

EIR

Executive Intelligence Review

October 18, 1996 • Vol. 23 No. 42

\$10.00

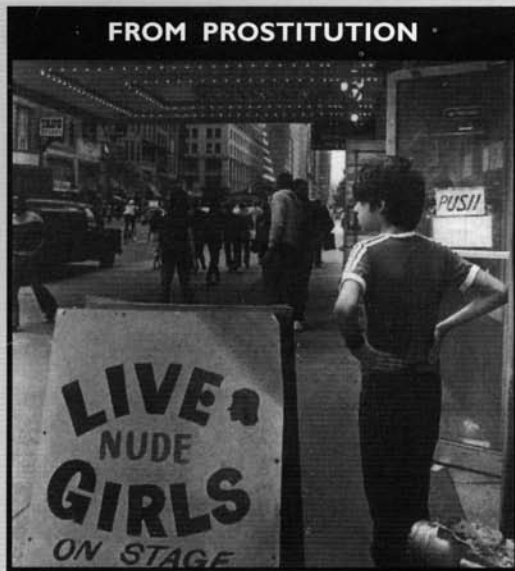
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IMF policies ravage Russia's Armed Forces
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**Time to destroy the myth
of Napoleon Bonaparte**



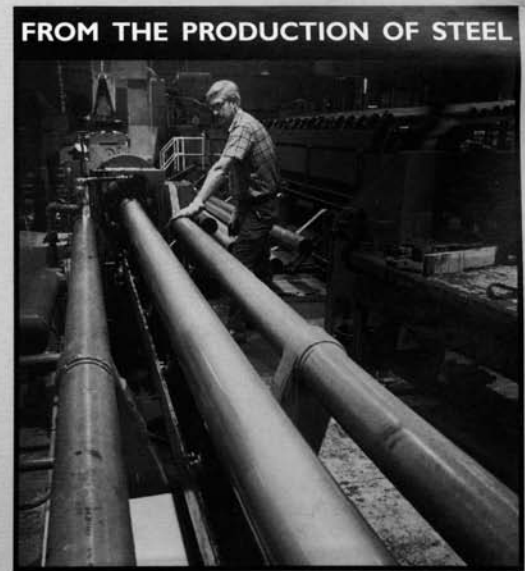
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EIR (ISSN 0273-6314) is published weekly (50 issues) except for the second week of July, and the last week of December by EIR News Service Inc., 317 Pennsylvania Ave., S.E., 2nd Floor, Washington, DC 20003. (202) 544-7010. For subscriptions: (703)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

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

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

From the Associate Editor

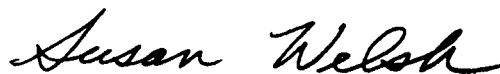
The first thing you might notice about this issue of *EIR*, is that *none* of the articles are on subjects that were covered in the Oct. 6 Presidential candidates' debate—a debate which one astute observer described as “a series of non sequiturs.”

Why does the American reader, three weeks before the Presidential election, need to know the true story behind the myth of Napoleon Bonaparte? Why is this more important than what most people conceive of as “practical politics”?

Look back to Lyndon LaRouche's important strategic analysis, published in *EIR* on June 28, 1996, titled “Now, Rid NATO of the Entente Cordiale!” In it, he showed how the British-French alliance within NATO has created an intolerable situation, in which “the avowed adversaries of the United States, the British and French representatives of the revived Entente Cordiale, have created a strategic threat not only within Europe, but respecting wider areas of potential NATO ‘out-of-area deployments.’ That Entente must be neutralized, by whatever means are necessary.”

How could France, the birthplace of the nation-state, the patrimony of Lafayette and de Gaulle, have sunk so low, as to become a lackey of British efforts to destroy the United States? To understand that, you need to go back, before the Entente Cordiale of 1904, to the lost opportunity of the French Revolution, and the Napoleonic empire which followed. In a recent *EIR* cover story, we dealt with the former (Sept. 20, 1996, “Carnot's Grand Strategy for Political Victory,” by Dino de Paoli); here, Jacques Cheminade examines the case of Napoleon Bonaparte, the man whom Russia's Gen. Aleksandr Lebed described recently as “my favorite historical personage.” *EIR* researchers are currently preparing a more extended treatment of the bacillus of Bonapartism, for publication after the election.

As LaRouche has often stressed, it is necessary to focus one's attention, not on *current affairs*—the glib phrases of the TV evening news anchorman—but on *current history*. What are the real issues of statecraft facing the nation and the world? How did we get into the mess in which we find ourselves today? And, what can we do to restore sanity in a deranged world?



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IMF policies cripple Russia, threaten 'armed mutiny'

by Denise Henderson

With Russia's economic crisis spinning out of control, that nation's leadership continues to adhere to International Monetary Fund (IMF) demands that it slash its budget to levels below what is needed to maintain critical sectors, including the Armed Forces. At the end of September and beginning of October, in response to the worsening economic situation, and to the onset of winter, teachers, scientists, and civilian defense workers were all engaged in protest actions to highlight their situation, including nonpayment of wages. But most critical of all is the situation in the Far North and the Far East, and in Russia's military. The conditions in the Armed Forces have become so severe, that the eruption of an "armed mutiny" is being forecast.

The obeisance of Russia's leadership to IMF demands, has included granting debt relief—to "poorer" nations. After a meeting in Washington, D.C. between a Russian delegation headed by Russian First Deputy Prime Minister Vladimir Potanin, with the finance ministers and central bank governors of the Group of Seven nations, and the leadership of the International Monetary Fund, the World Bank, and the European Bank for Reconstruction and Development, Potanin professed to be satisfied with the talks. "I am pleased to stress that Russia is a full-fledged participant in the developments taking place under the auspices of the World Bank and the IMF," he said. "Thus, the Russian delegation approved the initiatives put forward by the World Bank and IMF, to render help to the world's poorest countries and reschedule their debts"—something the IMF itself refuses to do.

Yet, it is because of IMF and World Bank policies that a dramatic crisis is looming in Russia. In an interview with the newspaper *Trud* on Sept. 25, the deputy secretary of the Security Council in charge of economic affairs, Sergei Glazyev, warned that the Russian economy has entered a stage

of deep decline, following a short period of stabilization in 1995. In July 1996, Gross Domestic Product fell by 9%, industrial output by 7%, agricultural production by 13%, and investment by 20%, over the same period in 1995. Glazyev also stressed that Russia is losing its status in the world, and may become an economy of the colonial type.

Far North may be evacuated

In the Far North, where many critical facilities for Russia's military-industrial complex are located, there are not enough stocks of fuel and food for the winter. *Izvestia* on Oct. 2 reported that while the government is trying to "prevent panic," it appears that several hundred thousand residents will almost certainly have to be evacuated, something that Security Council Secretary Aleksandr Lebed had warned about the week before. In the Far East, at the Zvezda nuclear submarine repair plant at Bolshoi Kamen, for example, coal and food stocks for the winter are only 10% of required levels.

In Vorkuta, in the Arctic region, a one-day strike was called on Oct. 1 to protest wage arrears and to demand the full implementation of a decree issued by President Boris Yeltsin to resolve the problems of the Pechora coal basin. In the run-up to the Presidential election in May, Yeltsin had ordered the elimination of the wage debt to miners in the Arctic region, and increased social benefits. Like many other such promises, these have not been kept. Thousands of other workers from state-funded organizations reportedly joined miners in a mass rally. On the same day, the leader of the Russian Coal-Industry Workers Union announced that its members are planning a nationwide strike on Nov. 5 to protest wage arrears totalling, as of Sept. 10, some 2.7 trillion rubles (roughly \$675 million).

Also on Oct. 1, Russian scientists threatened to join two of their colleagues, Moscow scientists Vladimir Strakhov and

Igor Naumenko-Bondarenko, who are on a hunger strike, if the government does not pay its debt to scientific institutions by Oct. 10. Representatives of the trade union of the Russian Academy of Sciences said scientists are also planning to rally in Moscow and several other cities in mid-October. According to Deputy Prime Minister Vladimir Fortov, the government debt to the scientific sector totals 3 trillion rubles. He said that Prime Minister Viktor Chernomyrdin had agreed that the state would pay 250 billion rubles to the Academy by the end of the year.

State of Armed Forces a 'national disgrace'

There have also been repeated warnings, from Lebed and Defense Minister Igor Rodionov, about the dire situation in the Armed Forces.

On Sept. 25, in an interview with *Vechernyaya Moskva*, Lebed, referring to the problem of wage arrears in the military, said that "an armed mutiny may take place this autumn." He blasted the government, headed by his political rival Chernomyrdin, for failing to fund the military adequately in its 1997 draft budget, saying, "they have decided to conclusively undermine the Armed Forces." He termed the financial situation of the military a "national disgrace," and accused the government of "hiding its head in the sand."

Picking up on the Lebed interview, Christopher Bellamy, writing in the London *Independent* on Sept. 26, noted that the interview coincided with a battle between the Defense Committee of the State Duma (parliament) and the Russian Finance Ministry. The Defense Committee is lobbying on behalf of the Russian Defense Ministry for a 300 trillion ruble budget, against the Finance Ministry, which has cut this budget by two-thirds. As a result of these cuts, "The Army and Navy have been worst hit, although the Strategic Missile troops, Air Force, and even the troops of the Interior Ministry and the FSK, the former KGB, have not been immune," he wrote.

On Oct. 2, Defense Minister Rodionov added his voice to the growing chorus, noting that the proposed 1997 draft budget of 98.7 trillion rubles for the Armed Forces would cover only one-third of the military's needs. While denying that a military rebellion was likely, Rodionov said that if the government fails to resolve the military's financial problems, especially chronic wage arrears, "undesirable, uncontrollable processes" may begin. He added that "Russia may lose its Armed Forces as an integrated and militarily effective state structure."

In response, on the same day, President Yeltsin, then at the Central Clinical Hospital in preparation for his upcoming heart surgery, ordered Prime Minister Chernomyrdin to convene a special cabinet meeting to discuss the financing of the military.

According to Yuri Baturin, the secretary of the Defense Council, a meeting of that body dealt primarily with proposals to restructure the Russian Armed Forces, and only in passing with the current dire situation in the military. When he was

bluntly asked, at an Oct. 7 press conference, "When does the state intend to pay the Army the wage arrears?" Baturin, playing the bureaucrat, first said, "The Defense Ministry intends first of all to make a detailed study of this situation," but then asserted that while the debt to the Defense Ministry "is very great," the ministry is receiving funds to pay wages, because of the "extreme necessity" of the situation of the Armed Forces. Baturin added that Yeltsin himself had been handling the question of military wage arrears over the past two days, and meeting with Rodionov.

But just that weekend, Oct. 5-6, one day before Baturin's assertions that the military budget was under control, the entire Transbaikal District of the Russian Army in Chita was cut off from all power supplies, when the regional power utility, which has not been paid by the Armed Forces for several months, decided to turn off all supplies.

And on the day of Baturin's press conference, in a three-page special in *Der Spiegel* titled "An Army Is Starving," the German weekly reported that the Russian government does not have money for the existing army, with 1.7 million soldiers, nor for the army of 1.2 million that is to be, after the envisioned military reform.

Right in the center of Moscow, reported *Der Spiegel*, hungry soldiers are begging passers-by for money to buy a warm meal. The situation has reached such an alarming state, that Defense Minister Rodionov recently even refused to be interviewed by *Rossiiskaya Gazeta*, because "if the government does not give us any money, why then should I talk to a government journal?"

The Armed Forces daily *Krasnaya Zvezda* has established a hot-line for soldiers from the Army to call in, to report their grievances. In the far-eastern garrison of Yeliso, four Air Force pilots launched a hunger strike to protest their unit not receiving any pay since May—an action that has never happened before in Russian Army history. And in the Kaliningrad region, wives and children of starving military pilots are blocking the military rail line from Kaliningrad to Bagrationovsk, to force the payment of salaries that have been due since May.

While the government, incapable of paying the existing manpower in the Russian Armed Forces, hopes to reduce manpower levels, it can't afford the costs of the much-touted restructuring and streamlining of the Russian Army: Decommissioning a motorized rifle regiment would require the equivalent of about \$8.125 million, but to keep that unit in place, only \$2.375 million.

With winter coming, and with the IMF pushing hard for an austerity budget which means political and economic disaster for Russia, the question for the Yeltsin administration is whether it will continue to defend the genocidal policies of the IMF, or will opt for the kind of policies being proposed by Sergei Glazyev to start to rebuild the Russian economic base, a course that could prevent full-scale chaos in Russia in the coming months.

Crédit Lyonnais bailed out—again

by Christine Bierre

During the International Monetary Fund-World Bank annual meeting in Washington, IMF Managing Director Michel Camdessus warned that the failure of national banking systems is the “Achilles’ heel” of the world financial system. Although he didn’t say so, his public observation makes clear why the European Union Commission decided on Sept. 25 to allow France to again bail out Crédit Lyonnais, Europe’s erstwhile number-one bank, with an infusion of some 3.9 billion francs (\$800 million).

A British EU official told the *Daily Telegraph* on Sept. 28 that “the specter of systemic banking failure had spooked the European Commission into allowing the state aid package to prop up the bank.” A British banker characterized the consequences of a Crédit Lyonnais bankruptcy as “seismic.” In France itself, public outcry over the enormity of the bank’s failure, not to mention the state bailout, keeps growing. The weekly *Nouvel Observateur* called it “the biggest banking crash in history, without precedent in the entire world.”

The EU negotiations on a third “restructuring” forced the French government to further disclose its bailout strategy, as well as the outrageous costs to the French taxpayers. Estimates are that the bill might hit FF 100 billion (\$20 billion)—what it cost to build the Channel Tunnel. The exact cost will depend on how much Crédit Lyonnais is able to cover its bad debt through the sale of its assets gone sour, but experts put the range between FF 60-70 billion francs and FF 150 billion. The state, however, has already announced it will cover all the losses: If the cost is, say, FF 100 billion, each French taxpayer will shell out FF 5-6,000, equivalent to a month’s pay at minimum wage.

Three ‘restructuring’ plans

The problems of the bank became apparent in 1993, when its losses reached a mammoth FF 6.9 billion, which triggered a first restructuring plan. The state wiped all bad real estate debt (roughly FF 45 billion) off the bank’s balance sheet, by transferring it to a newly created defeasance company, the Omnium Immobilier de Gestion (OIG). But, in 1994, the bank’s losses climbed to FF 12.1 billion, and a second restructuring was planned in March 1995. A public refinancing entity, EFPR, was created with a subsidiary, the Consortium de Réalisation (CDR), in charge of selling Crédit Lyonnais’s fairly dubious assets, evaluated then at FF 135 billion, and

reevaluated today at 190 billion. The activities of CDR, which absorbed the OIG, were financed through a new loan from Crédit Lyonnais of FF 135 billion at below-market rates (7% on 1995 loans and 3% on 1996 loans).

The ability of the CDR to sell these assets in real estate, cinema, banking, and industry debt, will define the ultimate cost of the state bailout plan, a process which will take ten years. So far, the expected losses are about FF 80 billion. The assets are evaluated as “variable” (37%), “dubious” (44%), and “unknown” (19%). Crédit Lyonnais was originally a state bank oriented towards industry, but “diversified” into post-industrial investments, such as real estate, the purchase of MGM, hotels, and golf courses, and was known to have financed many of former President François Mitterrand’s dirty political operations.

While even the IMF estimates the ratio of bad to good debt in the French banking system at around 8%—undoubtedly an underestimate—the government is still determined to not only save Crédit Lyonnais, but to privatize it. Bank President Jean Peyrelevade is currently operating on a plan to raise Crédit Lyonnais’s present Moody’s rating of BBB, which makes it unsellable, to AA. For this, a third restructuring plan is under way, which will cost some FF 9 billion, entail a “reduction in force” of 5,000 workers, and the creation of what is called a “bad bank” solely to manage its losses. By transferring all bad debts and losses from the bank’s balance sheets to different defeasance operations, Crédit Lyonnais can show operating profits for a second year in a row: FF 13 million in 1995, and 67 million in 1996!

French taxpayers have already paid a FF 4.9 billion for recapitalization of the bank for the first restructuring plan, and will be shelling out the FF 3.9 billion agreed to by the Brussels EU Commission. That money will go to cover the difference, for 1996, between the market rate and the “friendly” interest rate on the FF 135 billion loan that Crédit Lyonnais made to CDR. This, in addition to the FF 9 billion cost of the third restructuring plan, plus FF 80 billion in expected losses from the CDR realization operations, makes up the 100 billion total losses, the figure put out in the French press.

Lyndon LaRouche, referring again to Camdessus’s warning, in an interview with “EIR Talks” on Oct. 9, characterized Crédit Lyonnais as “essentially . . . a bottomless bankruptcy.” He continued, “Its situation is absolutely hopeless. If the French government were to go much further than it has in the attempt to bail out this bank, or if they would try to privatize it, which is impossible, they would blow the whole system out. . . .”

“So, what we’re faced with, is that the combination of a collapse of Crédit Lyonnais, which can happen at any time, combined with a collapse of one or two other major banks . . . could set forth a kind of chain reaction which could obliterate the international monetary system as it now stands, within a period of as short as 48 to 72 hours.”

Will nation-states be privatized next?

by Cynthia Rush

“Jeremy Bentham? Oh, he’s a great man in many respects. His only problem was that he had too much confidence in the corrective action of the government. But on the other hand, he was a great thinker of his time.” So said Gary Becker, the 1992 Nobel Prize winner in Economics, to *EIR* correspondent Gerardo Terán during a Sept. 25 press conference in Buenos Aires.

Becker, a leader of the Mont Pelerin Society, founded in 1947 by Austrian fascist Friedrich von Hayek, visited Argentina to promote the privatization of that country’s social security system, and to demand the total deregulation of the economy. That means elimination of all labor benefits, health insurance, and minimum wage and job security—what the International Monetary Fund and World Bank call “labor flexibility.” At a time of intense political conflict in Argentina over these policies, Becker brazenly asserted that if there were recession in the country, it is the result of “labor restrictions,” and not the IMF-dictated free-market economic policies applied by the Menem government.

Is Becker’s praise of Bentham just another economic theory among many? No. As the world monetary system disintegrates, the international financial oligarchy is fighting for the survival of its model of usury and hedonism, which Bentham epitomizes. Founder of Britain’s foreign intelligence service, Bentham was a 19th-century leader of the Venice-spawned radical-empiricist faction which sought, and still seeks today, the overthrow of Christianity and the allied institutions of the sovereign nation-state.

Bentham’s “hedonistic calculus,” the theory that all ideas, human behavior, and social relations can be reduced to expressions of linear-algebraic functions of “pleasure and pain,” is at the very heart of Becker’s and the Mont Pelerin Society’s proposals. Morality, human creativity, reason—none of these enters into the equation, because in Bentham’s and Becker’s view, man is a beast guided only by his degraded instincts. Bentham’s tracts *In Defense of Usury* and *In Defense of Pederasty*, and Becker’s support for drug legalization, define this faction’s philosophical outlook.

