, everybody who is honest with themselves will recognize that Nigeria was on the brink of disintegration. There was a serious danger that the country would fall apart. Therefore, there was a need for a group of people to come in and save the country from this. What is surprising to me is that many of those who are now going around the world saying this government should be sanctioned, rejected, are those who called on the current chief of state and his colleagues to take the reins of government to prevent the country from falling into pieces.

When the government took over in November 1993, the first thing it tried to do, naturally, was to stabilize the situation. Stabilization is very complex and it takes time, patience, courage, and vision. Sometimes you need to take decisions that are not very popular, but are necessary to keep the nation together. The administration came in and set into motion a Constitutional Conference so that everyone in Nigeria—men and women, both inside and outside the country—would have the opportunity to express his views, so as to work out a constitution which would, in the end, give the country the stability it needs for progress and for creativity. It is also common knowledge that this Constitutional Conference, of which some members are here, has concluded its work and has handed over a draft constitution to the head of state.

Now, people are asking why a date was not set immediately for the transition program to the end of military rule. Why such haste? I say this constitution itself was the child of special circumstances, and it is the child of compromise. Human beings cannot make a perfect constitution, they can

only try their best. The government is now subjecting the constitution to public opinion, before they examine it and set a final date. The head of state said the announcement would be made on Oct. 1. That is only in two or three months, so what is all this hullabaloo about? If you want to do something thoroughly and avoid a recurrence of coup after coup, you must take the time to establish something long-lasting—even if you have to review it later.

Concerning the question of democracy, there is a tendency for people to say: Achieve democracy in two years or three years. I have never known a timetable to have been set for democracy. Britain, which is claimed to be a model of democracy, began the process of democratization in the 17th century, and it was not until women were given the vote in 1928 that Britain can be said to have become democratic. Those of you who are French, know the history of democracy in this country from the time of the French Revolution, the return of the Bourbon kings, who learned nothing or forgot nothing, to Napoleon. Some countries in Europe, for example, Spain and Portugal, only in recent times achieved democracy. If it takes such highly developed countries so many years, why do we say that Africans are something different if they don't manage to do it within a few years?

We are dedicated to democracy

Democracy cannot be bought on the market. It is something you have to work for. It is not a problem of a constitution, but an attitude of the mind. It is a way of life, that one must nurture carefully, like the plant that is watered and given nutrients, to allow it to grow. It takes time. Therefore, I do not see the need to say that it should be achieved within two or three years. We Nigerians want democracy. We have always tried to reach it, even under military rule. So we do not really need to be preached to about democracy. We are conscious that we need it, we are conscious of our responsibility as a nation, we are conscious of our responsibility to the African continent. And we are dedicated to achieving a democracy that is homegrown. You cannot import a foreign democracy. There are different possibilities; the parliamentary system is not the same as a presidential system. Every nation that strives for democracy must evolve something which is true to itself, that fits into its own history, its culture, and its place in the world.

If you borrow something which is not made indigenously, you are only peeking over the cards, as we say. We in Nigeria want a democracy that is homegrown, worked out, and understood by our people. We ask our friends to advise us, but we do not want anyone to dictate to us. Nigerians are a very proud people, as some of you may have found out. They do not like to be dictated to. They can manage their own affairs, and we will achieve democracy because we are committed to it.

We have the vision, we have the courage, we have the dedication, and we have the total support of our people.

What Nigeria is doing to end military rule

by Chief Chukwuemeka
Odumegwu-Ojukwu

Chief Odumegwu-Ojukwu was a member of the Nigerian Constitutional Conference.

Ex-President Binaisa started off giving his own credentials, so that he would be better known and better understood by this gathering. My credentials are these, ladies and gentlemen: At the age of 10, I was locked up in prison for having slapped my English studies teacher. That, for Nigeria, was the beginning of a political career. I then got educated in Nigeria, moved on to England, to the public school and the university, came back, became an administrative officer, resigned, joined the Army as a recruit and eventually rose to the rank of lieutenant colonel. I was posted as governor to the Eastern region of Nigeria, where I was governor of what nowadays is tantamount to the Southern Nigerian states.

As you all know, I was the head of state of the Republic of Biafra, fought the civil war for nearly three years, and went into 13 years' exile in the Ivory Coast, where I began to understand French a little bit. From the Ivory Coast, I went back to Nigeria in 1982 and did certain political activity. But barely a year after my return, I was locked up and became a graduate of the maximum security prison in Nigeria, Kiri Kiri [phonetic—ed.]. I was there for ten months, for no reason at all. I came out. I even took the federal government to court to ask them to quit my father's house, something that had been seized for many years.

I say all of this to indicate and clarify certain things about myself to you. There is nothing Nigerian that I have not done. I have fought Nigeria, I have embraced Nigeria. I have seen Nigeria from the top, and from the bottom. I have seen Nigeria from outside, I have seen it from inside. And I think, if for nothing else but my experience, in the situation in which Nigeria now finds herself, my voice at least ought to be listened to.

I am a member of the Constitutional Conference. I stood for election in my constituency and won. For one year, in the Constitutional Conference, we tried and finally we produced for Nigeria a draft constitutional document. . . .

Africa's failure is Nigeria's failure

Nigeria is a very important country. I don't say that just because I happen to be Nigerian. Aspects of our importance

have been mentioned. But I would further stress that the failure of Africa is actually the failure of Nigeria. The leadership which Nigeria should have given to Africa, it has not been able to give because of certain difficulties. And those difficulties can be summarized—as His Excellency the Ambassador has mentioned—as those of nation-building. Nobody in Nigeria today ever applied to become Nigerian. Nigeria was the concept of Lord Lugard—the name itself was given by his girlfriend, who couldn't think of anything else. . . .

Over the years, we have lived as Nigerians, and we have accepted Nigeria, as the biggest legacy we got from colonialism. It was handed over to us in 1960 and as a people, jointly, we are determined to keep it together and we want to derive profit from what now is the patrimony not only of Nigerians, but the whole of Africa.

I have chosen to point out to you a number of problems in Nigeria due to misrepresentation in the public press. The reason for the misrepresentation has been mentioned before; it is part of this policy of never allowing the true Africa to emerge. The only Africa that is acceptable is that designed and foisted upon the Africans by some erstwhile colonial powers. Some are more guilty than others. Now in Nigeria, because we are so many nations that have come together, the first problem we have is to weld ourselves into a nation. Unfortunately, in 1960, as we put up the flag and sang this rather exciting national anthem, we thought we had arrived. And so we proceeded to celebrate.

I must say certain unpleasant things about my own people: We Nigerians went too far in celebrating our independence; we celebrated for 35 years. The time has come to put an end to that celebration and do what we have to do, which is to build a nation out of Nigeria, and make it what the rest of Africa has been waiting for all these years.

I think it is fair to reassure you that I do not work for any government. The last government I worked for was my own, in Biafra. Before then, I was a member of the Federal Military Government of General Irunsi. Today, when I look around and see what is going on, I am really very hurt.

The issue of military rule

The first problem you find is, obviously, the existence of a military government. I told you I was military, but I have long since taken off my uniform. I do not support military government. I don't wish them in. But it happens that you cannot wish the military away in Nigeria. They are in the State House today, they are holding the reins of government. The issue is not, as His Excellency has said, whether we like it or not. The issue is, they are there. How do we get them out? Every Nigerian wants the military out. The problem is *how*.

Ladies and gentlemen, a man gets inside a tank, risks his life, and gets into the Presidential Palace, and turns the guns at the populace. What do you do? I have been to the battle-

fields. I have fought, I have led troops. I tell you that the only thing you can do is to get out of range and look for bigger tanks or more tanks. If you can't do that, you will make a very glorious corpse. The problem with Nigeria, therefore, remains: How do you get the military out of the State House?

At the age of 30, I was permitted the impetuosity of youth: I would have beat my chest and said, "Let us go and get mowed down." At the age of 61, I say wars do not solve any problems; I say bloodshed is not what we are after; I say, that somehow we must find a solution to this problem by going into dialogue. Dialogue is the answer, because I know that no matter what you have fought in any war, you end up at the round table in dialogue. Why then don't we go to it immediately?

We have a group that is well known and very highly publicized in Europe, Nadeco [National Democratic Coalition]. I would like to point out that Nadeco is a group of dissidents, like every other country in the world has. There's nothing wrong with that. Every healthy country should have dissidents; but they must have a sense of measure. Nadeco has no democratic antecedents at all. The members have not been known for their democratic commitment. Nadeco has not got any democratic constituency in Nigeria; they have not been subjected to any democratic scrutiny in Nigeria. They are self-appointed advocates of "democracy." I grant them that. But for everybody now to be saying that Nadeco is *the* democratic institution, is totally false and unfair to Nigeria. There are nationalists who have gone for many years into prison and out. These are the democrats of Nigeria. They are still alive.

Among the democrats you hear about in Nadeco, there is Akinyemi. Here is a man who actively invited the military to come in and take power. It is in the newspapers, the copies are there. The same man, when the present military came in, wrote two letters, the first one asking to be appointed ambassador to South Africa—it was rejected; the second asking to be appointed a prominent representative to the United Nations—it was rejected. Then, he becomes a "democrat," leaves Nigeria, and attacks it.

We have Prof. Wole Soyinka. I find myself here in difficulty, because here is a man I admire very much, but he has the full eccentricity of genius. He is a great writer and dramatist, there is no doubt about it, but he has that eccentricity. He hit the political field many years ago by singlehandedly seizing the broadcast station in Lagos. Having seized it, he made a broadcast and didn't know what next to do. What is he? He is a dramatist. Give him a piece of paper and he can give you a play for the West End or somewhere in Paris, and there is nothing wrong with that. But to think that he is the voice of the people of Nigeria, I resent that personally, because I have walked the length and breadth of Nigeria, campaigning for democracy and standing for elections, eventually winning an election to represent Nigerians. He hasn't done that.

Finally, I think you should realize that the usefulness and the effectiveness of Nadeco has only been in the pages of the newspapers. None of their calls for general strikes have been obeyed nationwide. None! Those who live in Nigeria will tell you that. And yet, they are the ones who are supposedly going to set up one day a government in exile.