More intense looting

The problem the Benthamites face now, is that their model requires levels of looting of physical and human resources unobtainable in the framework of sovereign, albeit weakened,

and even fragile, nation-states. The IMF’s Ibero-America-wide campaign for “labor flexibility,” intended to squeeze out some marginal savings by eliminating whatever social benefits the continent’s workers still enjoy, reflects their desperation.

Even the mechanisms of usury associated with the Chilean “economic miracle,” which the Mont Pelerin Society has promoted for years, are considered inadequate. The Chilean government economists who imposed these theories after 1976, many of whom studied at the University of Chicago under Becker, dismantled industry, privatized every national asset they could, and eliminated social legislation which, as in most Ibero-American nations, was historically based on the social doctrine of the Catholic Church—the concept of man created in the image of God.

Arnold Harberger, the godfather of the University of Chicago “Chile Project,” who trained hundreds of Ibero-American students in von Hayek’s fascist theories, always boasted that he had “de-Latin Americanized” his students; that is, stripped them of any commitment to national identity or sovereignty, lest they show any squeamishness about tearing apart their national economies on behalf of foreign speculative interests.

What the Mont Pelerinites most love about Chile’s “miracle,” and what they advocate internationally (including in the United States), is its 1981 privatization of the national pension system and the creation of what is today a \$25 billion slush fund used to speculate on the international markets or prop up whatever sector of the domestic economy requires it. This speculative mechanism is the centerpiece of the Chilean model. As *EIR* has demonstrated, since 1973, the only thing the model has been good for otherwise, is paying foreign debt, while reducing most categories of the physical economy in per-capita and per-household terms. In this so-called Ibero-American “Tiger” economy, manufacturing workers are paid \$1.62 an hour, compared to the \$2.35 their Mexican counterparts receive in that country’s devastated economy.

For the British radical empiricism which Becker and Bentham represent, the only logical next step is to smash the nation-state and grant full economic control to those private oligarchical interests which have already wrought international financial disaster. Robert Whelan, an executive at the Mont Pelerin Society’s Institute of Economic Affairs in Britain, said it explicitly in a recent issue of the group’s *Economic Affairs* journal. Impoverished African nations, he argued, should be *privatized outright*, sold to multinational corporations, and managed the way the British Empire’s merchant firms, such as the East India Company, directed imperial policy in the 18th and 19th centuries. Whelan failed to mention that the East India Company had a virtual monopoly in the Chinese opium trade, and that *The Wealth of Nations*, written by its paid agent Adam Smith, outlined British policy for maintaining colonies as backward raw material producers, while expanding the opium trade.

Argentine labor rebels against IMF genocide

by Valerie Rush

In the face of a rising tide of opposition to his Nazi-style austerity policies, Argentine President Carlos Menem defiantly issued two Presidential decrees on Oct. 7, privatizing the majority of the nation's health care programs run by industry-wide trade unions. In one stroke, Menem has taken guaranteed health care away from the nation's unionized labor movement, and has given \$2.5 billion of annual union health program funds over to private investors. The national CGT labor federation, which held a 36-hour national strike against cuts in family subsidies and higher taxes last month, has already announced plans for a new strike. "If necessary, we'll hold strikes for 24 hours, 48 hours, or 48 years," said one union leader. Warned another, if Menem touches our health care, "all hell will break loose."

The Oct. 7 decrees are an important part of a plan to shatter Argentina's powerful labor movement, which remains a key obstacle to the intensified looting scheme demanded by the country's international creditors. As the ravaged economy collapses under the weight of 20% unemployment, multiplying bankruptcies, a soaring fiscal deficit, and an unpayable foreign debt, Menem is desperate to find new sources of wealth to turn over to those creditors—even at the risk of social explosion.

However, the creditors have begun to voice their doubts over whether Menem can hold their "model" together. In separate Oct. 4 interviews with the Buenos Aires newspaper *Clarín*, former U.S. Federal Reserve Chairman Paul Volcker and former U.S. Treasury Secretary Nicholas Brady confirmed what the international banking community already knows: that Argentina will not be meeting its \$14 billion in foreign debt payments next year. They proposed a new variant of the old Brady Plan—an exchange of new debt paper for old—but insisted that any such rescue would require "confirmation of the country's path in terms of economic policy." Volcker insisted, "The question is whether support for [existing economic policies] has eroded, and whether there will be continuity in support for this economic strategy."

As proof of Menem's commitment to the current "economic model," said both Volcker and Brady, what the international financial community wants to see is more privatizations, strict adherence to the "convertibility" (currency

board model) plan, and "labor flexibility." Specifically, said Brady, foreign investor interest in Argentina "will disappear if there is no flexibility in the labor market."

Fascism, by any other name

"Flexibility" is the key-and-code word used by the international banks and their local enforcers to describe the plundering of Argentine labor, and they are not afraid to admit it. At the recent annual assembly of the IMF in Washington, the Fund's Assistant Director Stanley Fischer told the Buenos Aires daily *Clarín*: "In some countries, you see an adjustment in salaries. And this helps. In others, salaries are maintained, and this delays a drop in unemployment. Everything depends on how trade unions operate, and what they accept. . . . Experience shows that the more flexible the labor market, the more flexibility there will be in wages, and the more rapid the reduction in unemployment."

Menem is now in the process of trying to ram through the Argentine Congress precisely such a "flexibility" package which, in the words of IMF Managing Director Michel Camdessus, would "reduce the privileges of the employed, to provide jobs for the unemployed." The proposed labor reform would end collective bargaining, end severance pay, deny overtime pay, give employers the discretionary right to declare holidays, and eliminate the guaranteed eight-hour day.

London's *Financial Times* on Oct. 2 was explicit that the purpose of the new legislation is wage gouging, pure and simple. "Since the convertibility program prohibits devaluation," says the *Times*, "one of the routes to greater competitiveness is salary reduction." Guillermo Calvo, a former adviser to Argentine Finance Minister Roque Fernandez, told the Argentine press, "Here, we have a political problem, not an economic one. The problem will be solved by lowering prices and wages. But, as that cannot be done, a certain legitimacy for lowering wages must be created."

Stage set for confrontation

As the *New York Times* put it Oct. 7, "the stage is set for a confrontation the likes of which Argentina has not seen since the 1980s." CGT Secretary General Rodolfo Daer called the "flexibility" proposal outright "treason," and added, "The government wants to tear up labor contracts, they want to beggar wages, and we are not going to allow it. . . . We call on [the government] to rule in the name of the people, not for the IMF. . . . We must stop the surrender of the country, which has bankrupted the productive apparatus."

A fierce critic of Menem's policies, Buenos Aires governor and Presidential hopeful Eduardo Duhalde, blasted the draft legislation as "punishing workers," and declared that no plan which proposes a 12-hour day "can be approved by Congress." He is said to have a bloc of 60 deputies ready to fight the proposed legislation, although many now fear that Menem may attempt to put the package through by decree, if he cannot bulldoze Congress into approving it.

'Managed health care' kills: a case study of Philadelphia

by Marcia Merry Baker

On Sept. 12, the Pennsylvania State Legislature House Committee on Health and Human Services heard testimony in Harrisburg, on the hospital care crisis in the Commonwealth, because, in particular, of the low ratio of trained nurses to patients in hospitals. The witness, Prof. Laura Gasparis Vonfrolio, a nursing expert, reported specific incidents from Philadelphia hospitals which indicate the extent of the problem. Her testimony is excerpted below.

The context for the dangerous lack of nurses, is the 25-year-long takedown of the U.S. health care system, by a process of shutting down or downsizing hospitals, clinics, and other facilities, and staff.

For approximately the 20 years over 1950-70, the U.S. health care system had been built up, on principles embodied in the 1946 Hill-Burton Act ("Hospital Construction Act"), the nine-page federal law that mandated building community and specialty-bed hospitals to make certain that all Americans had access to care. Hill-Burton set standards of about 4.5 or 5.5 community hospital beds per 1,000 people, depending on the population density of the region; and more beds for specialty use. As a national average, this standard was achieved by the early 1970s; other public health essentials (e.g., the national anti-polio campaign) were likewise provided in the spirit of Hill-Burton.

Then, over the 1970s, this commitment to public health, and the provision of staff and logistics to deliver care, was abandoned, with the shift to "post-industrial" policies. Federal deregulation furthered the growth of "managed care" swindles, in which a for-profit agency (mostly set up by the international insurance cartels—Prudential, Aetna, Metropolitan Life, etc.) created health maintenance organizations, or HMOs, that racked up huge profits by enrolling millions of people who had no alternative, and coercing doctors and hospitals to limit the care given. Membership in HMOs grew from 5 million in 1980 to 60 million today.

The direct and indirect effects of "managed care" cost-cutting have been devastating. A study reported in the Oct. 1, 1996 *Journal of the American Medical Association*, shows that the poor and elderly enrollees, directly suffered the effects of care denied by the HMOs. Since 1991—at the instigation of the George Bush administration—the HMOs have been allowed to take Medicaid and Medicare patients.

The indirect effects of cutting care include cutting the lo-

TABLE 1
Philadelphia County death rates, 1992-94

Deaths per 100,000	Philadelphia County Average, 1992-94	Pennsylvania 1992-94	U.S.A. 1993
Cause of death			
Total resident deaths	724.7	504.9	514.0
Cardiovascular	232.4	184.2	181.8
Heart disease	189.0	150.3	144.7
Stroke	32.8	24.6	26.4
Lung cancer	54.0	37.9	39.3
Breast cancer	28.6	23.4	21.5

Source: "Health Profile, 1996, Pennsylvania Counties," Division of Health Statistics and Research, Pennsylvania Department of Health, Harrisburg, 1996. The death rates shown are based on the per 100,000 standard (1940 U.S.) population, using direct method.

gistics base of delivering medical care. From 1980 to 1993, some 675 community hospitals closed, mostly in rural and inner-city areas. Many remaining hospitals cut back services.

Hospital beds decline

The situation in Philadelphia is representative of many once-great U.S. urban medical centers, which have been turned into disaster zones. We provide a few reference facts:

In 1985, Philadelphia County still had 50 hospitals. By 1991-92, six had closed, leaving 44; in 1993-94 there were 42 hospitals. The number of "set up and staffed" hospital beds was likewise going down, falling from 8,550 in 1991-92, to 8,035 the next year. Over 1995-96, the downsizing continued, and the "de-staffing" per bed, in which the ratio of nurses to patients in the hospital declines, got even worse.

Officially, the ratio of beds per 1,000 population in Philadelphia dropped from 5.5 in 1991-92, to 5.3 in 1993-94, and would have fallen further, except that the county's population itself is declining. While this bed ratio does not look so bad, note that thousands of Philadelphia bed-days are used by out-of-state or out-of-county patients, coming to the city for treatment at the remaining prestigious Philadelphia medical specialty centers.

Table 1 shows that the death rates for major causes are higher for residents of Philadelphia County than in the rest of Pennsylvania and the United States as a whole.

The HMOs in Philadelphia

The major HMOs in the Philadelphia metropolitan region (including Bucks, Chester, Delaware, Montgomery and other contiguous counties), as of the third quarter 1995, ranked by percentage of market share (of HMO enrollees), are:

1. U.S. Healthcare (HMO of Pennsylvania), 43%; Aetna, 8% (as of 1996, Aetna owns U.S. Healthcare)
2. Keystone East (Independence Blue Cross), 33%
3. Health Partners, 5%
4. Greater Atlantic, 5%
5. Oaktree, 3%
6. CIGNA, 2%
7. PruCare Philadelphia, 2%

U.S. Healthcare, Inc., based near Philadelphia, in the town of Blue Bell, merged earlier this year with Aetna Life & Casualty Co., in an \$8.9 billion deal, to form one of the nation's largest HMOs. The new firm now accounts for well over 50% of all HMO enrollees in the greater Philadelphia region. HMO strategists now project that Philadelphia would "need" only 1.91 beds per 1,000 if 100% HMO "managed care" took over the "market." (Estimate from *Hospitals and Health Networks*, Oct. 5, 1994.)

U.S. Healthcare, Inc. makes big bucks

U.S. Healthcare, Inc. had an average return-on-equity rate of 37.4% over a five-year period, ending 1993, the highest for all HMOs in the nation. This reflects the aggressive HMO enrollment, severe cost-cutting, and limiting of care. The founder and chief executive of U.S. Healthcare, Inc., Leonard Abramson, is now one of *Forbes* magazine's 400 richest men in America. Abramson's total compensation from U.S. Healthcare, Inc. in 1994, for example, was \$3.87 million. According to *Washington Post* coverage of the merger, the filing with the Securities and Exchange Commission shows that Abramson "will gain a \$1 billion bonus as a result. In addition, Abramson has a \$10 million, five-year consultant contract that does not call for him to work full-time." In describing the Aetna-U.S. Healthcare, Inc. merger, the *Philadelphia Inquirer* on April 2, 1996 noted, "The end result will be fewer players—hospitals, doctors and insurers."

'Managed care' boosts profits for insurers

by Anthony K. Wikrent

Among the top 25 "managed care" firms in the United States as of 1995 (Table 1), are some of the most prominent names in "Big Insurance"—Prudential, Aetna, Metropolitan Life, CIGNA—all part of the international financial aristocracy that has positioned itself to make huge profits by looting the

TABLE 1

The top managed-care firms

(ranked by enrollment, as of Jan. 1, 1995)

	No. of plans	Enrollment (millions)
1. Blue Cross and Blue Shield Association	80	8.118
2. Kaiser Foundation Health Plans Inc.	12	6.666
3. UnitedHealthcare Corp.	20	2.548
4. Prudential Health Care Plans Inc.	32	1.810
5. U.S. Healthcare	9	1.793
6. Humana, Inc.	16	1.754
7. FHP Inc.	11	1.753
8. Health Systems International Inc.	7	1.544
9. PacifiCare Health Systems Inc.	6	1.496
10. Cigna Healthcare Plans Inc.	37	1.282
11. Aetna Health Plans	24	1.230
12. Health Insurance Plan of Greater New York	3	1.131
13. Foundation Health Corp.	6	.942
14. Sanus Corp. Health Systems Inc.	5	.839
15. Group Health Cooperative of Puget Sound	2	.644
16. Metra Health	22	.640
17. Physician Corp. of America	5	.577
18. Harvard Community Health Plan	1	.570
19. Mid-Atlantic Medical Services Inc.	1	.543
20. Oxford Health Plans Inc.	3	.534
21. Healthsource Inc.	14	.510
22. Principal Health Care Inc.	16	.492
23. Coventry Corp.	4	.469
24. Henry Ford Health Care Corp.	1	.429
25. Heritage National Healthplan Inc.	2	.296

Source: The InterStudy Competitive Edge (Minneapolis, Minn.); cited in *Managed Healthcare*, December 1995.

economic base of the nation.

The system of health maintenance organizations (HMOs) evolved over the 1970s-90s, the 30-year "post-industrial" policy shift, as enabling legislation was rammed through favoring the financial interests behind HMOs. In 1988, private insurance companies were granted the right to directly own and operate "managed care" health services, instead of to run them through "fronts" and subdivisions. Then, in the 1990s, a wave of mergers and takeovers occurred among the giants in "managed care," creating even bigger, new companies, making profits off the managed care system of limiting medical treatment, bullying medics, hospitals, and nurses, and courting new enrollees.

Executives and stockholders of HMOs have been making a killing—literally. One of the most egregious examples of HMOs reaping riches while the Grim Reaper grins, is Leonard Abramson, who calls himself just a "former Philadelphia pharmacist." Abramson is the head of US Healthcare, Inc., which merged earlier this year with Aetna, to create the third largest HMO in the nation.

In the early 1970s, Abramson became the vice president for corporate development at R.H. Medical, Inc., a small company that managed hospitals. Abramson devised practices

that were the forerunners of today's "managed care." Abramson left to start US Healthcare, Inc., with \$3 million in start-up money in the form of loans from the federal government. In 1981, Abramson discarded the non-profit status of US Healthcare, and in 1983, transformed it into a publicly traded company.

The results have been extremely lucrative for Abramson. US Healthcare became the fifth largest HMO, with nearly 1.8 million enrollees by January 1995; in 1995, it had \$380.6 million in profits on \$3.6 billion in revenue. The Sept. 22, 1995 *New York Post* reported that Abramson, founder and chairman of US Healthcare, was paid \$3.85 million in salary and bonuses in 1994, and by September 1995, held company stock options worth \$1.8 million and 1.88 million shares worth \$63.2 million. In addition, US Healthcare paid \$800,000 in salaries and bonuses to his two daughters and a son-in-law. One of Abramson's benefits was that the company paid the \$405,177 premium for his life insurance.

The same year, the U.S. government paid \$178.4 million to US Healthcare for its Medicare enrollees, and another \$62 million for Medicaid enrollees.

'US Healthcare is a bank'

One Wall Street analyst, who reviewed the financial position of the company, noted holdings of \$1.13 billion in liquid cash and short-term securities, and exclaimed, "US Healthcare is essentially a bank. They are a bank!" The analyst said that the company's 13.15% profit rate on \$2.876 billion in premium revenues was "three times the average for computers and peripherals, three times apparel, more than two times chemicals and mining and food."

According to the *Post*, Abramson was the sixth best paid HMO executive that year. The average cash and stock awards to top executives of the seven biggest for-profit HMOs, the *Post* calculated, was \$7 million in 1994. The eighth best paid HMO executive in 1994 was Steven Wiggins, founder and CEO of Oxford Health Plans, who was paid \$857,000 in salary and bonuses, and had \$35.5 million worth of stock options. He also held 1.372 million shares of Oxford, worth \$97.2 million.

In April 1996, it was announced that US Healthcare would merge with Aetna Health Plans, the 11th largest HMO, to become the third largest HMO, after the Blue Cross and Blue Shield system, and Kaiser Permanente. The payoff for Abramson is staggering—almost \$1 billion in cash and Aetna stock, one of the largest financial payoffs ever given an individual in a single transaction.

According to a July 19, 1996 filing with the Securities and Exchange Commission, Abramson holds 15.755 million shares of US Healthcare stock, each share of which Aetna will exchange for \$34.20 in cash; 0.2246 shares of Aetna common stock; 0.2246 rights to Aetna common; and 0.0749 shares of Aetna preferred C stock. At a market price on Oct. 7 of \$70 for Aetna common, and \$73 for Aetna preferred, Abramson will receive: \$247.66 million worth of Aetna com-

mon, \$86.14 million worth of Aetna preferred, and \$538.85 million in cash. Abramson will receive more, if Aetna's stock price goes up, and depending on what the value of the rights is.

Time magazine on April 15, 1996 reported that 14.5¢ of every dollar US Healthcare takes in goes to administration, and another 10.5¢ goes to profit, "an interesting contrast to the 2¢ of every Medicare dollar that goes to administrative costs." Thus, only 75¢ of every dollar paid to US Healthcare, actually goes for medical care.

But as HMOs reach the saturation point of signing up only healthy people, and more of their enrollees become elderly and require more costly care, profit margins are being squeezed. That makes Wall Street decidedly unhappy. In mid-September, Salomon Brothers advised clients: "We expect the HMO industry will undertake a number of steps to reduce the higher medical costs that have plagued the industry this year."

Expert Testimony

If nurses are fired, patients will die

The following testimony, by Laura Gasparis Vonfrolio, was delivered on Sept. 12, 1996 at a hearing of the Pennsylvania House of Representatives Committee on Health and Human Services. Vonfrolio has been a nurse for over 20 years, holding positions from staff nurse to tenured professor of nursing. She is currently editor of Revolution—The Journal of Nurse Empowerment, a national nursing journal, and travels throughout the United States lecturing to over 40,000 nurses annually. Vonfrolio made the testimony available to EIR, which we have excerpted below.

I am very concerned about the delivery of health care. It is said that when health care becomes a primary threat to quality patient care, advocacy by necessity must move from the bedside into the political arena. . . .

There is a redesigning in the delivery of health care in the name of profit. Hospitals are initiating a radical de-skilling of nursing, concealed under phrases such as "patient-driven health care," "patient-focussed care"—and giving unlicensed personnel titles such as "patient care assistants" and "patient care technicians." These are labels cleverly designed to give the appearance of improving care, when they in fact are about improving profitability.

Hospitals are restructuring, downsizing, rightsizing, in order to provide a cost-effective delivery of health care at the expense of patient safety. According to a June 1995 Hospital



Nurses demonstrate in Washington, D.C., May 10, 1996. "When health care becomes a primary threat to quality patient care," says Vonfrolio, "advocacy by necessity must move from the bedside into the political arena."

Council Survey, 85% of the CEO respondents indicated cost containment as the main reason to restructure. Within the hospital care setting, profit has consistently been given a higher priority than patient safety and quality of care as reported in an August 1996 study.

It is important to note that this redesign of patient care is *untested*.

Hospitals are relying on two strategies to cut costs: substitute cheaper labor for RNs [registered nurses], and increase their work responsibilities. Not long ago, it was common for RNs to constitute 90% of the hospital-based work force involved in direct patient care. Health-care institutions are reducing nurse staffing and altering their mix of nursing staff by utilizing smaller percentages of RNs, even when the care for more acutely ill patients with fragile conditions requires more hours of professional nursing care.

Nursing care can quite literally mean the difference between life and death. This is well documented by Dr. Prescott's study, along with a considerable amount of literature on nurses' impact on hospital mortality rates. Hospitals with a higher proportion of RNs had lower mortality rates, in addition to shorter length of stay and decreased cost in care.

Replacing licensed registered nurses with unlicensed personnel is dangerous, and results in an increase in patient complications, infections, readmissions, and death. This is documented with a multitude of studies.

In a May 1996 study by *Revolution—The Journal of Nurse Empowerment*, 74% of those surveyed indicated that their hospitals have replaced RNs with unlicensed personnel; 90% indicated that the decrease in the number of RNs at the bedside

resulted in a decrease in the quality of care; 46% indicated that they saw an increase in patient readmissions; 72% indicated an increase in incident reports of errors and patient accidents; 64% indicated an increase in infection rate.

And a July 1996 *American Journal of Nursing* 1996 Survey showed that there has been a 42% increase in patient complications, a 37% increase in medication errors, a 22% increase in patient injuries, and 57% felt that nursing care was not up to their professional standards.

Outline of current problems

1. The inappropriate use of unlicensed assistive personnel [UAP], and inadequate training given to individuals;
2. Insufficient levels of RN staffing to provide safe care and oversight for unlicensed personnel;
3. Cross-training of inappropriate and ill-prepared people;
4. The use of float nurses with insufficient orientation;
5. Inadequate patient assessment;
6. Mandatory overtime and increased workload and responsibilities of RNs; and
7. Medication errors, which will increase by replacing RNs with unlicensed personnel. In December 1994, the *Journal of the American Medical Association*, in an article by Dr. Leape, states that approximately 180,000 patients die each year from iatrogenic injury, the equivalent of three jumbo jet crashes every two days.

While we are on the subject of airplanes, would you board a jet if you knew that the highly trained and educated mechanics were replaced by unlicensed personnel with only 2-3 weeks training? . . .

Then why would we expect patients to enter into a hospital that had replaced their licensed, registered, professional, and educated nurses with unlicensed personnel? A hospital, an environment full of sophisticated equipment, complex monitoring devices, potent life-sustaining medications—and unlicensed personnel to care for patients.

Nurses have/had the ability to always evaluate a patient in comparison to how they were ten minutes ago, one hour ago, two hours ago. Nurses make decisions, minute-to-minute decisions, that are life-saving.

... Probably the one activity nurses do better than any other profession is monitoring. Monitoring means to post a vigilance, a constant surveillance. ... Fragmentation of care does not allow nurses to do this critical assessment—fragmentation caused by replacing RNs with unlicensed personnel. ...

Nurses are uniquely capable of combining all the complex elements that contribute to healing. Nursing care is a powerful force in helping patients get well. I don't know of any profession where one can so deeply walk into another person's life and potentially make a difference; it is such a privilege. Don't take that away from us, don't take that away from our patients. ...

Cost-cutting administrators are replacing nurses with individuals with no training and expertise in caring for the sick. They think a less expensive worker could do the job, when it is well documented ... that an all-RN staff in an acute care setting is the safest and most cost-effective nursing care delivery model.

Linda Aiken (1994) found that mortality rates among elderly patients were lower in hospitals that placed a high priority on nursing care. ...

The clinical evidence: Philadelphia

The following information was called into my office from nurses employed in Philadelphia hospitals:

Medical College of Pennsylvania and Hahnemann Hospital, which are owned by Allegheny University Hospitals Center (reported \$1.7 billion in assets): Fifty-six nurses complained of severely short staffing: an 18-bed stepdown unit with only two RNs, compromising and jeopardizing patient care. Patient receiving medication which was shut off by RN due to reaction. Techs turned it back on. Patient suffered kidney damage.

Lankenau Hospital: Twenty-one nurses complained of severe shortage of RNs. Hospital has replaced RNs with techs. Last week, a 52-year-old woman died due to lack of licensed personnel. Techs were observed improperly suctioning, drawing blood, speaking incorrectly to families. Patient admitted from ER [Emergency Room] after accident with possible concussion and to be closely observed. Initial RN assessment: patient oriented. UAP reports to one RN on a 40-bed unit. Patient is disoriented. Six hours later, patient [is in] severe distress, with cardiac tamponade. UAP reported throughout night that patient was okay.

Krozer Chester Hospital: Forty nurses called regarding the unsafe patient environment and unbearable nurse-patient ratios. Hospital poorly staffed. The hospital has replaced RNs with techs. C-sections [caesarean births] now have orderlies instead of RNs in the surgical suite to assist. It is important to note that patients that required emergency C-sections are the sickest, in a very life-threatening situation. The surgical step-down unit has an 8:1 ratio with only three days of orientation. The practice of floating nurses to areas foreign to practice is common.

Misericordia Hospital: Twelve nurses called. Replacing RNs with techs, and care is being compromised. RNs are stretched to the limit with IVs, meds, orders. No time to check what techs are doing, yet accountable for nursing care being delivered or delegated. A cross-trained UAP trained to record hemodynamic parameter from a swan ganz catheter, failed to report that the catheter was in a wedge position. Patient develops pulmonary infarction. This UAP (post-dietary person) received two weeks' orientation to the critical care setting, whereas an RN has two to four years of college, and six weeks of orientation requiring the RN to pass six competencies before practicing. Substituting quality training and education with a crash course results in patient deaths.

Temple University Hospital: Twenty-four nurses called. Dangerous conditions. Floating nurses to units foreign to specialty. Cardiothoracic telemetry (post-open heart unit), one nurse for 11 patients and very unsafe. Use of UAP to collect data, i.e., breath sounds, vital signs, and report abnormalities to RN. Patient with hip fracture developed subjective SOB. UAP reported findings and imparted a low degree of urgency. Patient arrested and expired due to fat embolus.

St. Marys Hospital: Eight nurses called. Very limited staff and unable to supervise techs. A tech thought the umbilical cord was intestines. Mother was hysterical and thought the tech was a nurse.

Pennsylvania Hospital: Twenty-six nurses called, stating that hospital is short staffed, for example, 9:1 ratio stepdown unit. Heavy medical floor with much direct total care needed. Unsafe, patients falling getting out of bed, basic needs are not being met, greater skin breakdown, more potential for med errors, labs are being missed, increased danger of patients with critical problems and no time for emotional support for patients.

Presbyterian Hospital: Eighteen nurses called in with complaints of severe compromise in patient care.

North Eastern Hospital: Eight nurses called. Floating to areas foreign to practice common.

Roxborough Hospital: Seven nurses called. Very unsafe nurse-patient ratios, one RN for seven patients in step-down unit.

Vencor Hospital: Ten nurses called. Deplorable, unsafe conditions. Seventy percent of patients are on ventilation with a 6:1 ratio.

Albert Einstein Hospital: Thirty nurses called to report replacement of RNs with techs and unsafe patient conditions.

Mercy Hanover Hospital: Six nurses called to report unsafe patient conditions. ICU [intensive care unit] 4:1 ratios. Floating floor nurses into ICU. Two deaths due to inadequate staffing in one week.

Germantown Hospital: Sixteen nurses called in to report deplorable and unsafe patient environment with a 1:12 ratio on Med Surgery and Telemetry floor, and replacement of RNs with unlicensed personnel. Also a 1:8 ratio stepdown. Severe increase [in] infection rates. Diabetic patient: cross-trained UAP puts sugar on tray even though tray was clearly marked diabetic diet. UAP does acucheck; clearly not enough blood on pad, reading 80. Nurse rechecks blood sugar: 296.

Graduate Hospital: Fourteen nurses called to report a severe compromise in patient care with a 1:4 ratio in CCU [cardiac care unit] and a 1:7 ratio in cardiac stepdown unit.

Methodist Hospital: Eighteen nurses called regarding unsafe patient environment with a 1:10 ratio on telemetry unit. Clerks are taking a training course in patient care.

Solutions

I recommend to the health committee the following measures:

1. Return to established nurse-patient ratios.
2. Make nurse-patient ratios available to the public.
3. Make mortality and complications rates available to the public.
4. Make staffing mix available to the public.
5. Protect nurses who speak out about unsafe conditions.

The patient population in the hospital is far more ill than five years ago. Nurses can no longer count on finding numbers of easier or self-care patients whose reduced needs allow staff to concentrate on the needs of more acute patients. Nurses find that all of their patients are acute and in need of a great deal of care and close monitoring.

Based on these trends, the health care needs of the American people require more nurses to be available to provide high quality, cost-effective health care services.

There are not enough registered nurses providing direct care to patients, as a result of workplace redesign schemes that have intentionally limited the numbers and percentages of RNs utilized to deliver patient care, in a misdirected effort by institutions to save money.

The current bedside shortage is the result of short-sighted attempts to cut immediate costs as hospitals continue to cry poor despite their growing profitability.

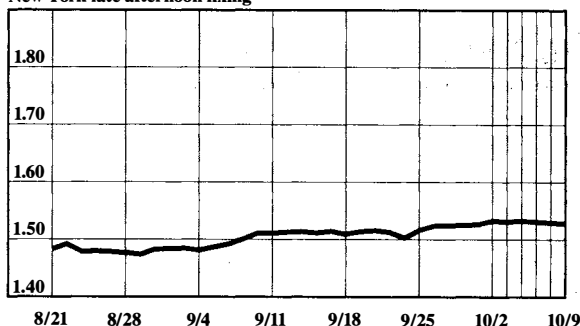
I believe that this trend toward decreased use of professional nursing staff poses a grave threat to the health and safety of the American people.

The hospitals are not neutral parties and should not be setting the parameters of this inquiry. It is the legislature, with advice from reliable, unbiased sources, that should be pursuing the facts in this situation and weighing them in a dispassionate manner for the greater benefit of their citizens.

Currency Rates

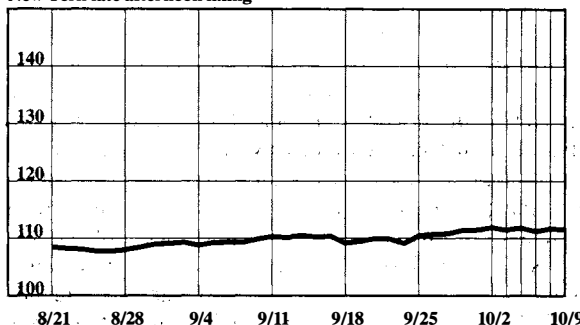
The dollar in deutschemarks

New York late afternoon fixing



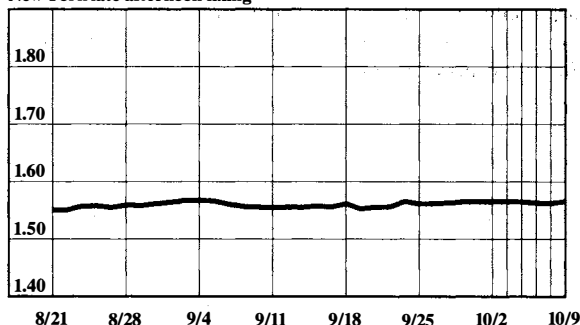
The dollar in yen

New York late afternoon fixing



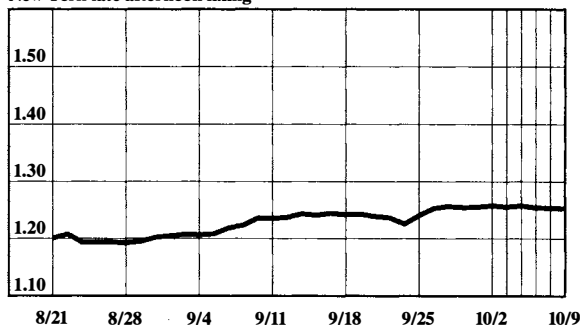
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



On the doorstep of a 'maglev century'

The vision of a European-wide grid of maglev trains is beginning to take shape.

When Transport Minister Matthias Wissmann leaves Bonn on Oct. 23 for a one-week trip to Malaysia and Thailand, proposals for the German maglev train, the Transrapid, to serve as the planned future high-speed rail lines there, are on his agenda. For example, the envisioned project of a high-speed rail connection between the Thai capital, Bangkok, and the southern industrial region of Rayong, has been portrayed by German and Thai transportation experts as "ideal" for maglev trains, which can run at speeds of 400-500 kilometers per hour.

Talks between Germany and Thailand are still at a relatively early stage, and the two nations are far from signing a contract for the project. But the fact that a German cabinet minister is officially proposing a maglev project, is something that is already extremely positive, if seen against the background of almost 30 years of painstaking and mostly fruitless debate in Germany about the usefulness of a maglev train system.

Only in the last two years has progress for this revolutionary transportation technology become visible, when the government finally gave the official go-ahead to build the long-discussed first maglev line between Hamburg and Berlin (the two biggest cities in Germany). Construction on the Hamburg-Berlin route is to begin in the spring of 1998 at the latest, and the 285-kilometer line is scheduled to be completed by the year 2005.

When the parliament passed the last elements of the legislation for the project in the spring of this year, the government also adopted a more ag-

gressive approach in promoting maglev technology overseas. It began to advertise it in diplomatic meetings with other governments, including Chile, Brazil, China, and, most recently, the Netherlands.

The Dutch broadened the perspective of the maglev project beyond the envisioned Hamburg-Berlin route. In July, the Transport Ministry of the Netherlands signalled interest in a maglev connection from Amsterdam to Hamburg, based on the Transrapid technology. This would turn the Hamburg-Berlin line, which now stands as an isolated pilot project, into something that comes closer to an actual maglev grid, by cutting through almost the entire north of Western Europe.

A more detailed proposal and feasibility study will be presented in the Dutch parliament in November, and by the spring of 1997, it is expected that the parliament and government will decide on the project. An extension of that line from Amsterdam to Rotterdam, Europe's biggest seaport, is under discussion in the Netherlands.

Reports about this Dutch maglev perspective filled the pages of the German press during July and August. In early September, a new element was brought into the discussion, when the minister of economic affairs in the city-state of Hamburg, Erhard Rittershaus, called for a continental European maglev grid, which would connect some of the biggest cities of the continent, from the Atlantic coast all the way to Moscow. He proposed, in addition to the cities of Berlin, Hamburg, Amsterdam, and Rotterdam, which have been named in the discussion,

that Copenhagen, Warsaw, Minsk, Moscow, Prague, Vienna, Budapest, Munich, and Milan also be incorporated into a future, trans-European maglev grid.

The average travelling time on this grid sometime in the first decade of the next century would be reduced by almost 50%, as compared to Europe's present-day conventional high-speed trains: A maglev train ride from Berlin to Moscow would take five hours; from Berlin to Milan via Prague, three hours; from Copenhagen to Budapest, four and a half hours; and from Moscow to Amsterdam, seven and a half hours.

This proposed maglev grid, which closely resembles the proposal made by Lyndon LaRouche in late 1988 for a trans-continental maglev-based infrastructure grid, was outlined in a map in a special report published by the *Hamburger Abendblatt* daily, on Sept. 10. Since then, it has been referred to in a number of public statements and press articles also in Berlin, where experts are discussing where the best location is in that city, from which the Transrapid could be extended to other cities, sometime early in the next century.

The most feasible perspective which is being worked on now, by experts of the Berlin Senate and the German Ministry of Transportation, is for a special maglev tube in the planned new huge central train station at Lehrter Bahnhof, the traditional station in the heart of Berlin which was destroyed at the end of World War II and has never been rebuilt.

From there, cities on a route stretching toward southeastern Europe, including Dresden, Prague, Vienna, and Budapest, and, in eastern Europe, including Warsaw, Minsk, and Moscow, could be reached in, at most, one and a half hours from one city to another.

Business Briefs

Poland

Indictment focusses election on economy

Janusz Lewandowski, Poland's privatization minister during 1991-93, was indicted on Oct. 1 by the Krakow prosecutor, *Omri* reported. Lewandowski was charged with failing to sell the Krakchemia and Techma firms to the highest bidders, which cost the Polish government 2.4 million zloty (\$1 million). Lewandowski, now a deputy for the opposition Freedom Union, called the charges "untrue and absurd."

Various opposition parties, which oppose the present privatization process, have been trying to impeach former privatization ministers as well as the present one, Wladyslaw Kaczmarek, for selling off Polish industries and banks. The suit against Lewandowski was filed in 1992, but, till now, the political apparatus stalled the procedures.

One Sejm (parliament) deputy commented that the SLD (post-communist party), which is now in power, decided to allow Lewandowski's prosecution in order to divert attention from its own privatization policies, which are as damaging as those of 1991. Nevertheless, the indictment is good news, because it focusses the election campaign (which has already started, effectively) on the economy, not on side issues.

Infrastructure

Turin-Lyons TGV pushed by Italians, not Chirac

A Naples-Turin-Lyons high-speed TGV rail line would create 250,000 jobs on the Italian side alone, according to Italy's High-Speed Committee, the Paris daily *Figaro Economie* reported on Oct. 2. However, the policies of French President Jacques Chirac are stopping investment. Bruno Bottiglieri, secretary general of the committee, said, "In 1990, it was the [French national railway] SNCF which was pushing us to build the Turin-Lyons link . . . but, over the last 18 months, the French railroads have given us the impression that they are no longer committed"

to the project. Chirac has been in power for 18 months.