The 'election' of June 12, 1993

We talk about June 12. Ladies and gentlemen, no election took place in Nigeria on June 12, as the newspapers tell you. There was preparation, good preparation, to hold an election. The whole process, I felt, was flawed from the very beginning. I personally wanted to contend, but I was disqualified. Twenty-three other senior Nigerians wanted to, but they were disqualified. This only enabled [Mashood] Abiola to come in. The election process was flawed by a lot of bribery and corruption, we know that. What else would you expect from somebody backed by ITT? But that notwithstanding, the High Court of Abuja stopped the election before the date it was to take place. And that was all. A few people who did not get the news—it is a sprawling country—did go to vote. But as soon as they started announcing results (which was against the law, by the way), the court then stepped in and halted the announcement. Out of 31 states to be announced, only 14 were announced. So if we are going to be fair and charitable, we must accept that that election—if it took place—was inconclusive. To now hang it on the neck of Nigeria and say "you annulled an election," is not true. It is false.

Abiola is in detention and, we are told, that is *proof* that the government of Nigeria is harsh and does not respect human rights. I do not know of any country in the world that houses criminals in the Intercontinental Hotel! Abiola was left his eccentricities until he stood up and proclaimed himself the President of Nigeria. He did it publicly, in the presence of so many people. He then went further and announced his cabinet.

Ladies and gentlemen, if you were the President, what would you do? Would you welcome him? He was then arrested and locked up. Some say he should not have been locked up. But here is a man charged with high treason. I say, let us go through the process of law. If we suddenly discover that he is "mental," okay, we will plead for amnesty. But we can't say we want democracy and then urge the President to interfere with due process of the law. It is wrong. You are asking the leader of the country to condone a crime.

You hear about Abiola everywhere, in France, in England. His sons are still in Nigeria. They are not raising any dust about him. His stable of wives . . . are still in Nigeria holding regular meetings, but they are not raising any dust about him, because they know that he went overboard, he stepped beyond limits and committed a crime, which is now being tried in the courts of the land. Somebody will tell me that another court said this or that, but that is part of the

recklessness of Abiola. When you go to court in a nation, if you don't get the answer you want, you go to a court of a higher jurisdiction; you don't demonstrate by going to a court in your own village and getting a counter-verdict.

We move on from Abiola to [Gen. Olusegun] Obasanjo.

The case of General Obasanjo

Everybody talks about General Obasanjo and his position. I will be very honest with you, ladies and gentlemen. I do not know what he has done as a *fact*. I say that without any equivocation. But I am hoping that sooner or later, we will get to know. But you must admit that Obasanjo, ever since he left power, has never found any single government in Nigeria any good. He opposed vehemently [Shehu] Shagari; he opposed [Gen. Muhammadu] Buhari; he opposed [Gen. Ibrahim] Babangida; and now of course he opposes [Gen. Sani] Abacha. No government has been good enough for him. I say that is evidence of some form of megalomania, but as far as he's concerned, he himself was the only one fit to rule Nigeria. Then, of course, you must admit, if you listen to his utterances, that his conduct has been a terrible sort of reminiscence of Louis XIV—“*L'État, c'est moi.*” He thinks that Nigeria is Obasanjo, and nothing else outside of him will do. The duty of any ex-head of state is never to present himself as a rallying point, because once he does that, you must ask, “A rallying point for what?” The one thing he can do, is to support the government. He is not permitted, as I am, to oppose the government, and that is a fact. We see in the United States, what ex-Presidents do, such as Carter: They don't set up and provoke, as [Obasanjo] has continually provoked governments to deal with him. Today, he is accused of treason. A very important aspect of that accusation is that the law under which he is accused is one which he himself promulgated. Whatever punishment he gets if found guilty, is one which he designated. He used that law to try people, and he got them executed in Nigeria. So he is not as innocent as the media would have people accept.

What is ‘democracy’?

Very often we are accused of three things: having a military government, human rights abuses, and not being democratic. I say, let's not compound our problems; these are only one. Everything Nigeria is accused of is derived from the existence of a military government. Whenever we did not have one, we did not have these troubles. In fact, the only way a military government can function is a little abuse here, and a little force there. This is what the military tend to do, wherever. It isn't Nigeria; it is the nature of the military.

Democracy cannot be prescribed. In fact, democracy is that which the people accept. Great Britain has not achieved democracy. You cannot achieve democracy when you have a royal family still ruling, or a House of Lords. Within the context of my knowledge of democracy, this entrenchment of privilege is not possible. But it suits the British. So who

am I to say it is wrong? Let them just grant me the same latitude I grant them. Let them let us work out our own way. In all of Europe, you took centuries for your progress toward democracy. In France, you chopped off one or two heads of kings. In England, Charles I came under the hangman's noose. We have not killed any Presidents yet. That notwithstanding, everybody is pushing against Nigeria for national democratic tenets.

I say to you, ladies and gentlemen, that these are only eyewash. Nobody is serious about democracy or failures in human rights. Otherwise, why would the Queen of England be dining and dining with the King of Saudi Arabia? The democratic content of his government is certainly, certainly less than the democratic content of Nigeria's. How many people have been stoned to death in the streets of Riyadh this year alone? How many arms have been chopped off? I hope you agree with me. I would prefer to be locked up in Kiri Kiri, without any questions asked, without charges, than to have my hand chopped off.

What we are going toward, is a system of government that will give us food, houses for our people, cures for our ill, and care for our people everywhere. We don't want—and I say it without any equivocation—we don't want to be a caricature of Great Britain, or of the United States of America. We want to take what we find good in both sectors, and build our own democracy. And we are doing it. As has been mentioned, we went to the Constitutional Conference and we looked at Nigerian problems and we came out with certain quite important innovations.

Everybody talks about Ogoni. We all regret the Ogoni situation. But to get a sense of measure, so that you really understand what is happening to Nigeria, so that you understand why Nigeria has not been able to raise its head and fulfill its mission to Africa, I want to show again a classic example of the conspiracy against Nigeria. Nobody outside Nigeria wants that country to raise its head. There is no law on our books, since independence, that expropriated one square inch of Ogoniland. What we have is an expropriation done by the British when they were governing Nigeria. We are saddled with a residual of colonialism. They say Ogoniland is devastated. That is true, I have been there. It is absolutely desolate. What is the reason? It is not the Nigerian government, but those exploiters who take out the oil from that land, internationally; if you take something out, you should fill it up again before you leave. In Nigeria, nothing is done, because those who perpetrate that horror are Shell and BP [British Petroleum]—Britain again. They are at fault, but they heap it on the government of Nigeria and everybody calls for sanctions, sanctions, sanctions.

They would like Nigeria to be sanctioned or thrown out of the [British] Commonwealth. But I warn you, you must make up your minds. What are we trying to do? There is nowhere in history where general discontent gives birth to democracy. General discontent gives birth only to a knight

in shining armor or, in modern-day parlance, another military coup. Because things will get out of hand, and a savior will come in.

We say the military should go, and the way we choose is through the Constitutional Conference. With my colleagues, we presented the government a document that accepted for Nigeria the rotation of the Presidency. It goes from the North to the South. We agree that is not perfect, but it will hold us together to enable us to do something with our sovereignty. We have also insisted that no group or man shall succeed himself in power. We have insisted, that even when you have a President, you should have multiple vice presidencies, so that other areas will be represented in the Executive. We also say, as in South Africa, that if you get up to 10% of the vote, you have the right to a seat in the government. So everyone participates, instead of the old "winner takes all" system that we had. We have Constitutional Courts to deal with nothing but constitutional issues. Our citizens' rights in Nigeria have been made justiciable. There are courts you go to to get your rights accepted. There is the conception of derivation. We suggested that instead of the 3% that is given only to oil derivation, that the people who produced anything in a multi-ethnic state should be allowed to take 13% to be able to develop themselves. Therefore, the anger of being milked of their resources will die down. We have a commission permanently sitting to make sure that wherever possible, the idea of federal character is adhered to by heads of departments.

Finally, we submitted our report. General Abacha accepted our report. He said it will be considered in 90 days. I know some people won't agree with me—but even if it is 190 days, the mere fact that it is being considered for this nation, and done in peace, means I would accept it. After that, he will let us have his program, his timetable for withdrawing from power. One thing that a lot of you do not realize, is that Abacha has got behind him, cooperating with him, every single ex-head of state except Obasanjo. Every other one is working closely with General Abacha. So he can't be that bad.

Let us move on to the crimes that are put on him. A lot of them were committed long before he came into power. I have said—and this is why I so much welcome the Schiller Institute initiative—that the problem of Nigeria is not just one of North-South, or Abacha, but it is a global attitude of mind. Some people think that Africa is not fit for independence. They are thinking seriously about recolonizing Africa. These people think Africa could be governed from the board-rooms, in terms of profit and loss. The human element of government is not considered. We cannot solve this problem in Nigeria without joining hands with the Schiller Institute and other such organizations, to try and fight it globally. Because the propaganda machinery is against us.

I thank the chairman, and I look forward to much, much longer times of cooperation with you.

The top priority is to save your country

by Sen. Sharif Ali

The following are excerpts from remarks made to the conference by Sen. Sharif Ali, a former delegate to Nigeria's Constitutional Conference:

I was an elected senator in the last, aborted republic. We saw our country clearly disintegrating. Between the first week of November and Nov. 17, we—and I mean every meaningful Nigerian—appealed to this administration to come and take over the government and bring the country back into the line of democracy, including [Mashood] Abiola himself, who went and congratulated General Abacha on the day he took over. General Abacha was not looking for a mandate at that time. He was looking out for the country.

I joined the Constitutional Conference immediately, when they announced that an election was going to be held for it. I loved my job. Within that one year, I cannot quantify what my private organization lost, in terms of money and in terms of my time. But whatever I am going to gain in my own private capacity as a businessman, I will not enjoy with my children, if we don't have Nigeria. The most important thing is, to have the country—first, before any other consideration.

What makes the present Constitutional Conference different from all the others we have ever had in Nigeria, is that here people—intellectuals, businessmen, politicians—sat down and analyzed the problems of the country, why we could not have a proper democracy. The military government did not give us any agenda, no direction, no guidance. We drew up our own memoranda, and received memoranda from all over Nigeria.

Today, thank God, we have finished the Constitutional Conference. I believe, what we were able to accomplish at the conference, if we put it into practice, will be the end of our crisis in Nigeria. . . . Maybe future generations, in 300 years if they want, can change this Constitution, but for today, we designed it so that we can live in peace.

When the western world talks about democracy, what is it? Democracy is the collective will of the people to govern themselves. But the West went to war to liberate Kuwait, which is governed by brothers and sisters. And Saudi Arabia: There is no resemblance of democracy there. What are we talking about? We are really not talking about democracy; what the western world wanted, is that we become their colony again. . . .