The engineering involves a 54-kilometer tunnel under the Maurienne, a region in the Alps. The present tunnels will be at capacity by the year 2000. Committee president Sergio Pininfarina commented: "Were the Turin-Lyons line not to be built now . . . France itself would become less important within the European high-speed network, by cutting itself off from a region as productive and technologically advanced as northern Italy." Some 25% of all Italian exports go to France, and 17% of French exports go to Italy, a volume rising by 4% a year.

On Oct. 2, the Paris tabloid *Le Parisien Libéré* was critical of the government's announcement the day before, that 2,300 km of new TGV lines which were to be built under the 1992 directives, will be scrapped, because, in the transport minister's words, "new estimates show that profitability will be significantly lower." Only the Mediterranean TGV is now in the cards. The paper concludes: "The Germans have just thrown 240 million francs into their rail program . . . because the Germans work for the long term, fearing a breakdown of the road system by 2020. That thoroughgoing vision, unfortunately, is not the kind of thing that France has on its mind at present."

South Asia

Nepal-India treaty paves way for hydropower plan

On Sept. 20, Nepal's Parliament approved a treaty with India signed last February, which involves cooperation in water resources, including construction of a 6,480-megawatt Pancheshwar project, Xinhua news agency reported. Nepali Water Resources Minister Pashupati, in a Sept. 30 press conference, said that the integrated development of the Mahakali River opens a new dimension for the economic development of Nepal through harnessing its vast water resources.

The project on the Mahakali River along Nepal's western border with India will be constructed on an equitable cost- and benefit-sharing basis. Construction of the project, including a 315-meter-high dam, is expected

to start by 2000, at an estimated cost of about \$10 billion.

According to a spokesman, Nepal and India will soon begin to prepare a detailed report on the Pancheshwar project, and will jointly raise the funds for the project. He said that the Nepali government has plans to attract foreign private investment for the project, which will help upgrade the country's economic growth significantly.

Power demand in Nepal, which is around 300 MW at present, is expected to double within 10 years, according to Water Resources Ministry estimates. Nepal intends to export its power-share from the project to India, which faces an acute power-supply deficit in the future, and sees the border river project as a high priority of its power development.

Banking

German S&L head attacks 'Anglo-Saxon' approach

Horst Koehler, president of the German savings and loan banks, called upon the government, banks, and industry "to search for a German way in solving the problems" of globalization, in a press conference during the International Monetary Fund gathering in Washington in September. Some big banks and industry are simply taking over "Anglo-Saxon standards," in particular the orientation toward "short-term profits," and such practices will have "devastating consequences for the crucial part of Germany's medium-sized business," which is tied to the S&L sector, he warned.

Koehler emphasized that, in today's clashes over labor costs and public expenditures, Germany "will only be able to manage the task of globalization as a social state." He pointed to the fact that, because of globalization, big banks and industry are essentially no longer paying taxes to the German state. Over 1992-95, the tax payments of big banks collapsed from DM 2 billion (\$1.25 billion) to DM 0.8 billion, while the tax payments of smaller banks and S&Ls sharply increased. In 1995, the total balance sheet volume of the big banks was more or less equivalent to that of all S&Ls. However, the

S&Ls paid ten times more taxes than the big banks.

In respect to financial markets, Koehler stated that the "aggressive hunt for high yields" has increased risk, and has driven the financial sector "into speculative waters." According to estimates, he said, the global derivatives markets are expanding 40% each year. This increases the decoupling of financial markets from the real economy. As a result, some of the recent disasters, for example, the Barings collapse, "in effect had the potential of initiating a systemic crisis."

Agriculture

Chinese scientists urged to promote research

Wen Jiabao, an alternate member of the Political Bureau and a member of the Secretariat of the Chinese Communist Party Central Committee, called on Chinese scientists to strengthen agricultural-science research in order to speed up development, at a conference marking the 10th anniversary of the Spark Program, Xinhua news agency reported in September. The Spark Program was launched in 1986 to popularize agricultural technology in the countryside—China's first plan to encourage economic development in rural areas with the help of science and technology.

Wen said that agro-science research is the basis for agricultural development, and the key to success in agricultural modernization is to promote technology in rural areas. He said that rapid development could not be achieved without major research breakthroughs and development of new and advanced technologies. He urged scientists to solve major problems in agricultural production, such as development of quality seeds and prevention of plant diseases.

Song Jian, minister of the State Science and Technology Commission, said that changing the agricultural and rural economic development mode, promoting the rural economy with the help of science and technology, and improving the skills of farmers are very difficult tasks. He called for industrialization of agricultural development, and

promoting a moderately scaled rural economy.

President Jiang Zemin described the Spark Program as a great invention by the country's science and technology circle, and a great tool to help farmers overcome superstition and poverty, in a meeting with conference delegates.

Finance

China, Japan 'reduce exposure' to dollar

Rather than open further to London-International Monetary Fund "globalization," China and Japan are now quietly "reducing the exposure" of their banks to the dollar world financial system, an Asian banker, in Washington for the IMF meeting, told *EIR* on Sept. 30. "We can't rule out another Barings or Mexico-type crisis of the whole system, and we don't want our banks at risk," he said.

"For example, China's domestic banking system has grown enormously in the last years," he said, "and the Chinese central bank is very concerned to protect it from shocks in the foreign dollar sector. Domestic deposits by private individuals in Chinese banks, which used to be tiny, have grown from \$100 billion in 1993, to over \$420 billion this June. Also, as in Japan, a lot of that money was loaned to China's real estate boom, and now about \$80 billion of it is bad loans, so the authorities must take care. . . .

"Thus, when the U.S. and British banks demand to be allowed in, to take some of those huge deposits in Chinese money, the central bank will never agree. That's why Chinese Trade Minister Wu Yi told [U.S. Commerce Secretary] Mickey Kantor Sept. 28 that China won't give in to the conditionalities demanded by the World Trade Organization."

"Japan is doing the same thing," he went on. "The Ministry of Finance decided after the Barings and Mexico crises, to pull Japanese banks, especially weaker ones, out of the Eurodollar markets. And quite frankly, the Japanese banks . . . took fine advantage of the Daiwa, Sumitomo, and other scandals to do so."

Briefly

JAPANESE banks, including Sakura Bank, Daiwa Bank, Sanwa Bank, Asahi Bank, and eight others, said Oct. 1 that they will forgive \$15.3 billion worth of loans they had extended to Japan's failed *jusen* mortgage firms. The banks claimed that they will have enough profits overall to avoid large net losses on earnings.

THAILAND will get a \$1 billion loan from Japan to help relieve traffic congestion in Bangkok, Kyodo news service reported Sept. 27. The 25-year, 2.7% loan will fund 244 kilometers of railway track renewal, construction of an expressway, and a second international airport. Thai officials estimate that rush-hour traffic moves at eight kilometers per hour, causing losses equal to 2.5% of GDP.

NIGERIA and Turkey are strengthening commercial ties, including in rail, energy, telecommunications, and tourism. Turkey's Prime Minister Necmettin Erbakan's arrived in Lagos, Nigeria, on Oct. 6, with a 250-man team including executives of several Turkish firms, wires reported.

FRANCE AND IRAN have agreed to expand relations, including in trade, Iranian Foreign Minister Ali Akbar Velayati told the Swiss daily *Neue Zürcher Zeitung* Oct. 5. Velayati mentioned "promising talks" with French oil firms, and said that contracts with Peugeot and some electronics firms have been signed.

CHINA will host a one-day conference in Hongkong in November, entitled "Realizing China's Potential: World-Class Models for Infrastructure Development," Xinhua reported Sept. 26. It is being jointly organized by the Hongkong Trade Development Council and the Massachusetts Institute of Technology.

UGANDA has been hit with strikes since President Yoweri Museveni imposed a new 17% value added tax on Sept. 30. Consumer prices have skyrocketed, and traders say that the information provided by Museveni about the tax was all lies.

Time to destroy the mythology of Bonapartism

by Jacques Cheminade

At a summer cadre school sponsored by the Schiller Institute in Oberwesel, Germany on July 27, Lyndon LaRouche called for an international campaign to destroy the new Franco-British “Entente Cordiale”—or better, the “Entente Bestiale.” The British oligarchy, with the willing support of French President Jacques Chirac, is out to destroy the nation-states of the world, particularly the United States, and to impose a UN world government. In order to stop this, it is necessary to examine how it could happen that France, the birthplace of the nation-state, has come to this pass.

Jacques Cheminade’s speech at the cadre school on July 28 presented an historical analysis of Bonapartism, under the title “The Entente Cordiale: From the Pagan Empire of Napoleon I to the Bonapartist Sellout.” We publish an edited transcript below. Cheminade, who ran for the Presidency of France in 1995, is a longtime associate of LaRouche. He has been subjected to a vicious judicial railroad by the corrupt French elites (see EIR, May 31, 1996, “Chirac Forges New ‘Entente Cordiale’ with the British,” and June 21, 1996, “The Strategic Gambits behind France’s ‘Cheminade Case,’ 1990-91”).

A lesson in statecraft

Why is it not only necessary, but mandatory, to call your attention to the historical case of Napoleon Bonaparte?

First, because the British-French “Entente Cordiale” is, today, the main threat to world history, and my purpose is to show you how it grew out of the ashes of the French nation-state, Louis XI’s nation-state, the first nation-state ever. And it is Napoleon who burned the French state to ashes, and his degenerate brothers and descendants, his *famiglia*, who sold whatever they had to the British. If you want to understand the process of the Entente Cordiale, you have to understand the rise and fall of Napoleon. If you don’t get angry about what happened, about what went wrong, in the past, you are not going to intervene into the present.

Second, and more broadly, there is, at present, a move to re-establish the *empire* concept, moving from hard geopolitics to soft, nostalgia-ridden soap operas, and to destroy the nation-state, in particular the last and weakened nation-state, the United States of America. Napoleon, in his time, accomplished a similar type of destruction; therefore, we have to learn the lesson of how and why it happened.

Let's look back at the period of 1770-1780s: It was a time of hope. The system of oligarchism was going to come to an end. The American Revolution was won, the "Big One," the French Revolution, was in the works, and there was a worldwide network of republicans, actively coordinating their plans, from the United States, to France, to Russia, to Ireland, to Prussia, to India—the emergence of a new, more just axiomatic order, from Tippoo Sahib to Washington to the circles of Lafayette in France. Nevertheless, this great humanist design, as a universal one, failed.

Why? Why? Because things that too many of us brush aside, for pragmatic reasons, are precisely what bring doom upon us and determine history. Look at the Ibero-American generals, look at General Lebed, even Charles de Gaulle: all admirers of Napoleon, all admiring what is against the best part of them, a fake *grandeur* which is the opposite of real *grandeur*.

Why? Why? Why did French republicans allow insane Jacobins to run the French Revolution, and then Napoleon to take over as Emperor? Why, today, is the United States allied with the British and French governments, the which are the worst enemies of the United States?

The answer, to which I will try to make a contribution here, is that we have to learn the epistemology and history of European civilization and of Universal History, as Friedrich Schiller advised us to do, instead of falling prey to our rage, or to delusions directed against the wrong targets. We have to learn, clinically, how a nation-state can be destroyed—France was the first case in history—and how an individual, in this case Napoleon, can be brought to madness, the utter madness of self-destruction. You cannot fight the British order, the oligarchical order, the Venetian "visions," if you don't break with their mental control.

Their old recipes are: Divide and conquer, create false issues, and arouse people's petty passions, passions for their own soap-operas and fairy tales. In that sense, let me give you an inter-



FIGURE 1
Napoleon as a
Roman Emperor.

esting lead: Napoleon's history is, itself, a fairy tale, created in part—its mythology—to misdirect. Fake *grandeur*, fake epics, true death cult. There is some truth in the famous cynical British pamphlet, proving that, in terms of formal logic, Napoleon could never have existed, being far too mythological to be true. So let us, therefore, not focus so much on the person of the Emperor, as on the context that created the Empire, that allowed such a sickening disease.

Let's look at ourselves in the mirror of Napoleon's misdeeds, following his tale, "full of sound and fury," to see how he could fall into an absolute cultural pessimism, find enemies in everybody, and jump at everyone's throats, instead of focussing on the destruction of Great Britain, through an alliance with the America of the Founding Fathers.

My purpose is to use the mirror of that history, to teach a lesson of statecraft that is not only relevant today, but mandatory for us to become self-conscious of what we are, of what has produced us, and to escape from the deadly grip of the mythologies, of the imperial families haunting their Olympuses.

Figure 1 is the core of the mythology: Napoleon as a Roman Emperor—or maybe an Olympic Games gold medal winner—painted by professional ass-licker Gérard, the painting having managed to make its way into the Versailles Palace, the monument of Napoleon's twin Roman

*L'ogre Corse s'eat qui nous sommes,
Cherchant toujours nouvelle exploit:
Mangea par un deux cent mille hommes,
Et va partout: chassé des Rois.*



FIGURE 2 The Corsican ogre devours Europe.

brother, Louis XIV. Now let's look at the truth (Figure 2), captured in quite a Rabelaisian way in this drawing: The Corsican ogre Napoleon eats, at once, 200,000 men; he farts and shits turd-kings. These are the "turds": first the closest ones (Figure 3), products of his first wife Josephine's marriage with West Indies slave-holder Alexandre de Beauharnais. Eugène, viceroy of Italy, married to a princess of Bavaria, and sweet Hortense, married to Napoleon's brother Louis, king of Holland and overcome by syphilis, mentally and physically. It is this "marriage" that produced (Figure 4) Louis-Napoleon III (The Turd), Emperor from 1851 to the tragicomic disaster of Sedan, in 1870.

You have here the whole Napoleon family. Five comments have to be made:

1. Indeed, he shat kings and queens everywhere, even if his own son—l' Aiglon, the Eaglet—died at a very young age. For sure, he took care of his *famiglia*, like a good mafia boss.

2. The origins of the family: 100% Genoese-Venetian. On the side of the father, Charles-Marie Buonaparte, Genoese: Either the family was from Pisa, and protected by the Genoese, or from a Greek family, coming from Greece ca. 1670, and also protected by the Genoese. On the mother's side: his maternal grandmother was a Pietransanta, a Genoese family. Remember, that when asked what part of the family she owned, the Genoese Princess Pallavicini answered: "*La buona parte.*"

3. We notice two main connections as time goes on: the American connection, in the banking-plantation networks of the South (Figure 5), with a particular taste for Charleston and New Orleans—filibusters, slave-herders, and moneybags—and the British connection, notably on the side of Lucien and Louis-Napoleon, later Napoleon III.

4. A lead, through Lucien's descendants, to today's Prince Philip, a Battenberg.

5. A lead through Prince Jerome Bonaparte to Charles-Joseph Bonaparte, U.S. Attorney General in Theodore Roosevelt's Presidency, and founding father of the FBI.

"*Un goût très sûr pour le pire*"—"an irrepressible taste for the worst"—"as perverse oligarchs would enjoy saying.

Let me now, to make the point, quote Princess Marie Bonaparte, a leading psychoanalyst, and sponsor of, and moneybag for, Sigmund Freud, from Lucien's branch of the tree: "I did love assassins, they looked attractive to me. Was

FIGURE 3

Family tree of Napoleon I

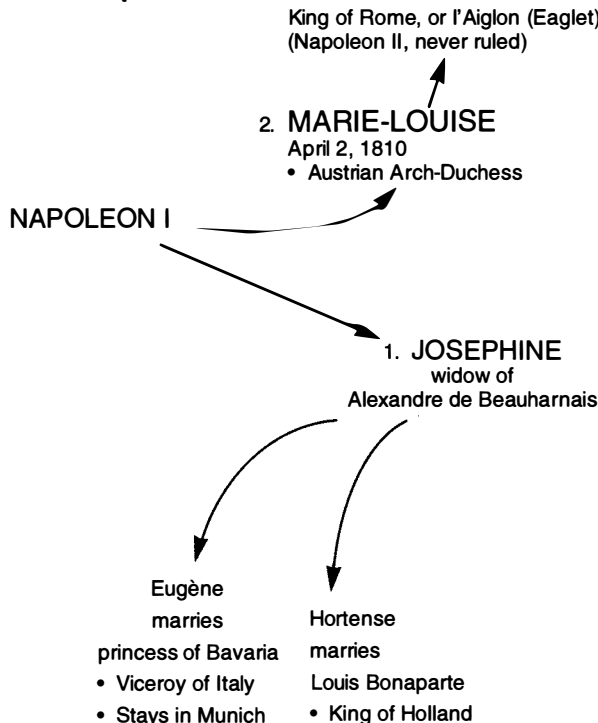


FIGURE 4

Family tree of Charles-Marie Buonaparte

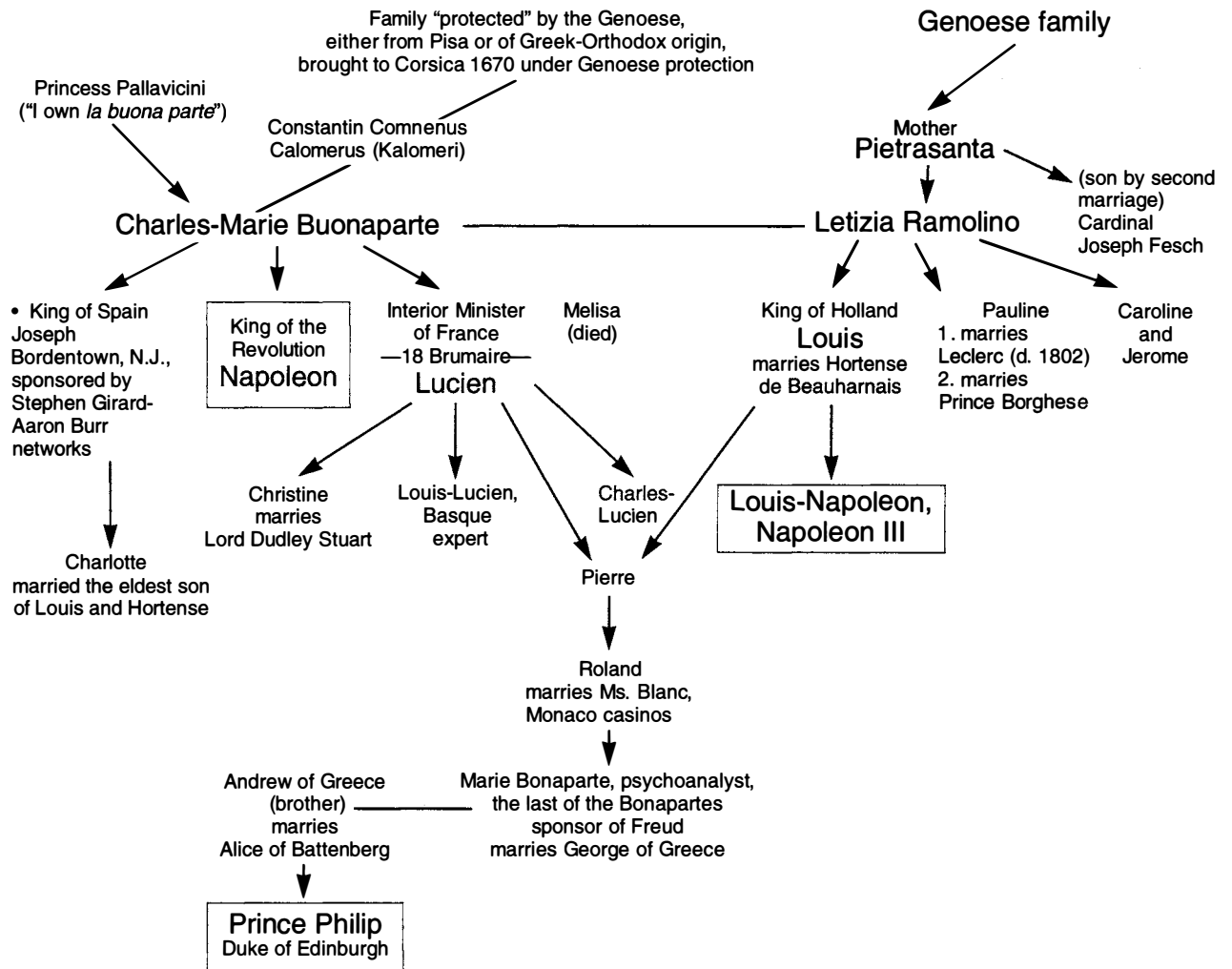


FIGURE 5

Bonaparte family tree: Caroline and Jerome

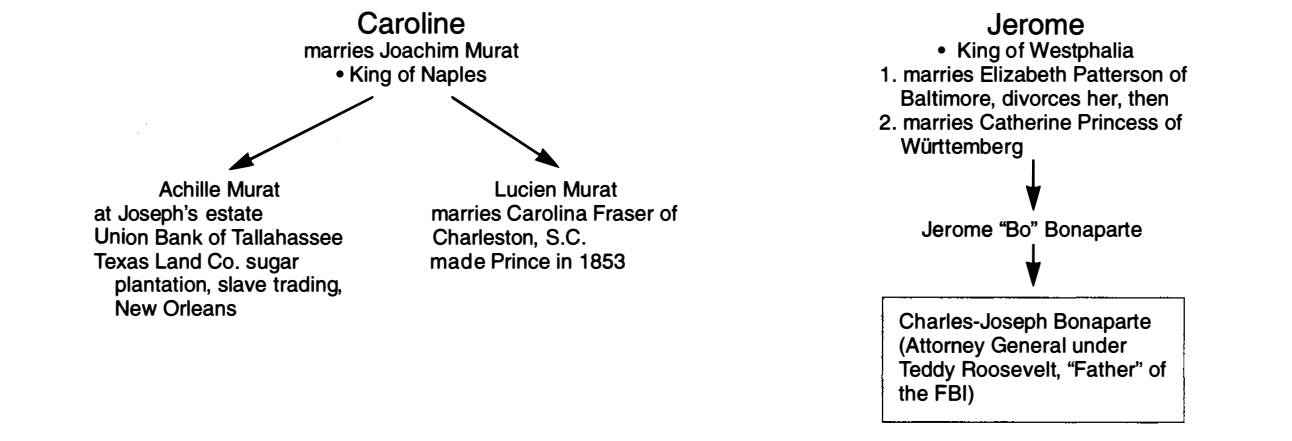
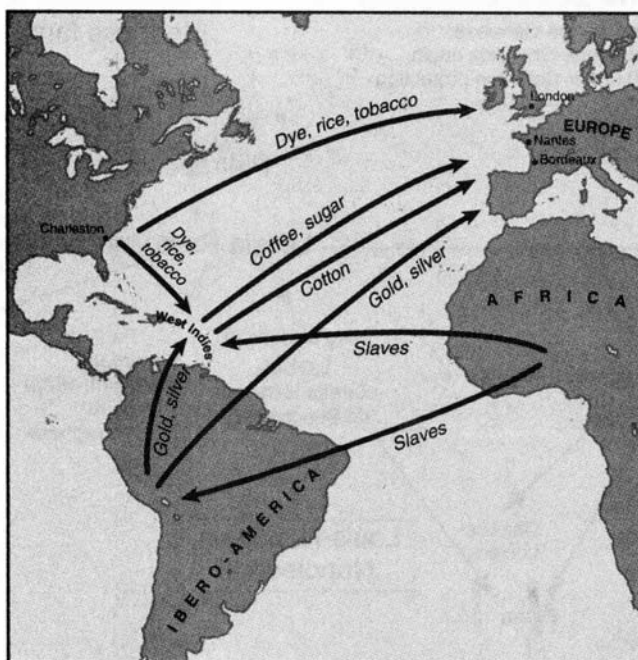


FIGURE 6

The oligarchical network of trade and money



not my grandfather Pierre one of them, when he killed a journalist, Victor Noir? And my great-great uncle, Napoleon, what a monumental assassin!"

The night of the living dead? Well, a good approximation of it: Marie Bonaparte—the last of the Bonapartes—was an “absolute atheist,” “fascinated by death,” who had frequently discussed that point, with a brilliant young African man brought to her by Bronislaw Malinowski, the very famous British-Polish anthropologist, linked to the Tavistock Institute. His name was Jomo Kenyatta, head of the Mau Mau movement.

Let’s now go to a deeper level of truth: What was the basis for the existence and fortune of this nest of vipers? Well, this is it (Figure 6): triangular and quadrangular trade, slave and colonial trade, the oligarchical network of trade and money. To put it simply, the looting of Africa and the two Americas (Figure 7), against which the revolutions in the Americas were fought! This was the ideological and financial cradle in which the political Napoleon was born, to which, as a young man and probably half-honest revolutionary, he sold his soul, or whatever soul he still had left.

Figure 8 shows the exact opposite combina-

tion of forces to those humanist forces we talked about at the beginning, from India, the Americas, and the European revolutionaries.

All the king-turds and queen-turds farted by Napoleon were the product of this sellout of a young revolutionary, who became a pirate for the oligarchs. Let’s look at something funny, to give you an idea (Figure 9). This is the true self of Napoleon, a lackey of Paul Barras, the dirty financier who ousted Lazare Carnot and his faction from power in 1797, after Thermidor.¹ Napoleon is watching Josephine and Mme. Tallien dancing naked for Barras. Mme. Tallien was a Venetian prostitute, so influential that her nickname was “Our lady of Thermidor.” Josephine, also Barras’s mistress, was given to Napoleon as a wife, and he accepted the gift. There he is, his true self: a little Peeping Tom, enraged and obsessive, fully dominated by his erotic impulses.

Let’s go back to the legend.

You have first (Figure 10) the great Napoleon crossing the Alps, during the second Italian campaign, in 1800, painted by professional ass-licker Jacques-Louis David. Look at the rocks under the horse: We are far from Barras’s boudoir; the names we can read are: Bonaparte, Annibal [Hannibal], Karolus Magnus [Charlemagne], Chapeau. Next comes the follow-up of the story: “The Shadows of French Warriors Lead to Odin,” by Girodet—another professional ass-licker (Figure 11). This is inspired by Ossian’s legend, the fake concoction of the Scottish oligarch MacPherson, in 1760, who did more for romantic irrationality than anything else. The French rooster chases away the Austrian eagle, but this is a paradise for the dead warriors, mainly blond ones. Let’s look more carefully at the warriors: Desaix, Kleber, Marceau, and Hoche—all brilliant, young, and determined revolutionaries, who died at the right moment, in various ways, to open the way for Napoleon.

Now, let’s see the result of the continued wars of the Empire, against anybody and everybody, to plunder, plunder, and plunder. The legend becomes dark (Figures 12 and 13): It is estimated that more than 500,000 Frenchmen died in those wars, and probably at least four times more foreign mercenaries, enlisted by force in the French armies. It was common, in those

1. See Dino de Paoli, “Lazare Carnot’s Grand Strategy for Political Victory,” *EIR*, Sept. 20, 1996.



FIGURE 7
Looting of the colonial Americas

times, to portray Napoleon as a cannibal (Figure 14). Look at the sky: the war against Spain, the campaign against Moscow. Let me add that in the campaign in Russia, out of the 500,000 soldiers enlisted, fewer than 80,000 were French. So much for the “popular armies” of the empire! But Napoleon was not only involved in military expeditions; in Figure 15 he is shown selecting paintings to be looted and brought to France, like a vulgar Dr. Goebbels or Dr. Göring. The general on his horse, and the little man stealing paintings: the outer image and the inner self.

But was Napoleon, at least, a courageous man and a great general? He was certainly a brilliant commander in the field—a field tactician; but all his inspiration was taken from Carnot and the brilliant Guibert. Nothing was original with him.

Let’s now look at the first wars against Italy, in 1796-97, that made his fame and fortune. The weakness of the adversary Napoleon faces is much more impressive than his own force—as was usually the case, until the Russian campaign.

Listen to Bismarck: “The Austrian Army was invented to allow the French to win all their battles.”

Indeed, it was to the astonishment of many, that not only were the Austrian oligarchs stupid, but that Venice mobilized no troops whatsoever, and very poorly financed the Austrians. It is true that the curious Venetian refusal to act, came at a time when a powerful republican faction existed there, favorable to Napoleon, and headed by mathematician Mascheroni. But when Napoleon won, their admiration turned into disgust.

FIGURE 8

World commerce in the 18th century

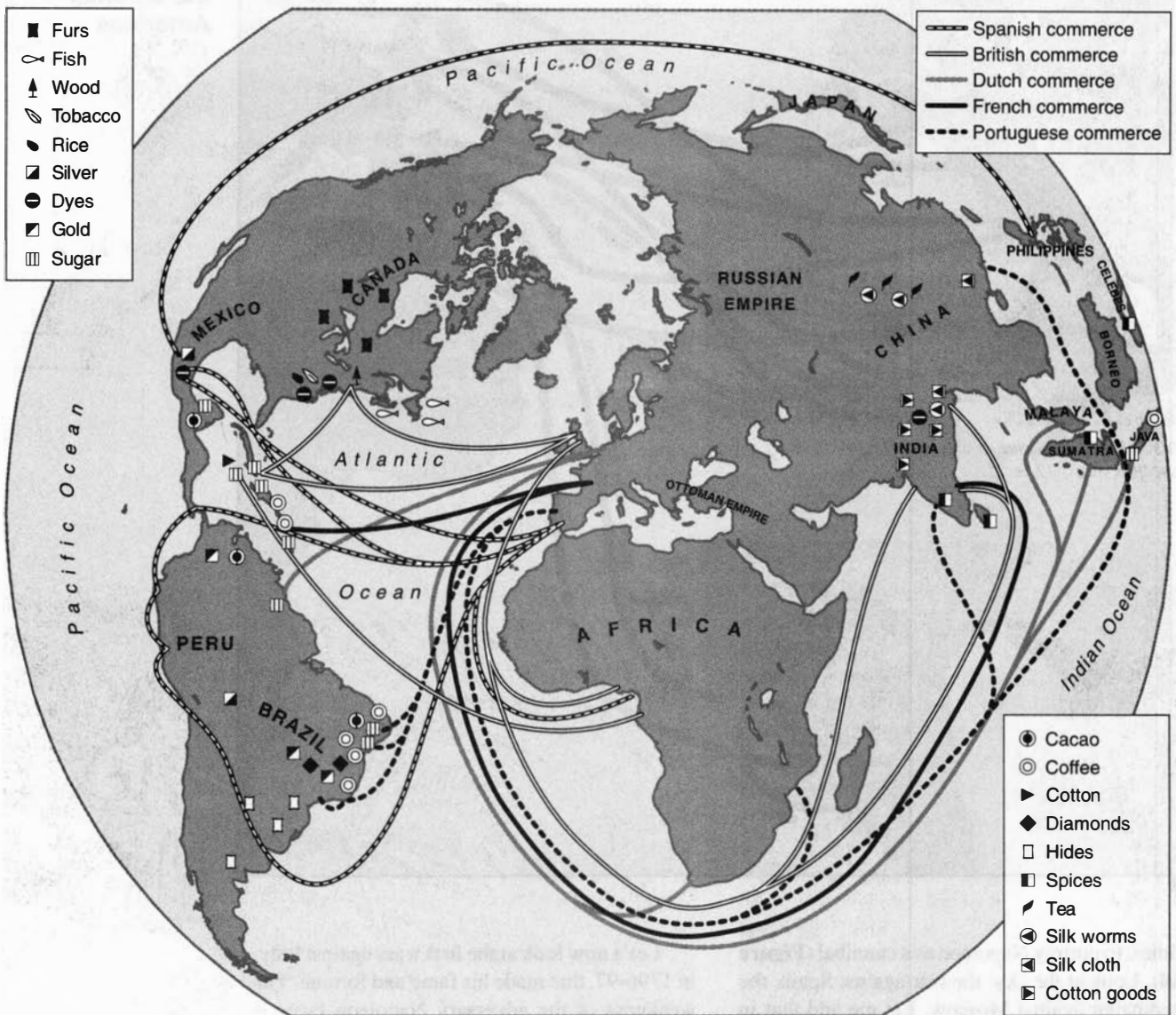


FIGURE 9
Napoleon
as a
Peeping
Tom.



Poet Ugo Foscolo, part of Mascheroni's circles, and a lieutenant in the French Army, revised his "Ode to Bonaparte Liberatore" to eliminate the name of Napoleon; he rededicated the work to a fallen soldier.

Venetian interests sponsored Napoleon, betting on his weakness of character. They had spies in his immediate entourage, and Alvisé Mocenigo paints a precise picture of the paranoid young Napoleon, prey for experienced manipulators: "The commander in chief, Bonaparte, is a youth of 28. He feels, to the highest degree, the passion of pride. Every happening, no matter how inno-



FIGURE 10 *Napoleon crossing the Alps, by Jacques-Louis David.*



FIGURE 11 *"The Shadows of French Warriors Lead to Odin," by Girodet.*

cent, that he thinks raises even slight opposition to his intentions, makes him, in an instant, turn to ferocity and threats."

In the estimation of military historian Jomini, a Venetian mobilization of even 20,000 troops, eminently feasible for the Serene Repub-



FIGURE 12 *Napoleon the plunderer.*

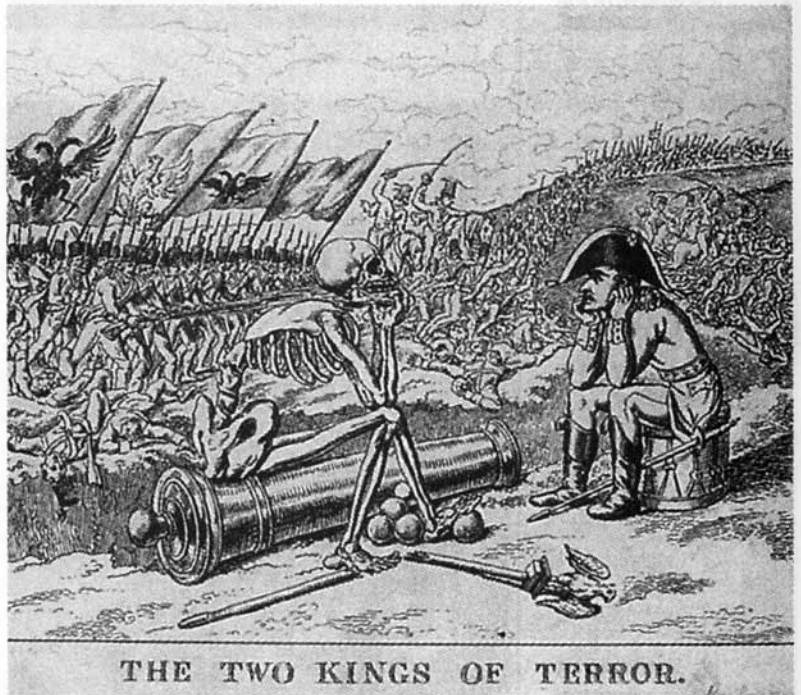


FIGURE 13 *Napoleon with his armies.*

lic, together with stiffened resistance in the rest of Italy, would have easily sufficed, to drive the French Army out of the country, and no one might ever have heard of Napoleon.

To further show how Napoleon was sponsored, let's look at what happened when he launched his first "coup," the coup of 18th Brumaire commented upon by Marx, on Nov. 9, 1799. When he was to address the Parliament,



FIGURE 14
Bonaparte the
cannibal.



FIGURE 15
Looting the artwork of
Europe.

he could not even talk, and was about to leave. It was only the brilliant intervention of his brother Lucien and his two brothers-in-law, Murat and Leclerc, with their soldiers, that enabled the coup to succeed. As later, at Waterloo, Napoleon could not react to the unexpected, to a new paradigm. Similarly, when he had to massacre the monarchists, on behalf of Barras—the Vendémiaire free-fire—he intervened almost too late.

Napoleon was a well-trained mathematician and physicist, but he did not make the connection between his own political power and technological development.

For example, in 1807 a device was proposed to him, that would reduce the interval required between each firing of guns, a decisive advantage in warfare. To the great surprise of his collaborators, he discarded the invention, with the comment: “I will always have enough soldiers to fire; therefore, I don’t need each of them to fire faster.”

An impeccable logic that led to his defeats, even if he mobilized, at the end of his campaign of France, in 1814, adolescents aged 15 and 16—*les Marie-Louise*.

In economics, Napoleon was an absolute ignoramus. He was only convinced that “good finances are necessary to make a good administration,” and that one should never borrow and never devalue the currency. He only considered the flow of money coming in, and was not interested in the economic or social effects of taxation. For him, technology was one thing, economics another, and military affairs a third.

“Economy,” therefore, was defined by the necessity to get money, and if borrowing or investing daringly in technological ventures was discarded, there only remained one thing: *looting*.

He therefore organized a military and administrative machine to carry out such looting. Let’s listen to him, speaking with his adviser Mollien, just before the campaign against Russia:

“If I am declaring a new war, it is, of course, for some great political interest, but it is also in the interest of my finances, and precisely because they look weak. Is it not by war that I have always managed to balance them? *Is it not in the same way that Rome conquered all the world’s wealth?*”

“Victory is always the best guarantee against bankruptcy.”

This money from looting was recycled permanently into military ventures, secret funds, and funds for bribery. Bribery was part of the administration, and every man had a precise price—as had every official position.

When the empire started to lose its wars, the “good finances,” of course, evaporated, for lack of looting, but, in the meantime, the financiers had become immensely rich and sponsored the counterrevolution, with money made thanks to the bleeding of France and Europe.

Such an idiocy is really pathological, in an otherwise sharp man. It is at this point, that the question of ideology has to be raised: How can you conquer all of Europe, and, at the same time, stay in a mental cage?