Democracy and politics of tribal jingoism

by Chief Abiola Ogundokun

Alhaji Chief Abiola Ogundokun was a delegate to the Constitutional Conference and is a Yoruba chief from Osun state. He subtitled his speech "This is Nigeria—politics, the southwest, and the nation: the need for a better understanding by the international community."

I feel particularly honored to be here today to address you on issues about which, I am sure, you have been bombarded lately with a deluge of misinformation, half truths, and plain lies. It is a thing of regret that a vocal, vociferous minority who have some international connections have cornered the western media, and from this vantage position have continued to spread deliberate falsehoods against their motherland, Nigeria. It is even more regrettable that this is being done before audiences which have no objective means of assessing the Nigerian situation to arrive at their own decisions.

My intention in this address, therefore, is to provide you with the necessary information that should serve as appropriate background to enable you to understand and evaluate recent events in Nigeria. As the saying goes, those who ignore history do so at their own peril. This is why it is important to begin with a brief excursion into our history to understand the forces that have shaped our national politics as it affects the Southwest and the nation, and in the process, stress the need for a better understanding by the international community.

From the days of colonialism

Colonialism, as we all know, had a very deleterious effect on colonized countries. By relying chiefly on a system of divide and rule, the colonial powers bequeathed a legacy of deceit and distrust to the first breed of local politicians who took over from them at independence. In Nigeria, the situation was no different: Political parties were formed around powerful, regional figures who tried by every means available to protect their turfs from any incursion by others. The politics of those days was thereby characterized by tribalism and thuggery, and intolerance was the name of the game.

This kind of cheap politics took a turn for the worse when Dr. Nnamdi Azikiwe and his party, the National Council of Nigeria and the Camerouns (NCNC), were prevented from

assuming the premiership and government of the Western region in 1951. This was done through the politics of "carpet crossing," which involved many elected members crossing over to the tribalized Action Group (AG) party in the West. After this act of discrimination, Dr. Azikiwe duly went to the East and led his party to victory, thus becoming the premier of the Eastern region.

Events later were to aggravate these schisms and lead to a general intolerance of dissent and opposition. One instance, in particular, occurred when Chief Anthony Enahoro proposed the Independence motion in 1952.

The Northern Peoples Congress (NPC) voted against it on the grounds that they had not been consulted on the motion as a partner and could therefore not be privy to its passing. For opposing the Enahoro-sponsored motion, NPC delegates were booed and stoned as they passed through Yoruba towns on their rail journey back to the North. Some of the ugly incidents took place at Iddo, the Lagos rail terminus, and at most stations located in Yoruba land.

Politics thereafter was not to be the same again. Boycotts were frequently employed and politics became a do-or-die affair. The 1954 elections were characterized by violence, arson, and looting in the West. "Win or destroy" became the main slogan, and campaign methods were no less destructive. The 1959 election was characterized by brazen acts of bribery and intimidation, such as bicycle bribery and distribution of textiles to attract the electorate. The rhetoric of tribe and ethnicity was openly embraced, and bloc voting became the order of the day, particularly in the West.

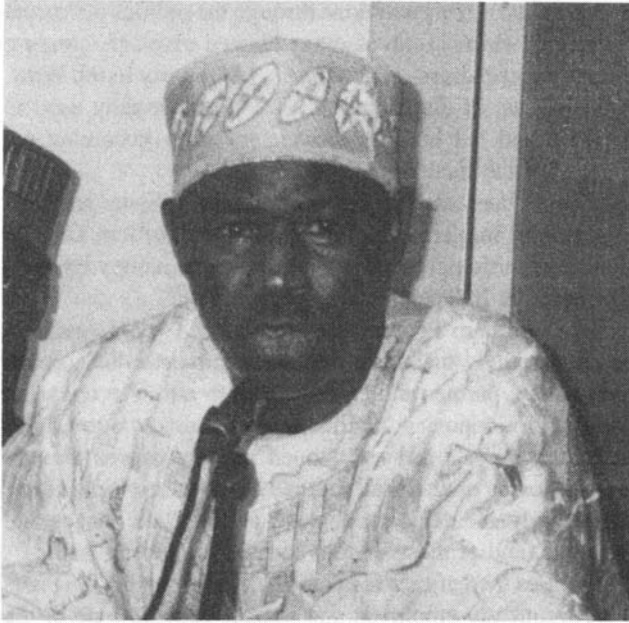
When the Northern Peoples Congress finally won the federal elections in 1959, they extended a hand of friendship to their rival parties, the NCNC and the AG. The NCNC accepted and entered into a coalition government with the NPC, but the AG declined.

After independence in 1960, the politics of schism and division grew into the politics of self-enrichment and aggrandizement. In 1962, the Coker Commission was set up to probe the Action Group government of the Western region. This led to the 26-story Cocoa House building being recovered from the party leaders; the Moba Estate and several other properties were also recovered. This evidence of fraud and the increasing intolerance of the party leadership led to a crisis in the region.

A succession of military governments

By 1962, the Action Group was already in crisis, and its leader, Chief Awolowo, was charged, along with Chief Anthony Enahoro and others, with treasonable felony. They were accused and found guilty of arming and training a military force in Ghana for the purpose of overthrowing the federal government. Chief Awolowo and his fellow-travelers were jailed, and a leadership crisis rocked the party and the region.

Then-Premier Chief Akintola was removed by the party



Chief Abiola Ogunodun: "Democracy involves dialogue, and to preach violence in the name of democracy is an act of diabolical deceit."

leadership, who didn't like his campaign for maintaining a healthy relationship with other parts of the country. The split with Chief Awolowo rocked the region. The politics of the leadership of the Southwest, which was built on the Yorubas alone and no one else, led to acts of violence and bloodshed which finally culminated in Nigeria's first military takeover in 1966. This politics is what has now been sold to the later generations, and it has been partly responsible for the continued military intervention in the nation's politics.

Ever since then, government after government has been overthrown by the military through the instigation and active collaboration of civilians and politicians. After the overthrow of Tafawa Balewa's government, Maj. Gen. Aguyi Ironsi assumed power, only to be overthrown a few months later by then-Lt. Col. Yakubu Gowon. Gowon was in turn replaced by the Murtala Mohammed-Obasanjo junta. Obasanjo handed power over to Shehu Shagari; but instead of our professional opposition politicians allowing democracy to evolve and grow, they again invited in the military government of [Gen. Muhammadu] Buhari and Idiagbon who, due to public complaints, were again overthrown in a palace coup in 1985 by Gen. Ibrahim Babangida.

Babangida then embarked upon a long-drawn transition program to be concluded in 1993. His experiment in social and political engineering led to the formation of two political parties, the Social Democratic Party and the National Republican Convention. The parties were described in popular political parlance as "a little to the left" and "a little to the right," respectively. The last stage of the staggered elections

was the presidential contest which featured Chief M.K.O. Abiola and Alhaji Bashir Tafa. Former President Ibrahim Babangida annulled the elections after the votes had been cast, but just before the final results were released.

The annulment started a chain of events and a long-lasting row which has still not ended. It must be granted that there is nothing wrong with partisans in a struggle taking sides and making resolves, but the resort to violence, wanton destruction of property, arson, and intimidation cannot but be condemned. The damage that has been unleashed on the populace in the Southwest cannot be excused. It is totally reprehensible, and it must be stopped. Democracy involves dialogue, and to preach violence in the name of democracy is an act of diabolical deceit.

Personal concern

It is as a result of these developments, my personal concern that the Southwest has been incited against the rest of the country, and in order to seek peace with other parts of the country, that I have come forward as a warrior-chief from the Southwest to say that we are not opposed to the rest of the country. Those threatening the lives of other Southwestern Nigerians are hoodlums and "area boys" who do not believe in any course, but are merely being incited by the so-called pro-democracy group.

Again we must allow the facts to speak for themselves. The so-called Nadeco [National Democratic Coalition] chieftains and kingpins are largely the same group of people responsible for the crisis in the Western region in the 1960s and the incursion of the military into the political landscape of Nigeria. They are felons and fugitives who have, at one time or another, been jailed or detained for their nefarious activities. That they have continued with their subversive activities is no surprise to those who know their background and the history of the country.

Even though they are now canvassing for the overthrow of the Abacha government, we know that the Wole Soyinkas and the Akinyemis, for instance, have actively participated in successive military governments up to the Babangida regime which annulled the elections. Wole Soyinka, in particular, is known to have started the secret cult menace which has become a scourge in Nigerian universities. Their actions are born out of selfish ambition, as they would rather prefer their associates in power than the Abacha administration, which is genuinely committed to returning Nigeria to a solid democratic system.

Much ado about the June 12 affair

In fact, the annulment of the June 12, 1993 election has been cleverly desecrated on the alter of tribal jingoism, the latter-day opportunists who thought that by becoming more royal than the king, they could exploit the election for the purpose of a relevance they did not deserve and to be able,

somehow, to expiate their own sins against democracy.

And let us face it: There have been coups and countercoups and annulments in Nigeria before, so why should all hell be let loose over one instance? The 1993 election was just one instance. Earlier, in 1992, there was the banning of 23 presidential candidates after the primaries had been conducted. Nigeria was not held to ransom because of that, so what is so special about this June 12, affair that the country must be brought to a halt?

General Abacha's takeover

And, anyway, in the wake of the 1993 annulment crisis, an Interim National Government was put in place, and it was headed by a Yoruba man from the same constituency as Abiola and Soyinka, Chief Ernest Shonekan from Abeokuta, hometown of M.K.O. Abiola. He was also not allowed to perform by these rabble-rousers. Instead of allowing him to lead the Yorubas of the Southwest to the promised land, they actively encouraged a new military takeover, leading to the emergence of Gen. Sani Abacha as the new military head of government. Before the deal was struck, General Abacha made it clear to them that he will not hand over power until a sound foundation is laid for democratic government. [Chief Ogundokun then referred to a picture appended to his written speech, of Chief M.K.O. Abiola welcoming General Abacha's takeover.]

A Federal Executive Council was inaugurated consisting of noble men and women, people of integrity and caliber, and representative of the people. Those who talk of marginalization have failed to put on record the fact that there are seven Yoruba cabinet ministers from the Southwest.

Chief Abiola himself, I believe, has been lured into what he really does not believe in. Apart from his close association with several generals, he has been a consistent supporter of the military in Nigeria and has benefitted immensely from their patronage. He is also aware that had he been declared the winner, there was no way that he would have been sworn in. The law says that you must be a registered voter, but it has never been proved that he was registered, and this is still an issue of litigation in a Nigerian High Court. Second, he had gone to a polling station in a garment on which his party emblem was inscribed, which was against the law. And finally, from the evidence of alleged bribery and fraud at the party conventions, several people blame General Babangida for not annulling the whole process immediately after the conventions. All of these were enough to have occasioned disqualification in saner circumstances.