Blinded by the Enlightenment

The answer is that Napoleon is a pure product of the Enlightenment, the French disciples of Hobbes and Locke. His ideology was a combination of Condillac's "sensualism" and Helvetius's "materialism," the lower gutters of Aristotelianism. Let's quote the figurehead of that current, Dr. Pierre Cabanis: "The brain produces thinking the same way as the stomach and the intestines organize digestion." Speaking of turds: Cabanis's counterpart in the United States was the French-exiled Destutt de Tracy, Thomas Jefferson's ideologue.

A human being caught in that conception, if he has a strong character like Napoleon, ends up with a totally divided—and therefore highly vulnerable—self: One side is a bureaucratic machine, an algebraic equation; and the other side is a romantic irrational fit.

In normal circumstances, you manage to handle things like a machine, inducing, deducing, and extrapolating—and this, Napoleon did at the speed of a systems-analysis device. Quite perceptively, the poet Alphonse de Lamartine commented about those times: "Only number ruled, only he was allowed, honored, protected, and paid. Because the number does not think, the militaries of these times did not want a priest other than number." But when you face an anomaly, you go into a wild crisis, blaming everybody except your own mind, because it is empty of human notions. You are the rooster next to Odin, you are Napoleon! Your action is based, like Hamlet's, on the fear to go, mentally, toward the world beyond, but, at the same time, you are fascinated by the ghosts of the world beyond, by the confrontation with death. Prisoner in a world of percussive interactions, you need "conflicts" to exist, percussions, percussions, and more percussions. You leave behind you a trail of self-destruction, prisoner as you are in a system not defined by creation, by ideas, but by an unbounded emotional endlessness. You are doomed; there can be no creative thinking. You move in the *res extensa* of a simple four-dimensional space-time, an encyclopedic universe of right-left, up-down, back-and-forth, and before-after, where you can't generate

hypotheses. You cannot change the universe, others, or yourself for the common good; you can only throw an endless fit: That's Napoleon Bonaparte. You cannot open a new door into the intelligible, you are the prisoner of Venice's Paolo Sarpi. There is no agapic conception possible; it is the death-ridden world of paganism, Cabanis's stomach.

Yes, the words "love for humanity" are present, but merely as a factor to be added to your balance-sheet, the general synthesis. Yes, social interest or social welfare can be taken into account, but as another "factor."

You cannot love, because, as Pierre-Simon Laplace said of Napoleon, you are a "*chef d'état mathématicien*," you cannot be a true historical personality, because you cannot lay the foundation for future history, even if you move all the stones of the world around.

A 'new' pagan religion

Let's go a step further, and look into Napoleon's conception of religion. He says: "There is no state without a ritual, a religion, and priests." What does he mean by that? A sort of Roman cult to repress anarchy, a *bureaucracy of the souls*. According to him:

1. Religion should serve his regime, the heavens be put at the service of earthly principalities and powers; the state supersedes religion, which is accepted only insofar as it serves the state.
2. The Emperor is personally head of the Gallican Church, successor to Louis XIV.
3. He allows freedom of conscience, but only if all religions pledge obedience to him.

This is nothing but an extreme case of a *pagan church*, under a Roman Catholic or other disguise.

Napoleon, together with his director of churches Portalis and his uncle Cardinal Fesch, in liaison with Talleyrand, was quite aware of building a "new Church."

Well, not so new.

It is the Church of the Emperor Constantine's heresy, when Constantine converted to Catholicism, on the condition that the Church agreed to be under the Emperor.

It is also the Church of Constantine's heir, the French "Roman" King Louis XIV, the Sun King. It is the Gallican Church, the Church of England, or Ivan Grozny's Church.

To establish that Church, Bonaparte inspired the 1801 Concordat to the pope (**Figure 16**),



FIGURE 16 Ratification of the Concordat of 1801, placing the French Catholic Church under imperial control.

which makes Mussolini's Concordat appear nice and soft. Let's read what the Organic Articles of the Concordat had to say:

- The First Consul, then the Emperor, appoints the bishops;
- Bishops are forbidden to leave the territory of their diocese, without permission of the Emperor;
- The decisions taken in Rome need all, in all matters of Church ruling, to first be approved by the French government, to be applied by the French priests and bishops;
- Teaching in French seminaries has to be in absolute accordance with the Gallican doctrine of 1682 (under Louis XIV);
- The bishops are compelled to give an oath of fidelity to the empire;
- The Church has to renounce all goods and land seized by the Revolution;
- Priests, if they learn about any political conspiracy, are compelled to report it to the government;
- The French government can condemn and castigate the priests, if they commit any misdeeds "in the exercise of their mission," as priests.

To this was added on, over time, that the Bulletins of the Great Army—brainwashing—had not only to be read in all schools, but also in churches, during mass.

An imperial catechism, which Rome refused to approve, but which Nuncio Caprara author-

ized, describes the duties of the "subject believers" toward their government. Under the Fourth Command, regarding duties toward parents and state bodies, Portalis put 15 lines on duties toward Her Majesty—the parent of all parents—and 10 lines on the particular motives to be attached to Napoleon I, our Emperor.

Here are extracts of the imperial catechism:

"The Christians owe to the Princes that govern them, and in particular we owe to Napoleon I, our Emperor, love, respect, obedience, faithfulness, military service, tributes ordered for the conservation and defense of the Empire and its throne; we owe also fervent prayers for its salvation and for the spiritual and temporal prosperity of the state.

Question: What should we think of those who refuse to fulfill their duties toward the Emperor?

Answer: According to the Apostle St. Paul, they resist the order established by God Himself, and they make themselves worthy of eternal damnation.

Question: Why are we compelled by all these duties toward our Emperor?

Answer: It is, first, because God, Who creates Empires and makes them according to His will . . . has established the Emperor as our sovereign, has made him Vicar of His Holy power on earth. Therefore, *to honor and serve our Emperor is to honor and serve God Himself.*"

Napoleon also ordered the Protestant and Jewish Churches (Great Sanhedrin) to be organized in the same way, as servants of the empire.

Around this, all kinds of mythologies developed about the Emperor. The most significant one was a sun cult: the sun of the Battle of Austerlitz was never going to set, and Napoleon was going to follow it toward the east, to become the Emperor of the Two Worlds. Remember that Louis XIV had established a similar cult; he was called the "Sun King," and had built a "Temple of Apollo" next to the Versailles Palace, on the model of Tiberius' temple at Capri—a direct challenge to Christianity. There is, indeed, something weird and rotten in the kingdom of France.

Napoleon, who wanted his power over the Catholic Church to be felt and acknowledged, called the pope to Paris in December 1804, to crown him Emperor. But at the last moment, he took the imperial crown out of the hands of the pope, and crowned himself (**Figure 17**), becoming the "King of the Enlightenment."

The role of the Freemasons

A step further along that track, we find Napoleon's connections with the Freemasonry. We arrive at a very interesting point, where the map of the slave trade that I showed before, links up with "spiritual matters."

During the French Revolution, the Freemasons, as secret societies, were not particularly well-treated. They went underground. But look what happened: Napoleon's older brother, Joseph, had joined—on Oct. 8, 1793—Marseille's lodge of "Perfect Sincerity," Scottish Rite, under portraits of Jean-Paul Marat and Jean-Jacques Rousseau, with the protection of Robespierre's brother, Bon-Bon. Louis, another of Napoleon's brothers, had also joined a Scottish Rite lodge. Both of Napoleon's brothers were members of the Scottish Rite, and although there is no definite proof, it seems that Napoleon himself was also a "brother," because his son, the Eaglet, appears in various documents as the *loweton*, the son of a mason.

But, there is something much more interesting: Admiral de Grasse Tilly, son of Admiral de Grasse, whom Valéry Giscard d'Estaing claimed to be a descendant of, was initiated into the Lodge St. John of Scotland, of the Social Contract, in Paris. He was later caught by the British, brought to Jamaica, then released in the United States, and came back to France, with the title of Sovereign Grand Commander of the Scottish Rite, delivered by the Supreme Council of Charleston. Charleston, the cradle of the Scottish Rite U.S.A., the B'nai B'rith, and the "Confederate Masonry"! He founded, then, the Grand Scottish Lodge of France, and became Venerable of the Saint Napoleon Lodge in Paris! A lot of lodges were then named after Napoleon or Josephine (la Reale Giuseppina).

In early 1804, Joseph became Grand Master of the Grand Orient, the French masonic discipline.

In November 1804, Louis, the other syphilitic brother, became Grand Master of the Scottish Rite, even if he was, by then, Vice-Grand Master of the Grand Orient.

But Napoleon liked order, and on Jan. 6, 1806, the two lodges—the Grand Orient and the Scottish Lodge—united, with Prince Joseph as Grand Master and Prince Louis as Vice-Grand Master! Murat, on his side, was proclaimed Grand Master of the Grand Orient of Naples, in 1809. He started an intensive relation with his "brother" Metternich and his friend (and



FIGURE 17
Napoleon crowns himself Emperor.

"brother") Fouché, Napoleon's policeman.

The reunification of the two lodges appears, on the surface, as a submission of the Scottish Rite Lodge to the Grand Orient, but, at a deeper level, it is a penetration of the Scottish Rite into the Grand Orient: from London, to Charleston, to the Grand Orient—a great venereal disease!

It is these lodges that were organized as the military network of the Empire, to celebrate victories and looting. All prominent French generals were members—Murat, Bernadotte, Massena—and this disgusted both Schiller and Beethoven, while Goethe politely joined for some time.

The key operative in all this, together with Fouché—formerly promoter and executor of Robespierre—was Jean-Jacques Cambacérès, Napoleon's justice minister, who had originated in the Scottish Rite, and was the most notorious sodomite in Paris.

Napoleon, despite all his arrangements and efforts, was probably not above this masonic network, but under it. According to Copin-Albancelli, in his preface to Benjamin Fabre's *An Initiate in the Highest Secret Societies, Franciscus Equus, a Capite Galeato*: "Napoleon thought that secret societies were under his control. He had the power, he was initiated, his name was Napoleon, but it was he who was controlled, without being aware of it!" Venice, London, Charleston, when the spoils of defeated Napoleon were shared at the Congress of Vienna, all were oligarchs, all masons, all thought that they



FIGURE 18
The Arc de Triomphe
in Paris.



FIGURE 19 The Carroussel Arch of Triumph, next to the Louvre.

had destroyed, forever, the French nation-state: Nesselrode, Castlereagh, Talleyrand, Metternich, Capodistria, Pozzo di Borgo.

Let's go one step deeper in our research: What appears under the veneer of the Imperial Gallican state religion and Freemasonry is something else, of historically great importance: It is the pagan project of Emperor Julian the Apostate.

Julian, Roman Emperor from 360 to 363, was called the Apostate, because he had written a famous treatise "Contra Galileos," an "imprecation against Christianity." Born Christian at the court of Constantine, he was shocked by the brutal use of the new state-religion, and reverted to paganism. His book locates itself in a current

of pagan revival in the middle of the fourth century A.D., sponsored by so-called "neo-Platonic" philosophers Porphyrius and Jamblicus. Why am I mentioning that? Because, none other than Voltaire rediscovered this current in the middle of the eighteenth century, and calls Julian "the greatest man that ever was."

It was the Marquis d'Argens, an anti-clerical polemicist, chamberlain to Frederick II, and great friend of Voltaire, who had first published "Contra Galileos" in Berlin, in 1764, with the title: "Defense of Paganism by Emperor Julian, in Greek and in French." Voltaire re-edited the book in Berlin in 1769 (the year that Napoleon was born), and wrote an article in the *Encyclopaedia* called "Julian the Emperor," and another, "Julian the philosopher," in his philosophical dictionary (London 1767). We know that Napoleon was an enthusiastic reader of both.

Therefore, beyond the destruction of the French nation-state, what comes clearly to the light of day, is the second historical role assigned to Napoleon: the promotion of paganism, to destroy the humanist world liberation project. Against such a project, Napoleon was the dangerous but useful idiot of the oligarchs.

Julian is quite tricky: He uses Plato's *Timaeus*, misrepresenting the passage on the "soul of the world"—yes, dear Hegel—to attack the Book of Genesis as reducing God to an organizer of matter. On the contrary, we pagans, he says, believe in a God of the Gods, creator of both the visible and invisible—corporeal and not-corporeal entities—with a hierarchy of gods, which corresponds to a hierarchy on earth. Julian conceives himself as the Emperor of the emperors and kings, reflecting on earth the will of God and ruling over a set of pluralistic satrapies. He blames the Jewish God for being jealous, non-universal, and petty, and Jesus Christ for being an anarchist, creating disorder among the lower classes. Julian's "pagan empire" is not really hellenistic; it presages Byzantium and the penetration of Christianity by the hierarchical—oligarchical—principle of Emperor Justinian and his Codex.

So, what Voltaire has dug out is a rehash of Byzantium—Diocletian plus Justinian—with a philosophical Greek cover. More interestingly, Julian sees as the demiurge, the ontological creator of the soul of the world, Helios, the Sun, and comes himself from a family of sun worshippers, worshippers of the "Sol Invictus." Here is Louis XIV—the Sun King—and Napoleon's never-

setting sun of Austerlitz! And the whole Napoleon cult was rewritten by the British, including Sir Arthur Conan Doyle, as a “sun” which had to set, because there is only one sun that never sets—that of the British Empire! Julian himself wrote a book on the Helios King, where he says that the invisible sun is the real sun behind the visible—which apparently Napoleon never quite figured out: A rooster is not quite an eagle.

Assault on science and art

Having thus destroyed the nation-state, and engaged the fight against Christianity from within, it is lawful that Napoleon dealt a terrible blow to French science, then the most advanced in the world.

The Ecole Polytechnique, the most advanced center for scientific education and research, was not destroyed in 1815, but under Napoleon: 1815 was, for sure, the final stab, but before that, Napoleon had strangled it.

First ideologically, by letting that venereal disease called Laplace run the place, with his ultra-reductionist “system of the universe,” prevailing against Gaspard Monge, who was much closer to the Emperor, but a bit too humble. What Laplace destroyed was the seminal and unique quality of the Ecole Polytechnique, a place where hypotheses and ideas were generated. Not only hypotheses and ideas on science per se, but on social and political matters as well. Laplace killed that quality of self-reflexive Socratic dialogue; he banned the rediscovery of the creative process, and set the terms for the insanities of positivism and the turdiness of Augustin Cauchy, the man for whom the world is asymptotic; the pole could never be reached, and machines would never fly. Remember Napoleon’s rejection of a new military technology to improve the intensity and mobility of fire and save the lives of his soldiers, because he had too many? See the oligarchical mentality? Its name in science is Laplace and Cauchy, the killers of Polytechnique, the murderers of French science, who compelled Carnot to exile himself to Göttingen after 1815.

Second, Napoleon destroyed the Ecole Polytechnique physically, by turning Polytechnique graduates, not into scientists and teachers, but into military officers slaughtered on the battlefields of Europe.

Another key point in Bonapartism, is the even worse destruction of the arts. What “great works” did Napoleon achieve, what monuments,



FIGURE 20
The Vendôme column.

what buildings? Arches of Triumph and pagan temples, sometimes called churches, sometimes something else.

Figure 18 shows an archetype of ugliness, pretentiousness, and the Roman Mithra cult, the Paris Arc de Triomphe, so admired by Adolf Hitler. If you don’t find that ugly, you have missed something about human dignity and true Christian values.

Then the small Arch of Triumph (**Figure 19**), the Carroussel one, next to the Louvre. This one is copied from the Septimus Severus model. Originally, the “quadrigium,” Apollo on his chariot with his four horses, was the one from Venice, stolen by the Napoleonic armies from Venice, which had stolen it in Byzantium. After the Emperor’s fall, the four horses had to be returned to the Venice Basilica—a church, if you please—and replaced by a new quadrigium (this one to the right of the ass in the foreground) by French sculptor Bosio, a disciple of Canova, the pre-Mussolinian neo-classicist.

Then, the Vendôme column (**Figure 20**), an imitation of one with Louis XIV on top—now it is Napoleon—in turn an imitation of Trajan’s column in Rome. Trajan, because of his military victories, was very much appreciated by Napoleon, who in 1807 also ordered composer Lesueur—an official ass-licker—to write a new opera, *The Triumph of Trajan*, after the battles of Eylau and Friedland. Otherwise, Lesueur had written *The Bards*, an opera about Ossian, a masterpiece of constipated romanticism.

Then, the Paris Stock Market (**Figure 21**), copied from Vespasian’s temple (in French, a *vespasienne* is a public pissoir). This place today

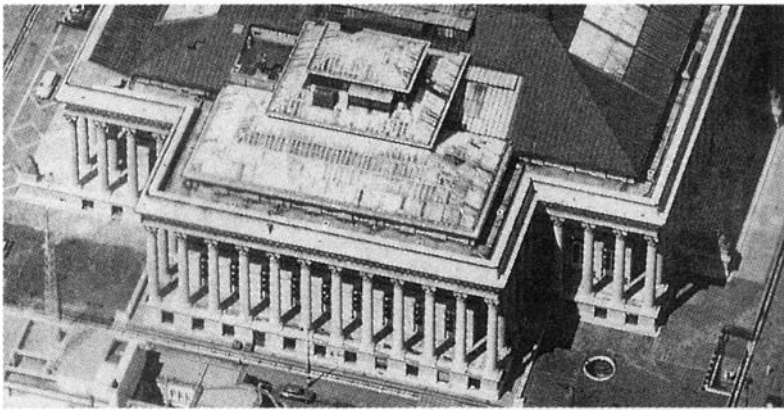


FIGURE 21 *The Paris Stock Market.*



FIGURE 22 *La Madeleine Church.*



FIGURE 23 *The Chamber of Deputies.*

urinates derivatives.

Now look at **Figures 22 and 23**) and take a guess: Which one is a church, and which one is the National Assembly? Both smell of the same cult—La Madeleine Church and the

House of Commons—sorry, the Chamber of Deputies.

After such a display of neurosis and cultish ugliness, it is about time for an excursion into psychoanalysis: the intellectual matter that drips after a multiplicity of percussions. Marie Bonaparte, with her obsessions about death and murder, was, as the true family heir, in a good position to join Freud's yin-yang erotic lunacies, between Roman frigidity and the Egyptologist's esotericisms. This is no joke; it is reality, and you should understand how it works, in order to intervene in present-day history. If you don't, you are doomed for the *serrement de nez* (**Figure 24**). This gentleman is Marshal Ney, and his name means "nose"; he has put his nose in Napoleon's *derrière*. Because he can't understand what is happening to him, he has to pretend: "I swear that it smells like a violet," he says.

If you don't want to smell shit, pretending that it is violet, let us continue.

The cult of Napoleon

Napoleon is true as an image; he was set to be the image of the romantic superman who failed, the "beautiful loser."

Let's listen to a few of those who have been proclaimed the kernel of modern philosophy.

Georg Wilhelm Friedrich Hegel, Oct. 13, 1806: "I have seen the Emperor, the soul of the world. It is a marvellous feeling to see such a man, who, concentrated here, on a single point, sitting on his horse, extends himself over the world and dominates it all."

Schopenhauer: "Napoleon is the most beautiful manifestation of human will."

Nietzsche: "Napoleon represents the cult of the individual force, the super-hero of pure will-power."