Now the self-anointed flagbearers of Nadeco are touring the world, canvassing for sanctions against Nigeria. It should be clear to them and to all right-thinking people, that sanctions hurt the poor more than any other group of people, and the use of sanctions against Nigeria will prolong rather than accelerate the return to democracy. Now that the Constitu-

tional Conference has submitted its report and the process for the return to democracy has begun with the lifting of the ban on politics, sanctions will only make the common man suffer, and create apathy in the grass roots, thus endangering democracy.

Get an on-the-ground assessment

Randall Robinson, executive director of TransAfrica, a U.S.-based organization, has been hoodwinked by these people and is now leading a campaign to get the U.S. government to place sanctions on Nigeria. America has so much investment in Nigeria that it will be in its own self-interest to listen to former President Jimmy Carter, who visited the country to see things for himself, as opposed to Robinson, who sits in America and makes pronouncements on Nigeria. There is ample evidence that the leadership of TransAfrica has personal relationships with those who are trying to destroy Nigeria.

A lot of fuss has also been made about detained people. In Nigeria, people are only arrested and charged by law enforcement agencies. No responsible government will allow a nation to degenerate into a state of war and disintegration before taking steps to enforce its laws. The examples of Somalia, Liberia, Yugoslavia, and so on, are instructive in this regard.

In fact, the activities of these so-called pro-democracy campaigners will discourage other ethnic groups from casting their votes for any Yoruba man in future elections because of these harassments and molestations. This is why some of us, leaders of the Southwest, have come out to speak, to reestablish confidence in the Yorubas among other ethnic groups in the country. My primary objective, as I stated earlier, is to correct the falsehoods being spread by some enemies of Nigeria.

I call upon anyone to controvert the facts contained in this paper. I challenge Prof. Wole Soyinka and his group to a public debate with Chief Odumegwu-Ojukwu and myself. We will be ready to face them at any public forum, and at such a forum, I am convinced, that it will be proved beyond all reasonable doubt that they are liars and have no intention whatsoever for democracy to thrive; hence, their opposition to the rule of law.

Distinguished ladies and gentlemen, I want to thank you for listening patiently to my address which, I am sure, will serve as a guide to your decisions on Nigeria. I appeal to you all to come to Nigeria for an on-the-spot assessment of the facts. I am certain that these facts will speak for themselves, and you will arrive at a better understanding of the state of the nation.

Gen. Sani Abacha is leading Nigeria to a stable democracy. Africa will be free. He deserves genuine support. Help Nigeria! Help Africa! Help the world!

God bless you and God bless Nigeria.

Congressional GOPers join forces with Cali drug cartel

by Joyce Fredman

During the first week of August, when the Colombian government of Cali Cartel-linked President Ernesto Samper Pizano was being felled by corruption scandals, one would think that the U.S. war on the illegal drug industry, already energized by the June 5 Miami indictments against the Cali Cartel, would be bolstered into a unified assault on the narcotics traffickers. Instead, the Conservative Revolution Republicans in the U.S. Congress have launched a full-scale assault on every anti-drug effort being undertaken by the Clinton administration, including an unprecedented call for dismantling the White House Office of National Drug Control Policy (ONDCP).

On July 27, the Senate Appropriations Treasury, Postal Service, General Government Subcommittee approved a proposal to abolish the job of White House drug policy adviser, a position created by the Congress seven years ago to coordinate efforts in this area, and one that President Clinton saw as so crucial to the anti-drug fight, that he elevated it to a full cabinet position.

Dr. Lee Brown, ONDCP director, responded instantly to the subcommittee vote, in a strongly worded statement: "In the name of cost savings and efficiency, they would generate the far higher cost and inefficiency of individual agencies' gunning for control on their own—exactly the problem ONDCP was created to solve in the first place."

President Clinton announced that he would veto the bill if this proposal, part of a \$23 billion appropriations bill that would finance the Treasury Department, White House, and small agencies for fiscal year 1996, beginning Oct. 1, passes both houses of Congress. The President said any removal of funds would "seriously undermine the nation's battle against drug abuse and drug-related crime." He also said shutting the office "would severely curtail my ability to sustain a

coordinated strategy among some 50 federal agencies involved in drug control. Just when this coordinated effort is showing sustained success, the subcommittee is proposing we go back to the days when the nation did not have coordinated drug-control strategy." He added that Director Brown is doing "an extraordinary job."

The question on the table is not Dr. Brown's performance: It is what kind of a job the Republican majority in Congress is doing, or rather, on whom are they doing a job? The proposed shutdown of the White House anti-drug office is part of a broad budget-slashing offensive by the GOP congressional leadership that could cripple the Clinton anti-drug effort just when some serious victories are being won.

Sen. Richard Shelby (R-Ala.), the chairman of the committee which produced this latest fiasco, blustered, "If this administration will not facilitate and prosecute the drug war, then Congress is forced to do it for them. I believe my subcommittee will go to the mat on this issue." He even claimed that if the administration "had worked as hard at making this position effective as it has at trying to save this office, then the committee would likely be looking to *increase* rather than reduce funding."

How likely? The actions of these legislators speak far louder than any of their sanctimonious words. Simply take a gander at their July activities.

- The House Labor, Health and Human Services, Education Appropriations Subcommittee voted to cut by 60% the only school-based federally funded drug prevention program, the Safe and Drug Free Schools and Communities Act, cutting it from \$500 million to \$200 million. The program serves 94% of the country's school districts and 39 million students.

- On July 19, the House Appropriations Committee vot-

ed to remove all money for the President's community policing program that has already put 16,351 new police officers on the streets. The appropriations bill puts all funds into a \$1.9 billion block grant with no guarantee that the money will go to hiring more police. The Commerce, Justice, State and Federal Judiciary Appropriations bill eliminates funds for the drug court program, which requires drug-using offenders to get treatment or go to prison.

- On July 20, the House voted to cut the High Intensity Drug Trafficking Area (HIDTA) program. This, in light of the fact that the Miami HIDTA joint task force agencies ran the investigation that led to the indictments of Cali drug cartel lawyers (including former senior Justice Department prosecutor Michael Abbell) and arrests of cartel leaders in Colombia. The Treasury, Postal Service, General Government Appropriations bill also includes cuts in the Counter-Drug Technology Assessment Center, a program which provides new counter-drug technology for U.S. law enforcement.

- On July 18, the House Appropriations Committee blue-penciled the Housing and Urban Development drug elimination grants program designed to fight drug-related crime in public housing projects.

- On July 20, the House Appropriations Committee slashed the budget for Substance Abuse and Mental Health Services which provides substance abuse treatment, prevention, and mental health services for tens of thousands of pregnant women, as well as other high-risk groups. The Labor-HHS-Education bill cut \$371 million from the \$1.4 billion requested, one-third of the overall \$1.1 billion in cuts to the Health and Human Services Department.

- On July 10, the House voted to cut from \$213 million to \$113 million the International Drug Law Enforcement Bureau at the State Department. The ONDCP assessment is that this will "have a devastating effect on our efforts to combat international drug-trafficking efforts, and sends the wrong message to the countries we urge to fight drug production and trafficking."

Newt floats dope legalization

Never one to miss a chance at the microphone, House Speaker Newt Gingrich (R-Ga.), during July's Republican National Committee policy forum, called for a national referendum on legalization. He, too, claims to be an anti-drug warrior. He says, let the American people choose between legalization and the death penalty. Drug policy adviser Lee Brown called this "the ultimate in extremism and defeatism," and noted that "drug abuse is an American crisis, not a partisan political opportunity. It does not help kids or serve them well, when our leaders play partisan politics with an issue that goes to the heart of everything we hold dear."

Despite the GOP attacks, Brown has continued on the anti-drug offensive. In July, Brown issued a statement calling on the entertainment business and the Madison Avenue ad

agencies to stop glamorizing the drug culture in their product promotions. He also attacked the idea of holding up professional athletes who use drugs as role models for youth, citing the case of professional baseball player Daryl Strawberry, who has repeatedly gotten into trouble for drug abuse, yet was recently hired by the New York Yankees.

In the same statement, Director Brown cited recent statistics showing that marijuana-related emergency room visits have nearly doubled in the last five years and are now recorded nearly as often as cocaine. "These numbers rebut the notion that marijuana is a benign drug."

Brown continued: "Perhaps there is some nervousness about our recent efforts to take on major sports leaders for sending a terrible message to youth by condoning repeated drug abuse. Or maybe there is a reaction to our taking on industry officials. . . . Right now, as we speak, HIDTA joint task forces, which my office funds, are working on additional cases like the Cali drug cartel indictments successfully arranged by the Miami HIDTA agencies. Our office worked closely with the President in his decision to decertify Colombia from aid and loans if they do not cooperate on drug control. As a result of the President's action, we have seen three of the top five Cali Cartel leaders arrested over the past few weeks. . . . Right now, we are in the process of designating additional federal-state-local partnerships across the country in order to focus anti-drug efforts where they can be most productive."

He reiterated his intent to continue fighting any initiatives by any group for the legalization of marijuana. He also cited a recent national survey showing that adolescents aged 12 to 17 view drugs as the most serious problem they face—"more than sex, violence, or their parents." The survey says more than 80% of 10th and 12th graders said marijuana is easy to get; 54% said that cocaine or heroin were also accessible.

Yet, as recently as July, William F. Buckley Jr., a leading figure in the radical, free market Mont Pelerin Society circles, wrote in his *National Review* that the war on drugs has been lost, and the United States should legalize all drugs. Gingrich's call for a national referendum posing draconian police-state measures, including an increased use of the death penalty, as the only alternative to outright legalization, brought him squarely in line with the Conservative Revolution.

The efforts of this gaggle of Adam Smith clones to paint President Clinton and drug adviser Brown as the "softies" on drugs may well backfire. It was, after all, under the direction of George Bush that a character as unsavory as Oliver North employed both the Medellín and Cali cartels as "assets," "piggy banks" in his secret wars. Beginning on July 31, even the *New York Times* published a series revealing that the Bush administration had maintained a policy of "benign neglect" toward the growing influence of Colombian drug cartels in Mexico as part of a deal with then-Mexican President Carlos Salinas de Gortari to secure the signing of the North American Free Trade Agreement.