Raskolnikov, in Dostoevsky's *Crime and Punishment*: "I wanted to become Napoleon, that's why I committed murder."

A sour, disgusting fairy tale.

One more thing: Just like Jacques Chirac, all the Bonapartes hated music. They all found it "too slow"—these people always do everything with the haste of a beast in its cage—but some of them, like Napoleon and Chirac, make an exception, for military marches. This is an absolute denial of mental processes associated with creative thinking, denial of ideas, denial of life, because life is a process. It is not only to be a donkey, but to promote donkeyishness, as Goya drew it.

Fouché and the empire of looting

At this point, to exemplify socially what I have said, let's look to the historical forces that supported Napoleon, the pillars of the empire, and later, let's revisit the key colonial question, to draw out its implications.

Napoleon's social base was a coalition of looters transformed into landowners, a coalition of generals, bureaucrats, and policemen—*looting and the administration of looting*.

First the landowners: Napoleon believed strongly in Bernard Mandeville's 1705 "Fable of the Bees," that "private vices" make "public prosperity." His policy was to protect the "private vices," if they obeyed him, and then to organize the "public prosperity" to be further obeyed by the whitewashed vices.

His key allies were the landowners, or happy looters:

- former aristocrats who came back and cut dirty deals;
- financiers who had made money on banking speculation and bought land;
- the suppliers of the Armies of the Revolution, the "vultures" denounced by Balzac, who had also bought land;
- the traders, the notaries, and all purchasers of Church land, *les biens nationaux*, sold by the Revolution to pay its expenses and fund its wars.

To please this base, Napoleon created and drafted the *cadastre*, the tax assessment of all French land registered in a single book, the Napoleonic version of the Domesday Book. The purpose of it was to secure "fair" taxing for the happy looters, and it is according to the *cadastre* and taxes paid that he picked up an elite of "notables"—local barons—to be the voters in national and regional Assemblies, Senates, Legislative Corps, and General Councils. This was nothing but the Diocletian model, coherent socially with the neo-pagan cults.

To protect the looting, at home and abroad, Napoleon, convinced that men are guided by their instincts and appetites, created a Leviathan to check and balance them all.

At the top, abroad, were the "kings" and "satraps" to rationally organize the looting. Then, bureaucrats to check the looters: Army, administration, and police. The Army, we know and we have seen; there is no need for further comment.

The financial bureaucracy was a nest of "capitalists" organized in financial consortiums, such as *négociants réunis* and *banquiers du Trésor public*, state parasites, admitted to be such. The

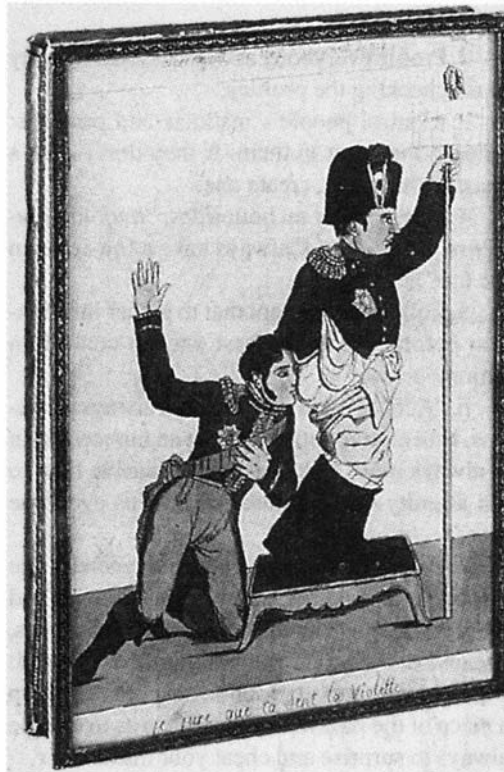


FIGURE 24
Marshal Ney with
Napoleon: the
pinching of the nose.

archetype of these was Gabriel-Julien Ouvrard, a pirate. On top of such pirates and filibusters, sat administrators, such as Mollien and Gaudin, playing the role of godfathers in a gambling casino.

The police were, of course, key in this arrangement, both to promote and to punish the "private vices." This was the domain of the evil Joseph Fouché de Rouzerolles, duke of Otrante, inspirer of Charles-Joseph Bonaparte and of the FBI. Who were Fouché's police? A co-opted mafia, based on the control of evil and spread of fear. In that sense, Fouché was the first modern Orwellian, the Minister of Fear.

His principles are based on imperial pessimism, which Helga Zepp LaRouche has a legitimate and absolute hatred for:

1. Create a controlled environment in a systematic way, a "context" where particular vices can be checked. Fouché himself had made his career as "controller of the games"—a key position from which to gather information and create blackmail potential. One of his paid agents was Barras's mistress, and later Napoleon's wife, Josephine. His favorite "controlling centers" were gambling houses, bordellos, esoteric societies, and banks;

2. Profile everybody and keep systematically cross-checking the profiles;

3. Control people's instincts and passions; unleash the beast in them. If they don't have a beast within them, create one;

4. Always play on both sides, "*toujours plusieurs fers au feu*" ("always have a few irons in the fire");

5. Follow the precept that to gather information beforehand is the best way to control an action;

6. "Action" should be rare, but always merciless. Preemptive action against an innocent man is always more efficient and dissuasive than to jail a guilty one, because it frightens everyone more;

7. Pay agents from all layers of society; use bribery as a principle, knowing that thieves and murderers caught in the act are the best agents, because of their total vulnerability to blackmail;

8. Always report upstairs; never lie, but keep a piece of the puzzle to yourself, so as to be able always to surprise and cheat your master.

Is this original? Not in principle: It is the Venetian method, as explained in Schiller's *The Ghost-Seer*. But what is original in Fouché, as everything else in Napoleon's Empire, is not the imagination; but the *obsessive systematization*, and its result, the machine put in place.

With such a "catechism of the cops," the police had to employ many, and became a key pillar of the oligarchy as such, attached more to the oligarchical principle than to any particular names. It was the domestic equivalent of Talleyrand's Foreign Affairs administration, and this still works to control today's France. We were told, for example, by a prominent French general, that even he cannot have access to his former friend Chirac, because Chirac is surrounded by a guard of Foreign Affairs and Interior Ministry officials who "shape his world."

Fouché himself was what Americans would call a "weirdo." He was minister, like Talleyrand, under all the regimes, in the same way as painter David was the official painter under all the regimes.

Let's look at Fouché in his early years. There he is, in the city of Nevers, briefing one crazy Anaxagoras Chaumette on a "plan of de-Christianization" that, says Fouché, "I am in the best position to launch, as a former Oratorian." Selling himself in such a way, is a habit; he participates in the looting of Nevers Cathedral, burning

holy crosses, breaking statues, tearing apart the veils of the nuns, dancing an insane dance dressed in religious clothes. He participates in the free-fire massacres at Lyons, in the Place des Brotteaux, where the Jacobins massacred and cut into pieces alleged "anti-revolutionaries," the revolutionary youth of the city, and a few priests.

But is he a bloodthirsty madman, such as British agent Marat? No; he always kept his head "cold," and at the same time that he participates in the massacres, he also hides in his home some priests and counter-revolutionaries. "He had," said a contemporary, "the best nose to detect the new winds! And as soon as they were blowing, he would betray all his former friends to make new ones." It is also recorded that "Fouché the Venetian" always had "an incomprehensible protection over his head," being, for example, always in contact with the two Corsican brothers-turned-enemies, Napoleon Buonaparte and Pozzo di Borgo, who later became the Russian Czar's ambassador to France in 1815, and thus de facto regent of the country after Napoleon's collapse. In a word, Fouché was one of the most eminent lackeys of the European oligarchical families, a perverse "go between."

Slavery restored

From this psychological standpoint, let us go back to the colonial question, as the context defining the set of particulars, including the earthly "particular of the particulars," Napoleon himself!

Brutally and cynically, Napoleon promoted colonial trade and slavery, because he was always in great need of money, and was willing to do anything to get more, and more, and more.

As the story goes, under the pressure of slave revolts in the western, French part of Santo Domingo, and, following a demand of Abbé Grégoire and the Society for the Friends of the Negroes, France abolished slavery in 1793. Then, General Toussaint-L'Ouverture—himself a black—drafted, with his black advisers, the Constitution of the French Colony of Santo Domingo, a text which has been virtually ignored, but is of immense historical importance. In 1796, he kicked out the British who had landed on the island, and established a de facto independent state.

This could not be accepted by the Venetian-Swiss colonial lobby that had financed Napo-

leon, and to whom belonged, in particular, his wife, Josephine, and the infamous Fouché, whose family had property in Santo Domingo and was ruined by the slave uprising there. In those days, Santo Domingo produced 55% of the world's sugar.

To get back control of the colonial trade, Napoleon sent a colonial expedition to Santo Domingo at the end of 1801, under the command of his brother-in-law, General Leclerc, the husband of Pauline.

Leclerc smashed the revolt in May 1802, and Toussaint surrendered on June 7. Slavery was restored by Napoleon, in a decree dated May 27, 1802, typical of the Bonapartes: It does not say that slavery is re-established, which would contradict the abolition of 1793, but it claims that slavery "is maintained in accordance with all the laws and rulings preceding 1789." On this fundamental issue, Napoleon, King of the Revolution, shows how he conceived himself as the heir of the *Ancien Régime*—a parvenu aspiring to be an oligarch. This was confirmed when he was crowned Emperor on Dec. 2, 1804; created the first imperial titles of nobility in 1807; and officially introduced the ridiculous "*noblesse d'Empire*" on March 1, 1808. He not only spoke of the "negroes" with contempt, but called the French people "my subjects."

Toussaint-L'Ouverture was captured by Bonaparte, arrested, and promptly died on April 7, 1803, at the Fort de Joux.

As always for Bonaparte's insane adventures, what followed was a disaster. In July 1802, when the reestablishment of slavery was announced, the fighting resumed on the island. French troops were decimated by yellow fever, and Leclerc himself died. The rule of the French creoles was no longer tolerated, and a lieutenant of Toussaint, Dessalines, took over. But Dessalines was not Toussaint, and his racist proclivities were encouraged by the British: He massacred mulattos and mestizos, proclaimed the superiority of the blacks, and brutally expropriated the whites—slave-herders and settlers alike. Dessalines was then threatened by his generals, and the history of Haiti became a nightmare of blood and tears, continuing up to today: a mixture of French Jacobin insanity and British racism, of all against all. The worst is reached with "*le roi Christophe*," a black who proclaimed himself "tropical Emperor" on the model of Napoleon, and imposed a new form of

slavery, an organized serfdom of blacks over blacks.

So much for Napoleon's "enlightened" conceptions, celebrated by Goethe. With cynicism, and always blaming somebody else for his own mistakes, the Emperor said at the end of his life: "The expedition to Santo Domingo was one of my worse mistakes; it was under pressure from Josephine that I committed it." In fact, this is a big lie. Let us say first that Napoleon III committed the same mistake again in sponsoring Emperor Maximilian in Mexico, against the American party, and he would have intervened in favor of the Confederate South, if it had not been for the pressure put on him by Russian Czar Alexander II, the friend of the American party.

Such repeated mistakes cannot be mere "mistakes of opportunity." They are the fingerprints of a more general pattern, a higher order. This directly involves the connections of the Bonapartes with not only the interests of colonial trade and the American South, but the very nature of their power and identity. This is a fundamental point that cannot be made as such, but brings us back to the question of state religion and paganism, this key issue on which the Bonapartes failed—they did not manage to establish a viable Bonapartist cult—but succeeded in infecting the nineteenth and twentieth centuries the way the British wanted. The Bonapartes, as the "losing supermen," paved the way for the horrors of twentieth-century Fascism and Nazism, something directly linked to the colonial and racial issue, the conception of men as "masses" of beasts.

From this emerges a "culture of death," a pagan culture of death wrapped under both a degenerated version of all monotheistic religions and freemasonries, Isis and Odin cults. Look at the paintings of David, Girodet, and Gros, listen to the music of Lesueur, all the professional lackeys of the empire: it is death, death, death—from the death of Marat to the death of Attala, to human beings eating each other in Géricault's *Radeau de la Méduse*. This is the root of what Pope John Paul II referred to as a "culture of death," which is, together with its social Darwinist appendix, its social Darwinist tail, what infected and infects our historical times.

Origins of the Entente Cordiale

We are now equipped to go back to the first matter of our inquiry, the Entente Cordiale

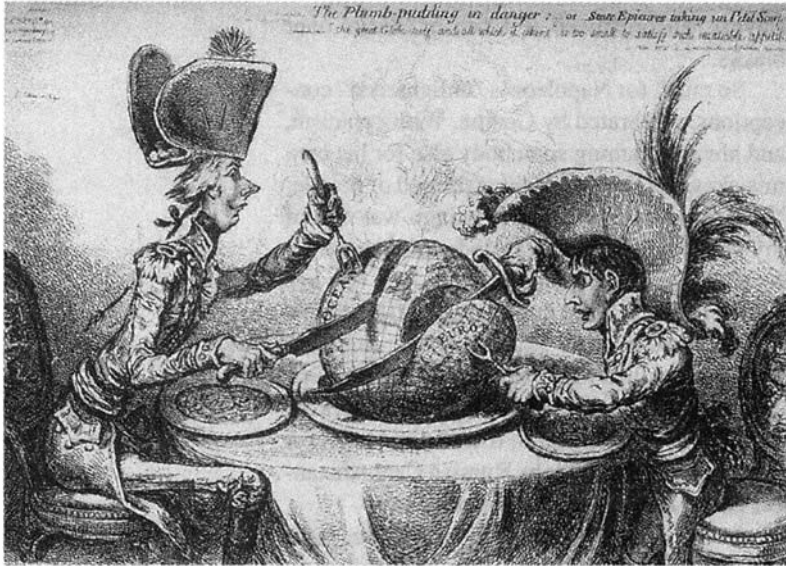


FIGURE 25 Napoleon and Pitt share the plum pudding of Europe. By James Gillray.



FIGURE 26 Destruction of the French gunboats, by James Gillray.

question.

Wouldn't a practical person say: Despite everything, was not Napoleon the arch-enemy of the British Empire? Did he not try to fight England on the seas? Did he not even try to invade England? How could it be, that he was the source of the Entente Cordiale?

The first layer of the answer, is that both France and Britain were *empires*, and that if we put our nose far from where it stinks, we can see how syphilis-1 (or Venetian-1) can relate to

syphilis-2 (or Venetian-2).

Indeed, Napoleon, like Hitler, was first promoted by the British, as were the Jacobins before them, to destroy France, and to prevent a truly republican option. Remember that, in the early phase of Napoleon's power, the Peace of Amiens (1802) was signed with the British king, under the "appeasement party" of British politicians Fox and Addington, the Neville Chamberlains of that time.

Figure 25 is a very interesting cartoon reflecting that phase, from the very gifted James Gillray. This is Napoleon and Pitt taking a *petit souper* of State Epicures, and sharing the plum pudding: the oceans for me, Europe for you.

Syphilis-1, the British Empire, is commercial, financial, and oceanic: the merchant, the trader, the banker, the broker, and the Navy.

Syphilis-2, the French Empire, is administrative, military, and continental: the bureaucrat, the mercenary, the Roman Legion, undoubtedly produced by Napoleon to provide scripts for Hollywood filmmakers; the bureaucrat, the mercenary, and the crooked army supplier.

The Entente Cordiale flows from that pattern of the twin empires, the Hanoverian-British and the Corsican-French models, the Southern plantation and the Hitler models.

Did they work in common ventures? The answer is yes, when money was involved, and this brings us back to the infamous triangle London-Charleston-Paris.

The two empires had in common:

- a conception of economics as plundering;
- a conception of man as a profit-making beast, controllable by a combination of ideology and secret services;
- a conception of rule by force and disdain for ideas;
- a conception of a bureaucracy to serve an aristocracy, the "families," and their various lackeys ruling over 95% of the population.

A concrete example of their collaboration? Well, in the full midst of the Napoleonic wars, between 1806 and 1811, crooked Napoleonic banker Ouvrard was able to bring over \$50 million in Spanish silver, sitting in Mexico, to Europe, by making a deal with the British, through the Dutch mercantile company of Hope and Co., and their British partners, Baring Brothers. Under the French-Spanish Treaty of 1804, Charles IV of Spain had agreed to pay to Napoleon, an annual war subsidy of \$36 million. There existed

no means, in Spain, of paying it, but in then-Spanish Mexico, an abundant output of mines and mints had accumulated a greater amount than the subsidy. The deal was that the British allowed American merchant ships, hired by Hope and Baring agent David Parish, to carry the silver from the Mexican port of Vera Cruz to, first, New Orleans (later to Philadelphia, New York, or Boston), and then to a French port, while the British ships picked up a share of the silver at Vera Cruz, bringing it directly to Britain. Thus, both Napoleon and the British got their hands on the Spanish silver, to continue their continental and oceanic war. This “sharing of the pudding” is, already, the “logic” of the Entente Cordiale, involving the colonial and slave-trading “triangle.”

So the “twin empires” concept is the matrix of the Entente Cordiale, but where it does address the relation of the two empires to the rest of the world, it does not yet address the question of the historical relative superiority of the British, as far as imperial matters are concerned, the proverbial sodomite-catamite erotic affair, defined by oligarch-watcher and -fighter Lyndon LaRouche.

The point is that, from the very beginning, the British had profiled the compulsive psychology of Napoleon, and knew that under stress he would be induced to destroy himself.

The British understand that these artificially created Leviathan monsters are time bombs for their own populations, and that they run toward their own death, taking all their underlords with them, all except the outright traitors. A merchant-financial oligarchy is, hence, smarter than a land-based oligarchy, its twin brother: It uses the underlords to destroy all republican ferment, and then drops them.

This supposes two things :

First, a psychological understanding of their enemy, and a well-timed manipulation;

Second, the infiltration of the enemy by a nest of agents of all sorts, such as the Cambacérès, Fouchés, or Talleyrands.

I am going to prove the first point with a few more cartoons by James Gillray.

Figure 26 shows the destruction of the French gunboats or “little Boney and friend Talley in high Glee.” Gillray captures here, the self-destructive self of Napoleon, which makes his fits very dangerous, but, at the same time, controllable by the British—like the fits of Adolf

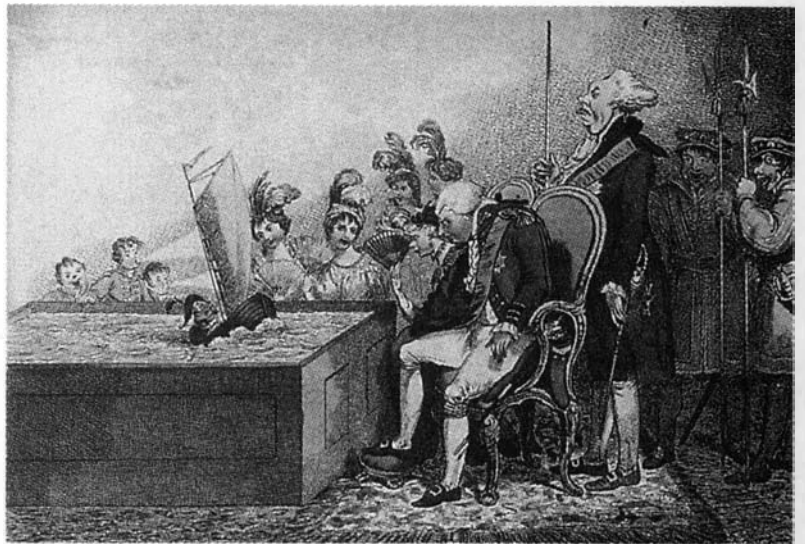


FIGURE 27 *Napoleon as Gulliver, crossing the English Channel.*



FIGURE 28
Napoleon as Sophocles' Philoctetus.