Congress completes its shameless Waco coverup

by Leo F. Scanlon

Attorney General Janet Reno was the final witness to testify on Aug. 1 before the joint hearing of the Crime Subcommittee of the House Judiciary Committee and the National Security, International Affairs and Criminal Justice Subcommittee of the House Government Reform and Oversight Committee, and, with her remarks, the "Review of the Siege of Branch Davidians' Compound in Waco, Texas" was mercifully brought to a close.

The results of the hearing were so disgraceful that Sen. Orrin Hatch (R-Utah) announced that the Senate will reconsider its plans to hold a similar inquiry. Even Rush Limbaugh was left cringing at Rep. William Zeliff's (R-N.H.) clownish attacks on the Clinton administration.

On the Sunday before the final days of testimony, July 30, Zeliff appeared on NBC-TV's "Meet the Press" with the accusation that he possessed documents which would show the President to have been responsible for the final assault on the Mt. Carmel compound, and implied that the evidence would prove President Clinton to have been criminally negligent and blameful for the outcome of the siege. The charge, not surprisingly, proved hollow. The "evidence" was nothing more than internal memos among members of the transition team who were attempting to ensure that the Bush administration officials who began the confrontation with Branch Davidian leader David Koresh would not precipitate any actions without informing the Clinton White House.

The ham-handed stunt was reported to have been the "trump card" held from the outset by Paul McNulty, the spokesman for former U.S. Attorney General William Barr, who was directing the work of the Republican Judiciary Committee staff under Rep. Bill McCollum (R-Fla.).

However, Zeliff's partisan attacks on the President blew up in his face. On the NBC-TV broadcast, even Rep. Charles Schumer (D-N.Y.), another member of the Waco panel, who had consistently abetted the coverup by steering the hearings away from any area that might prove damaging to the Anti-Defamation League of B'nai B'rith (ADL) or the Cult Awareness Network (CAN), was able to drive the point home that Zeliff had turned the Waco proceedings into a Clinton-bashing side-show.

Zeliff's TV sound-byte assault on the White House proved to be the perfect foil for Attorney General Reno. She responded to Zeliff's charges with a lecture on the structure

of government, pointing out to him that the actions of the Justice Department in this situation were "quasi-judicial" and not subject to review by the Executive branch: It is not the President who enforces the law. She took full responsibility for the actions of the FBI, and presented a defense of each of the decisions which her administration made, based on the information given to her by the officials who had conceived the operation initially. Neither the Attorney General nor the Waco panel attempted to probe deeper into the actions of the career bureaucrats who were the AG's sole sources of information about the status of the Branch Davidian siege.

The administration's opponents were left with nothing to say, and not because the Attorney General's version of events was the last word on the issue. The committee, especially the Republican majority members, had no response to her argument, because they never intended to question the motives and methods of the officials who set the confrontation with Koresh into motion in the first place.

The method of a coverup

Edgar Allan Poe demonstrated that there is no better way to lose sight of the truth, than to bury it in a mass of "facts." The Clinton administration, which had nothing to hide from the committee, supplied every "fact" the committee asked for, and answered fully every question put to it. Yet the result of the investigation can only be judged a coverup.

For one thing, no member of the congressional panel can legitimately claim that they did not know about the role of the ADL, CAN, Mark Richard, John Keeney (the two powerful Deputy Assistant Attorneys General in the Criminal Division who had responsibility for every facet of the DOJ involvement at Waco), or the FBI's Larry Potts in the Waco fiasco. Weeks before the hearings, every member of the committee received detailed information from *EIR*, including copies of the 32-page dossier on DOJ corruption that appeared in the magazine's June 30 issue. All of the key staffers on both the Judiciary and Government Reform and Oversight subcommittees that co-sponsored the ten days of hearings also received the material. A spokeswoman for the Schiller Institute, Dr. Deborah Freeman, had been originally scheduled to testify at the hearings as part of a panel of auxiliary experts; her written testimony contained even further details of the broad pattern of DOJ corruption, and collusion with the ADL and CAN.

In short, the Republican-orchestrated coverup of the Waco tragedy was no mere blunder or failure to adequately prepare. It was a willful effort to bury the Waco massacre under partisan rhetoric, leaving the corrupt permanent Justice Department structure fully intact.

The danger now is that this travesty will continue through the next round of hearings which the Congress is planning to hold into the Randy Weaver case and the so-called militia movement, which Reps. John Conyers (D-Mich.) and Charles Schumer (D-N.Y.) are now preparing.

Arrogance of DOJ apparat exposed

by Edward Spannaus

The treachery of the Justice Department's permanent bureaucracy was on full display on Aug. 2, when former Deputy Attorney General Philip Heymann testified before the Senate Whitewater Committee. Heymann first entered the Justice Department in 1961, and has been back twice, as head of the Criminal Division during the Carter administration (where he ran Abscam), and as Deputy Attorney General in the Clinton administration—until he was fired in 1994 by Attorney General Janet Reno. In between, he headed the State Department's CIA-linked Bureau of Security and Consular Affairs, was a member of the Watergate prosecutorial team, and has been a professor at Harvard Law School.

Following Heymann's Whitewater testimony, the news media were full of sound bytes and headlines about Heymann's warnings to the White House in July 1993 that a "major disaster" was brewing, and Heymann's denunciations of the White House's handling of the search of Vincent Foster's office. After Foster's body was discovered on July 21, 1993, Heymann had dispatched what he called two "respected career professionals" to the White House to review Foster's files—which White House Counsel Bernard Nussbaum refused to let them do, contending that he must determine which documents were subject to executive privilege or attorney-client protection.

The DOJ permanent bureaucracy

The two "senior career long-term prosecutors" sent by Heymann to Foster's office were David Margolis and Roger Adams (who have been at the Justice Department since 1965 and 1972, respectively). Both are deeply enmeshed in the DOJ permanent apparatus; Margolis is a very close associate of John Keeney and Mark Richard (see "John Keeney, Mark Richard, and the DOJ Permanent Bureaucracy," *EIR*, June 30, 1995). Margolis headed the Criminal Division's Organized Crime and Racketeering Section in the 1980s.

Most widely reported in the news media was Heymann's recounting of his "angry and adamant" telephone call to Nussbaum, in which Heymann says he told Nussbaum that he was making a "terrible mistake," plus his subsequent call to David Gergen and other White House officials. "I told them all that they had a major disaster brewing, that I wasn't going to put up with it any more."

But what the press generally failed to report, was that Heymann admitted that the entire dispute around the search of the files in Foster's office was only about "appearances"—and "political appearances" at that. Under questioning by Sen. Paul Sarbanes (D-Md.) and minority counsel Richard Ben-Veniste, Heymann was compelled to admit that Justice Department lawyers had no legal right to go through White House files, that no court would have issued a subpoena or a search warrant for Foster's office, and that even if a subpoena had been issued, Nussbaum would still have been entitled to sort through the papers first, by himself, to determine which were relevant to the Justice Department or FBI.

In fact, despite Heymann's self-serving recounting of his own anger at Nussbaum and the White House, he was forced to admit that his "respected career professionals" had no legal right whatsoever to even be in Foster's office! "I don't think we had any legal power to do what I was demanding," he conceded.

Heymann also admitted that, in July 1993, he had not even heard of Whitewater, and was certainly not interested in Whitewater files—which reveals the fraud of these hearings, convened under the excuse of examining the handling of Whitewater files in Foster's office.

When an investigation involves the White House, the nation's top elected officials must defer to the permanent bureaucracy, Heymann instructed the committee. "It isn't a technical legal question, but an issue as to the necessary conditions for maintaining the credibility of federal law enforcement and of the Presidency," he declared. "I thought that, as a practical matter, no White House could survive deciding by itself without the Justice Department's credibility supporting it."

Saying he had been watching such events since 1955, Heymann stated: "I think each White House staff from each administration is very suspicious of career government employees, including career attorneys. I think the suspicion is never warranted."

As to his own qualifications to lord it over the White House and Congress, Heymann offered his credentials: "Investigations involving high-level White House or congressional people are not new to me. I played a significant role in the special prosecutor's Watergate investigation and in the investigations during my tenure as Assistant Attorney General in charge of the Criminal Division during the Carter administration, of the Carter warehouse, Robert Vesco's charges against the Democratic Party and White House officials, Billy Carter, Bert Lance, Hamilton Jordan, and others. I shared with William Webster, then-director of the FBI, the ultimate responsibility for the Abscam investigations involving a number of members of Congress."

The effects of Heymann's Abscam frameups are still visible today, in the cowardice of the Congress and its failure—demonstrated especially in the Waco hearings—to take on and clean out the DOJ's permanent bureaucracy.

Space station support grows in House fights

In a rare example of bipartisanship, 94 Democrats joined 205 Republicans in rejecting in a 299-126 vote a proposal introduced by David Obey (D-Wisc.) to cut \$1.6 billion in funding for Space Station Freedom. Two years ago, the House came within one vote of ending the 10-year-old space-construction program.

The space station program has become, under agreements signed by U.S. Vice President Al Gore and Russian Prime Minister Viktor Chernomyrdin, a centerpiece of U.S.-Russian scientific cooperation, and it has the full support of the Clinton administration. The successful conclusion of the Mir-Space Shuttle hook-up in July has boosted support for the program.

"There is broadly based support for exploration in space," said Jerry Lewis (R-Calif.), chairman of the Appropriations subcommittee that drafted the spending bill. "If we destroy the space station, we destroy all of NASA's programs."

AIDS bill passed over Helms's opposition

The Senate voted overwhelming on July 21 to approve extending the government's AIDS treatment program after rejecting attempts by Jesse Helms (R-N.C.) to gut it. The Senate reauthorized the measure by a vote of 97-3, with only two Republicans joining Helms in opposing it.

Helms, claiming incorrectly that AIDS treatment was getting more funding than research for cancer or heart disease, wanted to freeze spending levels for the Ryan White Care program through the year 2000. The Senate put no limits on spending for

the program, allowing funding levels to be set in annual appropriations bills during the next five years.

The House Appropriations Committee had cut the Clinton administration's request for the AIDS care program by \$65 million, approving only \$658 million for FY 1996 starting on Oct. 1. The Ryan White Care program, named after a young AIDS victim who contracted the disease through a blood transfusion, currently provides care and treatment to more than 350,000 men, women, and children infected with the human immunodeficiency virus, which causes AIDS. It supports clinics in every state, 42 cities, and many rural areas, paying for outpatient medical care for uninsured poor people infected with the virus.

Republicans start to fracture in House

Tensions are growing among House Republicans over the draconian proposals to cut social programs coming out of Republican-dominated House committees. Republican moderates, faced with a \$60 billion education, health, and labor funding bill, threatened to block consideration unless they were given a chance to knock out strict anti-abortion language that had been put into the legislation by conservative lawmakers.

In other action, a revolt led by Rick Lazio (R-N.Y.) produced significant changes in a housing appropriations bill. At Lazio's urging, the House restored more than \$600 million in housing funds for the elderly, sick, and disabled, and eliminated rent increases. Measures that have eased enforcement of job safety and labor laws have also provoked a revolt from Republicans in districts with

strong labor constituencies, fearing the electoral fall-out from anti-labor provisions.

The internal squabbling over the radical Contract with America provisions hyped by House Speaker Newt Gingrich (R-Ga.) and the Republican leadership immediately following the Republican victory in November, is now considered a liability by many Republicans, who are mindful that they must soon face those voters again.

Gingrich grilled by ethics panel

House Speaker Newt Gingrich (R-Ga.) spent three hours before the House ethics panel on July 27 to explain his million-dollar book deal with media tycoon Rupert Murdoch. The original agreement that Gingrich had made with Murdoch-owned HarperCollins for publishing his *To Renew America*, would have netted him a \$4.5 million advance. As the book deal started to become the town's biggest scandal, Gingrich agreed to forego the advance and content himself with the standard royalty. The book is the subject of one of the five ethics complaints raised against Gingrich.

The complaint contends that the Speaker abused his office, in part by using a tax-exempt foundation and one of his political organizations to create a commercial book deal that could earn him millions. As the ethics panel began to look into the deal, panel Chairman Nancy Johnson (R-Conn.) discontinued her daily press briefings on the work of the panel, and even Gingrich himself was unusually tight-lipped after the three-hour session. The session was characterized by Johnson as "very freewheeling."

The only other House Speaker who had been brought before the ethics panel had been Jim Wright (D-Tex.), whom Gingrich, then a relatively new face on Capitol Hill, had hounded over a much more modest book deal. Because of the publicity, Wright was forced to resign.

Meanwhile, Murdoch is awaiting passage of a bill before Congress that would liberalize the telecommunications sector, enabling him to spread his tentacles into the nation's capital. Murdoch, the owner of Fox TV, is also planning a new monthly magazine for Washington, *The Standard*, scheduled to come out in September.

Environmental regs squeak through House

The House Republican leadership staved off an embarrassing defeat on July 31, passing in a tie 210-210 vote a package of 17 provisions to the Environmental Protection Agency Appropriations bill that would curb EPA enforcement of clean air and water standards affecting pesticides, emissions from oil refineries and toxic waste incinerators, runoff of storm water and sewage into rivers and lakes, and accident prevention plans in chemical plants. The provisions are a key element in the Contract with America.

However, passage came on the second vote. On July 28, fifty-one Republicans had joined 160 Democrats to eliminate the provisions. House Majority Leader Richard Arney (R-Tex.), under House rules, forced a second vote after all other action on the bill had been completed.

Moderate GOPers warned their conservative brethren that their "Conservative Revolution" was endangering Republican electoral chances for

1996. Voters "may have been voting to get government off their backs, but they weren't voting to get arsenic in their water or benzene in their air," commented Wayne Gilchrest (R-Md.).

The fact that this growing split among GOPers is occurring in the House rather than the Senate is even more significant, because Newt Gingrich (R-Ga.) and his crew have been the point-men for the Contract with America agenda. House GOPers had hoped that passage of the riders would send a message to senators to move more decisively with the Contract agenda, most of which has failed miserably in the Senate.

Cuban nuclear plant turns GOPers green

Republican "yahoos," led by Dan Burton (R-Ind.), chairman of the Western Hemisphere Subcommittee of the House International Relations Committee, have started to beat the drums over the uncompleted nuclear power plant at Cienfuegos, Cuba. Sounding like a hysterical anti-nuclear activist, Burton called the plant "a national security threat of the first order," in a hearing in late July. He claimed that a plant accident would endanger people in the southwestern United States and large areas of Ibero-America.

Rep. Ileana Ros-Lehtinen (R-Fla.) claimed that "there is no doubt that Castro intends to complete the plant" in order to offer the energy to the tourism industry, "Cuba's major source of hard currency." The only thing worse than Castro's "relentless pursuit to maintain power," she said, is the "silence of the Clinton administration." She said that several members of Congress had written a letter

to President Clinton about the plant, but his response "offered no commitment to stop the construction of this plant." The plant "has to be destroyed. . . . Total elimination is the only solution," she ranted.

Two other Cuban-American congressmen, subcommittee member Robert Menendez (D-N.J.) and Lincoln Diaz-Balart (R-Fla.), who testified before the subcommittee, drew blood-curdling images of a Chernobyl-like disaster only 90 miles from the Florida coast that could contaminate 80 million Americans and untold numbers of Ibero-Americans.

However, evidence presented by both the General Accounting Office and the State Department shows that there is little chance that even one of the two reactors will be completed. The GAO, in its testimony, estimated that the cost to complete the first reactor is approximately \$300 million. Richard J.K. Stratford, the director of the State Department's Office of Nuclear Energy Affairs, told the subcommittee that the Russians stopped work on the plant in 1992 "because Cuba could not meet new Russian financial terms, which apparently stipulated that further work would have to be reimbursed via payment in convertible currency." He said that press reports that a consortium of western firms was being formed by Russia to complete the plant have to be taken "with a grain of salt." He added that Cuba still lacks the hard currency to complete construction and that they will, this year, "have their worst sugar crop in 50 years."

But in an election year, anti-Castro posturing and anti-nuclear hysteria may seem like a good combination. Some Republicans have also been concerned about the apparent willingness of the administration to improve relations with the Cuban government.

National News

Newt and the gang plan 'Dark Ages Weekend'

How deranged are Newt Gingrich and his band of Conservative Revolutionists? Well, consider this item, published in the "Style Section" of the July 28 *Washington Post*, headlined "Surely, They Joust? Conservatives to Schmooze at 'Dark Ages' Retreat."

The *Post* account includes the following allegations, reported as though there were no need to jump on the phone, to call the nearest asylum for the men in white coats: "Conservatives have invited 3,000 right-leaning luminaries to a New Year's retreat in Florida intended to rival the annual Renaissance Weekend in Hilton Head, S.C., attended by friends of President Clinton. The conservatives, those wags, are calling theirs the Dark Ages Weekend.

"The letter of invitation, topped by a black dragon logo, seeks to rally conservatives at the posh Doral Golf Resort in Miami to sharpen their blades for a fight to slay the common enemy of all Americans—the 'big, fat and unaccountable' federal government.

"'Entrepreneurs and executives from some of the fastest-growing companies in the United States will tell us which regulations need to be gutted and why,' the letter promises. 'Of course,' it goes on, cigars are welcome at the big banquet where House Speaker Newt Gingrich is the invited keynote speaker."

Budget fight could shut down government

Conservative Revolutionists' demands in Congress, for both vicious austerity and fat tax breaks for speculators, could lead to a virtual shutdown of the federal government on Oct. 1—the beginning of the new fiscal year. White House Chief of Staff Leon Panetta has sent a memo to all agencies, directing them to make contingency plans for suspending all but essential government services on that date, according to the July 29 *Washington Post*.

In the expectation that Congress and President Clinton will not agree on a budget by the Oct. 1 deadline, Panetta reportedly told cabinet members on July 26 that the Republicans in Congress "seemed fully prepared to shut down the government for an extended period."

In recent years, deadlocks which have blocked the timely adoption of a budget have led to shutdowns of only one or two days. They were ended by congressional passage of a "continuing resolution," to maintain funding at previous levels until an agreement was reached. This year, the new gang of Republican freebooters, under the sway of House Speaker Newt Gingrich (R-Ga.), is reportedly moving to block such a resolution.

The White House has threatened to veto 6 of the 13 Appropriations bills backed by the Republican majority. The Republicans, meanwhile, are threatening not to increase the federal debt limit, unless President Clinton accepts their spending and tax cuts. The debt is expected to hit the current statutory limit of \$4.9 trillion in October.

Physicians say Medicaid cuts endanger children

Conservative Revolutionist bills, to turn Medicaid funding into block grants administered by the states, could devastate the health care system for the nation's children. At a July 31 press conference in Washington, spokesmen for the American Academy of Pediatrics and the National Association of Children's Hospitals warned that children would be the hardest hit by the scheme, if current federal standards are not maintained.

Lawrence McAndrews, president of the National Association of Children's Hospitals, told reporters, "Medicaid pays for the health care of one in every four children—more than half of whom live in working families. It also pays for nearly half of the care for inpatients of children's hospitals." Without federal standards for children, McAndrews said, "the projected cuts in future growth in Medicaid spending are so big, they could force states to reduce future Medicaid coverage for between 2 and 4 million

children over the next seven years."

The impact such reductions would have on a typical children's hospital staff, are equivalent to almost one-quarter of its current full-time workforce. "That kind of impact on a children's hospital," McAndrews said, "could put at risk all children who rely on its specialized services, not just children of low-income families."

Merger of three unions to form largest in U.S.

The United Auto Workers, United Steel Workers of America, and International Association of Machinists announced a merger on July 27, which would result in a union of over 2 million members, the largest in the nation. USWA President George Becker told a press conference in Washington, "Workers want someone to stand and fight for them, and we're going to be able to do that.

"Standards of living have been falling and wages are stagnant. Workers are working much harder, and spouses are working to maintain the standard of living that used to be possible with a single income," Becker declared, adding that "we believe we're going to be stronger by doing this." The merger requires ratification by the memberships of all three unions, a process which could take as long as three years; but their leaders insist that there is a great deal of enthusiastic support for the plan.

A "Unity Declaration" accompanying the announcement stated, "Contrary to those who believe that unions have outlived their usefulness, we share the deep conviction that in a globalized economy dominated by the mobility of capital, organized labor has a more compelling role than ever.

"Left solely to their own devices, profit-driven multinational corporations and the governments subservient to them can neither be trusted nor expected to look out for the well-being of their workers or the welfare of the societies in which they operate.

"Without the countervailing power that only organized workers can achieve, the economic freedom and political democracy that are the foundations of the good life we

have come to enjoy are in serious peril." By combining the three unions' resources, the declaration added, "we can far better bring a vital and necessary balance to the scales of political, social, and economic justice."

More 'punishment' set for Alabama prisoners

Prisoners in Alabama, the first state to reintroduce prison chain gangs, will soon be forced to break rocks—a barbaric measure simply designed to increase the level of punishment—the *New York Times* reported on July 29.

Commissioner of State Prisons Ronald D. Jones is preparing to have rocks trucked to at least three state penitentiaries only for that purpose, and state officials say they have no need for the crushed rock that will result. Prisoners will work just outside the prison gates for 10 hours a day, resting every 20 minutes, five days a week. Summer temperatures in Alabama frequently reach 100°F.

Commissioner Jones has also recently ordered that weekend family visits be reduced, from once a week to every two weeks; that no coffee be served, except on Sunday; and that the prisoners' \$1 monthly allowance be eliminated.

Trail hikers threatened by explosive devices

The U.S. Forest Service found a pipe bomb on a popular trail in New Mexico's Gila Wilderness on July 6—the fourth explosive device discovered in the area in the past few months. The agency issued an alert to all hikers on July 8, warning them of the danger.

On May 18, a small cache of plastic explosives was found south of Snow Lake. Earlier in the year, Forest Service personnel discovered two "pipe devices with trip wires designed to fire a shotgun shell" at hikers. All of the explosive devices were set out along the most heavily used trails in the wilderness area.

Although the Forest Service has declined to speculate on who is behind these terrorist

tactics, private investigator Barry Clausen told *EIR* that shutting down the Gila Wilderness is one of the top priorities of Earth First! Earth First!, part of the eco-terrorist apparatus of Prince Philip's World Wide Fund for Nature, has publicly advocated the use of violence, against human endeavors which they claim might "alter" the primitive domains of their "Earth Mother."

LaRouche campaign opens 'home page' on Internet

Lyndon LaRouche's Democratic presidential campaign committee announced on Aug. 2 that its World Wide Web site on the Internet is up and running. At present, LaRouche's "home page" includes recent statements by the candidate on corruption within the U.S. Justice Department, the global financial crisis, the dangerous strategic situation, and Newt Gingrich's efforts to destroy the United States—as well as a brief biographical resumé.

LaRouche campaign director Melvin Klenetsky told *EIR* that the candidate believes this additional means of outreach "will stir things up" in a number of quarters, and spark a more informed debate over LaRouche's ideas. "We are in the most crucial period in all of modern history," Klenetsky said. "Yet the so-called experts, the leading institutions, and the governments of the world have failed to act upon—or even identify—the gravity of the crisis confronting them."

For citizens of the United States, Klenetsky added, "the controlled media have kept them in the dark, even while leading journals of other nations report the growing influence and unique competence of LaRouche's ideas. For those of you who want to know his assessments of how we got into this mess, and his proposals on how to get out of it, we hope this form of direct access through the Internet will shed some useful light on that."

The campaign announced that "web browsers" can link up to the following address: <http://www.clark.net/larouche/welcome.html> The campaign's electronic mail address is larouche@clark.net

Briefly

● **ENVIRONMENTALISTS** demonstrated against President Clinton on Aug. 1, for signing a bill permitting emergency salvage of damaged timber. Members of the Sierra Club, the Natural Resources Defense Council, and the World Wide Fund for Nature delivered "a 21-chain-saw salute," gunning their saws in the air aimed toward the White House. The salvage provision was a minor item, in the bill to vastly expand federal anti-terrorist powers.

● **SEN. ROBERT DOLE** (R-Kan.), speaking before the Senate voted on July 26 to lift the Bosnian arms embargo, denounced the "dual key" which gave the U.N. veto power over air strikes. "They should take the key from Boutros Boutros-Ghali," he declared, "and lock the door and throw away the key."

● **LYNDON LAROUCHE'S** impact, in exposing the role of the British oligarchy, was reflected on the *Washington Post* "Federal Page" on May 15. The *Post* claimed that a copy of *EIR*, "a publication by political extremist Lyndon LaRouche's organization," was discovered on a government-office coffee table. The issue contained "a fascinating piece on a conspiracy by the Duke of Edinburgh, a.k.a. the husband of Queen Elizabeth II, to take control of Australia or something like that."

● **SHIPYARD WORKERS** in Norfolk, Virginia, already suffering mass layoffs, say the labor force is being further ground up, as non-union shops are imposed by the companies remaining in business. Laid-off workers are offered non-union jobs, with no health benefits. Those who refuse them are being denied unemployment compensation.

● **IS SOMEONE** pushing for a "long hot summer" of urban riots against President Clinton? During the last ten days of July, small-scale outbreaks of violence were reported in Indianapolis, Miami, and East Los Angeles. Each was allegedly triggered by rumors of police brutality.

Editorial

Some truth, please

The bloodbath which occurred in Waco, Texas in April 1993 resulted in the unnecessary deaths of over 80 people. Clearly, it was appropriate to investigate how the confrontation between federal agents and the Branch Davidians was brought to that point. Unfortunately, the now-concluded congressional hearings on the subject have been used by the Gingrich gang as a factional maneuver. Their interest has been to protect the Bush networks within the Department of Justice (DOJ), while laying the blame on Attorney General Janet Reno, despite the fact that she was barely in office when the escalation occurred.

Attorney General Reno was deliberately presented with misinformation by the DOJ apparatus. Not only was Reno given exaggerated accounts of ongoing child abuse in the compound, but the Anti-Defamation League and its off-shoot, the Cult Awareness Network, were brought into the picture by Deputy Assistant Attorneys General Mark Richard and John Keeney to give the Attorney General misleading profiles on leading Branch Davidians.

They were the same so-called specialists on so-called cult behavior who were used repeatedly to spread the lie that Lyndon LaRouche and his associates were a cult of which LaRouche was the guru.

A cleanup within the Justice Department is long overdue. There is a corrupt permanent bureaucracy within it, headed by Richard and Keeney, who bear responsibility for the Waco events, and also for the frameup of Lyndon LaRouche and his associates.

Had there been a serious intent to get to the bottom of what is indeed rotten in the DOJ, it would also have been appropriate to look at the case of John Demjanjuk of Cleveland. In that case, Richard was judged by the U.S. Sixth Circuit to have committed a fraud upon the court by falsely and maliciously prosecuting Demjanjuk. Demjanjuk was stripped of his U.S. citizenship and deported to Israel on the false charge that he had been an infamous concentration camp guard. Then, there is the equally disgusting record of the Justice Department in orchestrating a campaign to target black elected officials.

The group of career bureaucrats within the Justice

Department, who operate under Richard and Keeney, were the same people who ran the infamous Abscam "sting" operations, in collaboration with the FBI. Their purpose was to frame up leading Democratic Party figures, and their method of operation was to use hardened criminals to attempt to bribe lawmakers.

In some instances, such as the 1982 case of Sen. Harrison Williams, the fact that he refused to accept a bribe by supposed Arab sheiks (who were in reality government agents) did nothing to convince a jury that he did not have a criminal intent. In a stunning miscarriage of justice, Senator Williams served a jail term in a case where no crime was committed. In any event, enticing an innocent man to commit a crime, in order to be able to then prosecute him, is a despicable and unlawful role for any police agency in a republic to play.

Senator Williams was chosen as a target for the obvious reason that he had been leading a fight inside Congress against the opening of the American banking system to invasion by offshore speculators and money launderers. The unchecked spread of the derivatives market could not have occurred had Senator Williams not been forced out of the Senate.

If republican government is to flourish—by which we mean, not Republican Party government, but the concept of republic embodied in the Constitution—then it is intolerable that such corruption be allowed to run amok. The ability of corrupt officials like Mark Richard to target political figures at will, must be brought to an end.

If this does not occur, then any public figure who dares to buck the International Monetary Fund and its Wall Street offshoots, or who tells the truth about the role of the British royal family, will suffer the same fate as Senator Williams or Lyndon LaRouche and his associates. Ordinary citizens will no longer be free to exercise their democratic rights, as leading public figures are either cowed into silence, or thrown into jail.

This is the context in which the hearings on Waco should have been held, not the disgusting charade we have recently witnessed.

SEE LAROUCHE ON CABLE TV

All programs are *The LaRouche Connection* unless otherwise noted.

ALASKA

- ANCHORAGE—ACTV Ch. 40
Wednesdays—9 p.m.

ARIZONA

- PHOENIX—Dimension Ch. 22
Wednesdays—1 p.m.

CALIFORNIA

- DOWNEY—Conti. Ch. 51
Thursdays—9:30 p.m.
- E. SAN FERNANDO—Ch. 25
Saturdays—10 a.m.
- LANC./PALMDALE—Ch. 3
Sundays—1:30 p.m.
- MARIN COUNTY—Ch. 31
Tuesdays—5 p.m.
- MODESTO—Access Ch. 5
Fridays—3 p.m.
- ORANGE COUNTY—Ch. 3
Fridays—evening
- PASADENA—Ch. 56
Tuesdays—2 & 6 p.m.
- SACRAMENTO—Ch. 18
2nd & 4th Weds.—10 p.m.
- SAN DIEGO—
Cox Cable Ch. 24
Saturdays—12 Noon
- SAN FRANCISCO—Ch. 53
Fridays—6:30 p.m.
- SANTA ANA—Ch. 53
Tuesdays—6:30 p.m.
- STA. CLARITA/TUJUNGA
King VideoCable—Ch. 20
Wednesdays—7:30 p.m.
- W. SAN FERNANDO—Ch. 27
Wednesdays—6:30 p.m.

COLORADO

- DENVER—DCTV Ch. 57
Wednesdays—10 p.m.

CONNECTICUT

- BETHEL/DANBURY/RIDGEFIELD
Comcast—Ch. 23
Wednesdays—10 p.m.
- NEWTOWN/NEW MILFORD
Charter—Ch. 21
Thursdays—9:30 p.m.
- WATERBURY—WCAT Ch. 13
Fridays—11 p.m.

DISTRICT OF COLUMBIA

- WASHINGTON—DCTV Ch. 25
Sundays—12 Noon

IDAHO

- MOSCOW—Ch. 37
(Check Readerboard)

ILLINOIS

- CHICAGO—CATN Ch. 21
Schiller Hotline-21
Fridays—6 p.m.
The LaRouche Connection
Mon., Aug. 21—10 p.m.
Tues., Aug. 29—10 p.m.

INDIANA

- SOUTH BEND—Ch. 31
Thursdays—10 p.m.

IOWA

- WATERLOO—TCI Ch. 2
Mon.—11 a.m.; Thurs—4 p.m.

MARYLAND

- BALTIMORE—BCAC Ch. 42
Mondays—9 p.m.
- MONTGOMERY—MCTV Ch. 49
Weds.—1 pm, Fri.—8:30 pm
- PRINCE GEORGES COUNTY—
PGCTV Ch. 15
Thursdays—9:30 p.m.
- WEST HOWARD COUNTY—
Comcast Cablevision—Ch. 6
Monday through Sunday
12:30 p.m. and 5 p.m.

MASSACHUSETTS

- BOSTON—BNN Ch. 3
Saturdays—12 Noon

MICHIGAN

- CENTERLINE—Ch. 34
Tuesdays—7:30 p.m.
- TRENTON—TCI Ch. 44
Wednesdays—2:30 p.m.

MINNESOTA

- EDEN PRAIRIE—Ch. 33
Wed.—5:30 pm, Sun.—3:30 pm
- MINNEAPOLIS—MTN Ch. 32
Fridays—7:30 p.m.
- MINNEAPOLIS (NW Suburbs)
Northwest Comm. TV—Ch. 33
Mondays—7 pm
Tuesdays—7 am & 2 pm
- ST. LOUIS PARK—Ch. 33
Friday through Monday
3 p.m., 11 p.m., 7 a.m.
- ST. PAUL—Ch. 33
Mondays—8 p.m.

MISSOURI

- ST. LOUIS—Ch. 22
Wednesdays—5 p.m.

NEW JERSEY

- STATEWIDE—CTN
Sat.—5 am (thru Aug.)
Sun.—6 am (starts Sept. 3)

NEW YORK

- BRONX—BronxNet Ch. 70
Saturdays—6 p.m.
- BROOKHAVEN—(E. Suffolk)
TCI 1 Flash or Ch. 99
Wednesdays—5 p.m.
- BROOKLYN
Cablevision (BCAT)—Ch. 67
Time-Warner B/Q—Ch. 34
(call station for times)
- BUFFALO—BCAM Ch. 18
Tuesdays—11 p.m.
- HUDSON VALLEY—Ch. 6
2nd Sunday monthly—2 p.m.
- ITHACA—Pegasys
Tuesdays—8:15 Ch. 57
Thursdays—7 p.m. Ch. 13
Saturdays—4:45 p.m. Ch. 57
- MANHATTAN—MNN Ch. 34
Sun., Aug. 20—9 a.m.
- MONTVALE/MAHWAH—Ch. 14
Wednesdays—5:30 p.m.
- NASSAU—Ch. 25
Last Fri., monthly—4:30 p.m.
- OSSINING—Continental
Southern Westchester Ch. 19
Rockland County Ch. 26
1st & 3rd Sundays—4 p.m.
- POUGHKEEPSIE—Ch. 3
1st & 2nd Fridays—4 p.m.
- QUEENS—OPTV Ch. 56
Fridays—1 p.m.
- RIVERHEAD
Peconic Bay TV—Ch. 27
Thursdays—12 Midnight
1st & 2nd Fridays—4 p.m.
- ROCHESTER—GRC Ch. 15
Fri.—11 p.m.; Sun.—11 a.m.
- ROCKLAND—P.A. Ch. 27
Wednesdays—5:30 p.m.
- STATEN ISL.—CTV Ch. 24
Weds.—11 p.m., Sat.—8 a.m.
- SUFFOLK, L.I.—Ch. 25
2nd & 4th Mondays—10 p.m.
- SYRACUSE—Adelphia Ch. 3
Fridays—4 p.m.
- SYRACUSE (Suburbs)
Time-Warner Cable—Ch. 13
1st & 2nd Sat. monthly—3 p.m.
- UTICA—Harron Ch. 3
Thursdays—6:30 p.m.
- WEBSTER—GRC Ch. 12
Wednesdays—9:30 p.m.
- YONKERS—Ch. 37; Fri.—4 p.m.
- YORKTOWN—Ch. 34
Thursdays—3 p.m.

OREGON

- PORTLAND—Access
Tuesdays—6 p.m. (Ch. 27)
Thursdays—3 p.m. (Ch. 33)

PENNSYLVANIA

- PITTSBURGH—PCTV Ch. 21
Mondays—7 p.m.

TEXAS

- AUSTIN—ACTV Ch. 10 & 16
(call station for times)
- DALLAS—Access Ch. 23-B
Sun.—8 p.m.; Thurs.—9 p.m.
- EL PASO—Paragon Ch. 15
Thursdays—10:30 p.m.
- HOUSTON—PAC
Mon.—10 p.m.; Fri.—12 Noon

VIRGINIA

- ARLINGTON—ACT Ch. 33
Sun.—1 pm, Mon.—6:30 pm
Tuesdays—12 Midnight
Wednesdays—12 Noon
 - CHESTERFIELD COUNTY—
Comcast—Ch. 6
Tuesdays—8 p.m.
 - FAIRFAX—FCAC Ch. 10
Tuesdays—12 Noon
Thurs.—7 pm, Sat.—10 am
 - LOUDOUN COUNTY—Ch. 3
Saturdays—8 p.m.
 - MANASSAS—Ch. 64
Saturdays—12 Noon
 - NEWPORT NEWS—
Cablevision Ch. 96
(with box: Ch. 58 or 01)
Tuesdays—4 p.m.
 - RICHMOND—Conti Ch. 38
(call station for times)
 - ROANOKE—Cox Ch. 9
Weds.—2 pm (thru Aug. 9)
 - YORKTOWN—Conti Ch. 38
Mondays—4 p.m.
- ## WASHINGTON
- SEATTLE—Access Ch. 29
Fridays—8:00 a.m.
 - SNOHOMISH COUNTY
Viacom Cable—Ch. 29
(call station for times)
 - SPOKANE—Cox Ch. 25
Tuesdays—6 p.m.
 - TRI-CITIES—TCI Ch. 13
Mondays—11:30 a.m.
Tue.—6:30 pm; Thu.—8:30 pm
- ## WISCONSIN
- WAUSAU—Ch. 10
(call station for times)

If you are interested in getting these programs on your local cable TV station, please call Charles Notley at (703) 777-9451, Ext. 322.

Executive Intelligence Review

U.S., Canada and Mexico only

1 year	\$396
6 months	\$225
3 months	\$125

Foreign Rates

1 year	\$490
6 months	\$265
3 months	\$145

I would like to subscribe to
Executive Intelligence Review for

1 year 6 months 3 months

I enclose \$_____ check or money order
Please charge my MasterCard Visa

Card No. _____ Exp. date _____

Signature _____

Name _____

Company _____

Phone () _____

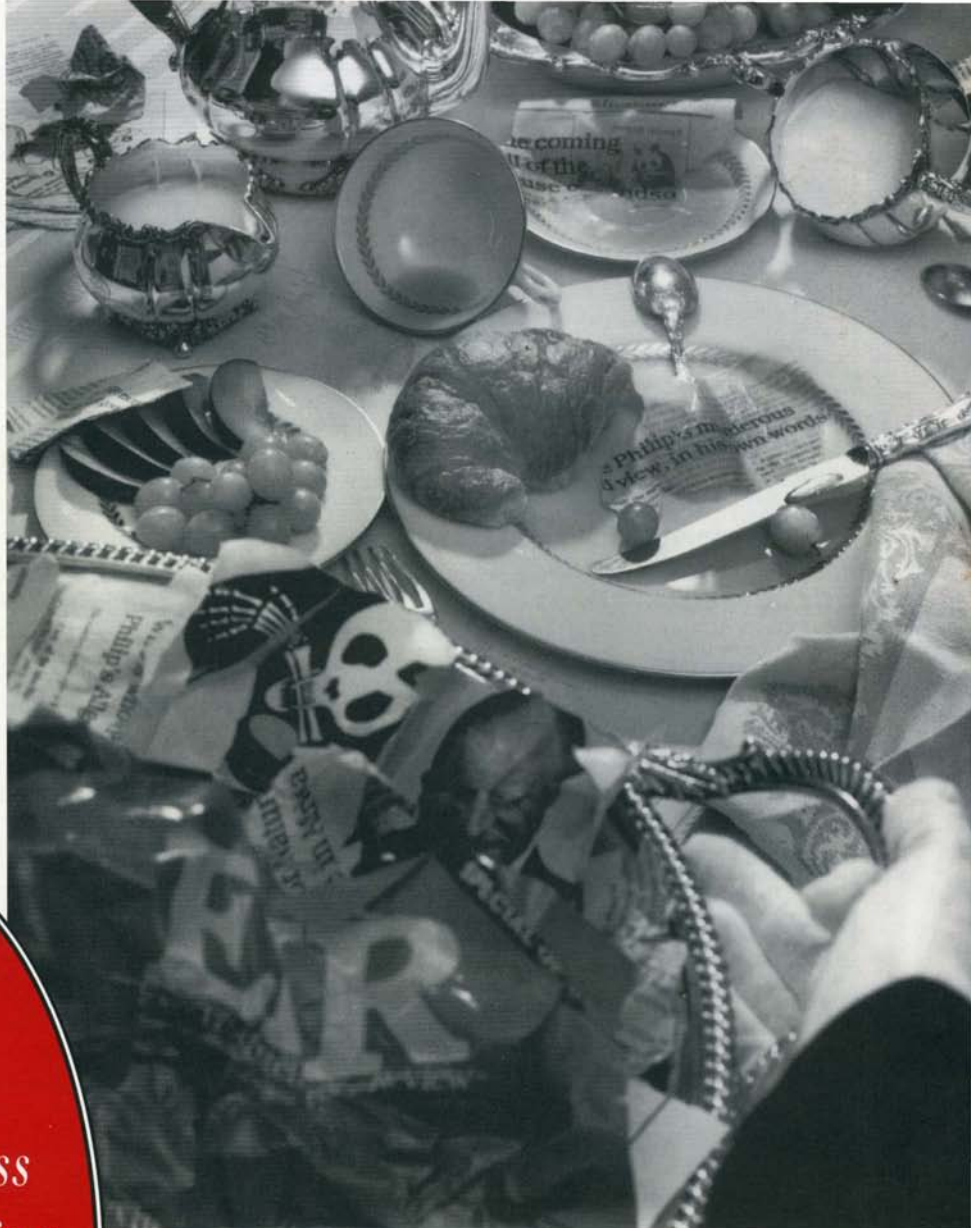
Address _____

City _____ State _____ Zip _____

Make checks payable to EIR News Service Inc.,
P.O. Box 17390, Washington, D.C. 20041-0390.

Did
Prince Philip
have reason to
be upset at the
release of
EIR's report,
"The Coming Fall
of the House of
Windsor?"

*"Would
Your Highness
prefer something
different
to read?"*



Judge for yourself.

For your copy, send \$10.00 plus \$1.50 shipping and handling to:

EIR News Service, Inc.

P.O. Box 17390 Washington, D.C. 20041-0390.

Bulk rates available on request. Call (703) 777-9451 for more information.