Hitler. Napoleon is shown, very happy to see his gunboats destroyed by the British fleet. Why? Because “we have given John Bull a great fear, and he is destroying a hundred thousand of those Frenchmen that I fear the most. *What a power to rule the life and death of men.*”

Figure 27: Brobdingnag—George III laughs at the attempts of the French fleet to cross the channel, in 1803-04. Napoleon is, of course, Gulliver, a dwarf (from Jonathan Swift’s *Gulliver’s Travels*, written in 1726).

In **Figure 28**, Napoleon is compared



FIGURE 29 *The British portray Napoleon as a fox that they have captured.*



FIGURE 30 *Napoleon as a badminton birdie, played by the Allies.*

to Sophocles' Philoctetus. "Has never crossed the Channel" is his doom (the Channel, *la Manche*, in French also means "the sleeve" and the pun is that Napoleon has a bare arm, with no sleeve).

In **Figure 29**, it gets more vicious. The British see Napoleon as a fox—the favorite prey of a British oligarch—that they have captured. The dogs are Nelson, Cornwallis, Saint Vincent,

and Sydney Smith, the winners of the sea battles in Egypt, and, of course, Trafalgar.

Figure 30 is even more explicit: Napoleon under oligarchical control, a little toy of the Allies—a badminton birdie.

Figure 31 could be called, "Why Napoleon was controllable." A true fit of rage, a Corsican macho babbling about "world rule."

So the British profiled Napoleon quite effectively, as they do today when they profile the nasty parvenu Chirac (Napoleon V, or better Chirapoleon, as some would call him).

The second condition, the infiltration of the enemy by agents of all sorts, is clear since Jeremy Bentham's operations in France during the Revolution: He was sending speeches, written in London, to his agents in the French Convention, who read them, calling for blood, for chopping off the heads of French scientists.

In the Bonaparte era, it took the form of permanent sabotage of France's Grand Design: the "great disembarkation" in England of the French Republican armies. This came very close to coming true, many times.

The plans had been prepared under the monarchy at the camp of Boulogne, in the 1770s. Then the most serious trials went on, in 1796, 1797, and 1798, until Barras kicked out Lazare Carnot, with the help of Napoleon, and even in 1803-04, under Napoleon.

It was very close to succeeding, in 1796 and in 1797, with the Bantry Bay expedition, which celebrates its 200th anniversary this year.

The plan was drafted by Irish republican patriot Theobald Wolfe Tone, and supported on the French side by Carnot, General Clarke, the head of Carnot's Military Topography Bureau, and the 26-year-old General Hoche, the most brilliant French general and an admirer of Robespierre.

Their target was Ireland, where Hoche expected to land 16-20,000 crack troops of his own Army, stirring up a revolt by the Irish against British oppression, organized by Wolfe Tone: an absolutely brilliant flanking maneuver.

It failed in 1796, due to the temporizing of French bureaucrats and naval officers. It failed again in 1797 and 1798, when French ships were swept away by terrible storms, and about 5,000 French soldiers were lost. Wolfe Tone was captured and killed in his cell, and the opportunity was lost. Wolfe Tone was an admirer of Thomas Paine and denounced

Locke's social contract theories as a "veil for autocracy."

Then in 1803-04, Napoleon also failed in his landing attempts, and the British were only finally relieved after the naval battle of Trafalgar, when Nelson smashed the French and Spanish fleets.

Let us hear what Robert Garnier had to say about the 1796 and 1797 attempts, in his biography of Hoche: "But weather was not the worst of the problem. Though led by General Hoche in person, the plot was sabotaged by ministerial offices . . . infiltrated by counter-revolutionary friends of England, since the emigrants had been allowed to return from that country, and were well placed to block the relevant dossiers and choke off the credits; this led to terrible delays in recruiting men, in arming the fleet and bringing it together."

This is what happens when you depend upon a Bonapartist bureaucracy: You are infiltrated by traitors and constantly delayed by incompetence. By the way, the Battle of Trafalgar was a similar set-up, aggravated by a macho fit of then-Emperor Napoleon I.

If you don't believe what I said, look at the results: By the end of his empire, Napoleon, that Venetian-Genoese jock and British time-bomb, had caused France to explode. The nation-state was destroyed, the country was bled white of its men and money, and found itself with all Europe against it, whereas at the end of the eighteenth century, it had only one enemy: England. And England had realized her dream of the eighteenth century: Smash France and take away from Spain and Portugal their American possessions, thanks to Napoleon's occupation of the Iberian Peninsula and Britain's absolute control of the seas.

Let me add one more thing: Just recently, a letter was found in the French Foreign Affairs archives, in which Talleyrand tells his friends in the Unholy Alliance that he has encouraged Napoleon to come back from his exile on the island of Elba, because he needs to be taught a lesson, and France has to be, not partially, but totally smashed. Strange words for a French foreign minister. Then, Napoleon did come back for 100 days, and the final kill took place at Waterloo, a battle where it is proven today that French General Grouchy conspired to arrive too late and let Blucher and Wellington win, making a fortune for the Rothschilds.



FIGURE 31
Napoleon babbles
about "world rule."

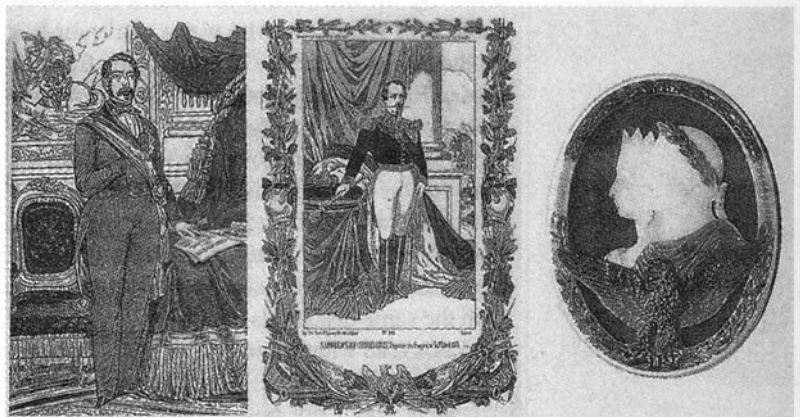


FIGURE 32 Napoleon III imitates the gesture of his uncle.

The faded glory of Napoleon III

So much for Napoleon's empire. The later history of his family is one of a simple sellout to the British—the junior empire pledging full allegiance to the senior empire in Lord Palmerston's zoo. I will briefly sum up the story, because it is much more obvious, and the degenerated xerox copies are far less exotic than the originals.

See Napoleon III (Figure 32), imitating the famous gesture of his ancestor—but what a poor replica. Then, the Roman medal, to complete the profile.

Napoleon the "Turd" was nothing but a fili-

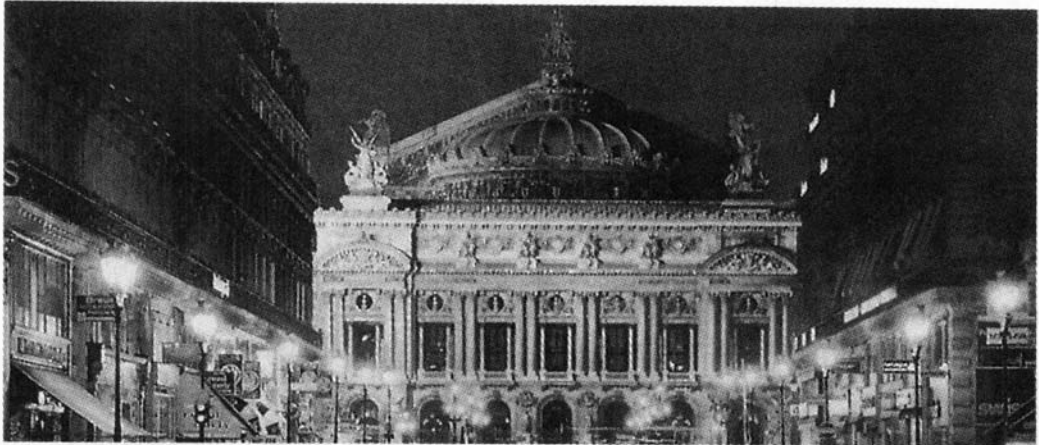


FIGURE 33
The Paris Opera.

buster, an errand boy controlled by Lord Palmerston and his gang, in such an obvious way, that even Queen Victoria was shocked by the “lack of understatement in such an affair.”

Napoleon III spent part of his youth in England, and his takeover of 1848-1851 was sponsored by British courtesan Harriet Howard, duchess of Hamilton, who was a conveyor-belt for the British Court. He had also made frequent trips to Italy, conspired with the *Carbonari*, and always contributed to the destabilization of Europe. The key event proving his British colors, even for the blind, is his signature of the 1859 free trade treaty with England, called the Michel Chevalier-Cobden Treaty, a French remake of the 1786 Turgot free-trade treaty with England, with the same disastrous results.

Let’s read what he had to say in 1847, about his ancestor Napoleon I:

“Why was I not born to participate in the glory of such heroic times? But after all, it is better like this.

“What a shameful spectacle, to see the two greatest civilized nations of the world destroying each other, two nations that, in my view, should be friends and allies, and only rival in the pacific arts.

“Let’s hope that the day is going to come when I can turn into acts, my uncle’s intentions and unify the interests and policies of England and France, and this in an everlasting alliance. This hope gladdens and encourages me.”

Even more interesting is that this quote appears in Philippe Séguin’s biography of Napoleon III, with the following comment: “He was the admirable inventor of the 1904 Entente Cordiale.”

Let us only add that Napoleon was to launch the colonial expedition to Mexico with the British, collaborating with Theodore Roosevelt’s mentor, James D. Bulloch, while trying to make money on the side with the help of the duke of Morny, Talleyrand’s illegitimate grandson and Louis Napoleon’s illegitimate half-brother.

By that time, there was not much of anything “legitimate” left about the Bonapartes, so little that the rest of the family is not even of legitimate descent: Napolleyrand IV, the Venetian Tonton, and Chirapoleon V, the disoriented agent of London, whose only invention is the *chiraquette*, a special motorcycle for eating up the dog-poop on the streets of Paris.

The point here is that Philippe Séguin, a shark close to Chirac and president of the French National Assembly, tries, in his biography of Napoleon III, to compare “Badinguet”² to Charles de Gaulle. His only honest comment is that de Gaulle would have been disgusted by such a comparison. Séguin bases his argument on the fact that Napoleon III wanted to reorganize Europe into a continent-wide confederation, based on the “principle of nationalities” and not on the dynasties upheld at the Congress of Vienna. He claims that this was the forerunner of de Gaulle’s concept of Europe from the Atlantic to the Urals!

Now, I expect the followers of Chirapoleon to say that de Gaulle was a British asset because he fled to London in 1940. To rule, these people divide their own minds into pieces!

Let’s end our images with Napoleon III’s

2. Badinguet was the pejorative nickname given to Napoleon III.

work of art, the Paris Opera (Figure 33). This is the ugliest version of a Venetian theater ever built, which became a center of European mundane prostitution with the *corps de ballet*, its ballet dancers.

Was this the end of the Napoleonic “trip”? Not quite. One day, in the twentieth century, a European head of state decided to repatriate to France the ashes of Napoleon’s son, l’Aiglon, the Eaglet. He did it, and a Franco-German commemoration was organized in Paris. The year? 1941. The head of state for whom Napoleon was a model? You guessed it: Adolf Hitler.

Now, for those among you who have been puzzled or troubled by this story of doom and destruction, let me remind you of what Lyndon LaRouche had to say yesterday: It is through crises, through the collapse of empires, that humanity progresses, and, under the shock, calls into question the wrong axiomatic assumptions which were, until then, its beliefs.

Let me add another point, which is a challenge to all of us. Napoleons, like all other human beings, do die, and empires, like all synthetic constructs, do die, and we should celebrate their funerals with well-deserved outbursts of laughter. But an idea, and even more so the generating principles of ideas, the hypothesis of the higher hypothesis, never dies. Universal culture is our identity and never dies.

Once born, a nation-state concept never dies; it only waits for courageous and sane human beings to come to its defense, to perfect it as a process.

The nation-state is a work of art, self-transforming, self-perfecting in history through the contributions of scientists, poets, and discoverers, not commands carried out by house lackeys. The nation-state cannot be locked into a bureaucrat’s accounts. It is an institution for changing space-time geometry; not to go back to “tradition,” as Napoleon impotently did, but to build a new geometry, sets of new geometries. Napoleon followed the pagan gods of the oligarchy and destroyed his nation, his soldiers, and himself, by clinging to his beliefs, to his respect for the dead culture of the oligarchy.

Napoleon, the so-called “modern Hannibal,” or “Alexander,” who had won so many battles, miserably lost the war. The mystery of the Corsican superman is that he was, as the British well knew, nothing but “Boney,” a dwarf.

He was a puppet who thought he was an Em-

peror, the puppet of his own mind and his own empire, the puppet of those family funds, old Genoese and Venetian family funds, which pulled his strings. He was brought in by Venetian oligarchs and British gamblers, by the Capodistriats, Pozzo di Borgos, Talleyrands, and others, to destroy France and Europe. He was the Maas-tricht Treaty of the time, on four legs.

Final doom was cast upon his brothers, nephews, and great-nephews when they all became dependable tools of the British Empire, the other empire, the *senior* empire. The doom of Napoleon’s heirs was to end as lackeys of their ancestor’s torturers, as British kleenex.

Napoleon was unable to think of a new universe freed from chains, and moved instead, like an enraged beast, in the cage of his illusions, a Raskolnikov axing whomever he could reach.

Let us rather welcome today, once again in world history, that unique moment when a whole class of opinions is falling apart, along with the axioms of an evil universe. It is a great opportunity for us, if we fight to ennoble people’s character, if we love the creative spark in ourselves and them. It is a great opportunity for us, if we foster the creative powers of our fellow human beings, to assimilate, implement, and transmit discovery, and participate in the general progress of history.

It is a great opportunity, if we mobilize human beings to be human, and not cannon fodder or down-bred cattle, to do things that they would never believe they could do before. *Agapē*, “love of thy neighbor,” is what morally sick and mentally frigid Napoleon lacked the most. For him, as for Emperors Diocletian and Constantine or Louis XIV, humans were only domesticated beasts, trained apes, or, at best, a calculable factor in national accounting.

A grand design, as opposed to the fake Roman *grandeur* of the Bonapartist zoo, is a thing of beauty; respect for the sovereign personality of each human being, is hope. The new world, the coming world defined by a higher order, a higher purpose, the future as opposed to eagles soaring up from the past, the future so defined is our world, our historical personality.

Napoleon’s life was a tale told by an idiot, full of sound and fury, signifying nothing, because it was determined by the everlasting nightmare of the past. On the contrary, a true, joyful human being, acts today to plan tomorrow, today under the light of tomorrow, and that is beauty.

GOP's British agents launch scumilous attack on Bosnia

by Umberto Pascali

U.S. Speaker of the House Newt Gingrich (R-Ga.) reached probably the most shameful point of his career, when he unleashed his "conservative revolutionary" Black Shirts against Bosnia-Herzegovina. Gingrich committed this despicable action for one reason only: the U.S. Presidential and Congressional elections. "The Republicans, from Bob Dole to Gingrich himself, are in deep electoral trouble," noted a Bosnian diplomat, "so they are assaulting a country that still has not recovered from the greatest genocide since World War II . . . in order to set up a propaganda ploy against President Clinton. The terrible damage this electoral game will do to Bosnia, to its fragile institutions, to its relations to the U.S., until now considered its closest friend and ally—all this is of no concern to Gingrich or Dole." Behind the greed of Gingrich and Dole, lie the cold calculations of the British geopolitical specialists, ready to instigate and exploit any weakness to achieve their aims: in this case, the partition of Bosnia, the undermining of President Alija Izetbegovic's leadership, and the preservation of British control over the Balkans.

The Republican ploy took the form of the creation of a Subcommittee on the United States Role in Iranian Arms Transfers to Croatia and Bosnia, under the House Foreign Relations Committee. The logistics of this Subcommittee are run directly by Gingrich's office.

On Oct 10, the subcommittee—chaired by Rep. Henry Hyde (R-Ill.), and including the leader of the House's British-American Caucus, Doug Bereuter (R-Neb.)—released some of its "findings." The full report is actually 204 pages, but only the eight pages of "Conclusions" were released. "Much of this report is classified," they said, and thus cannot be "shared with the public"—meaning, *not before the elections*.

The "Conclusions" revive the most discredited line put out in the past by the Yugoslav Secret Police, the Herzeg-Bosna racists, and their backers in Britain: that Bosnia is controlled by Iranian fundamentalists! "The Clinton administration's Iranian green light policy gave Iran an unprecedented foothold in Europe and has recklessly endangered American lives and strategic interests," read the "Conclusions." The U.S. ambassador in Croatia, Peter Galbraith, is accused of "activities that can be characterized as unauthorized covert action."

It is difficult to believe that the supporters of George Bush's Iran-Contra scheme to flood U.S. streets with crack cocaine, are now protesting, without offering a shred of evidence, against "activities that can be characterized as unauthorized covert actions." But the aim of the subcommittee, not unlike the crude Greater Serbia propaganda, was to create the impression that Bosnian Muslims equal Iranian fundamentalists and that the Clinton administration is therefore helping Iranian fundamentalism. In reality things are quite different. The Republicans were well informed of the small aid that Bosnia has been allowed to receive, while the world sat back and watched a "final solution" in progress.

The British military leaders have been pushing the United States to allow the deployment of the infamous Special Air Service against the "Iranian mujahideen" that the SAS suddenly claimed to have discovered in Bosnia. The Clinton administration fortunately refused such an offer, rightly arguing that this could trigger a new war. The SAS had previously been caught red-handed impersonating "mujahideen" guerrillas. Some experts suggest that the SAS offer was an attempt to launch attacks against Muslim leaders in Bosnia, along the lines of Operation Phoenix during the Vietnam War.

Bosnia's President Izetbegovic had already answered this racist assault against his country with noble words, in his speech to the UN General Assembly on Sept. 25 (see *Documentation*) when he said: "I don't know whose interest is to push [the 1 billion Muslims worldwide] into the extremists' embrace." Indeed this is what the British and their lackeys are desperately trying to do now, not only in Bosnia, but also in the Middle East, Africa, and Asia.

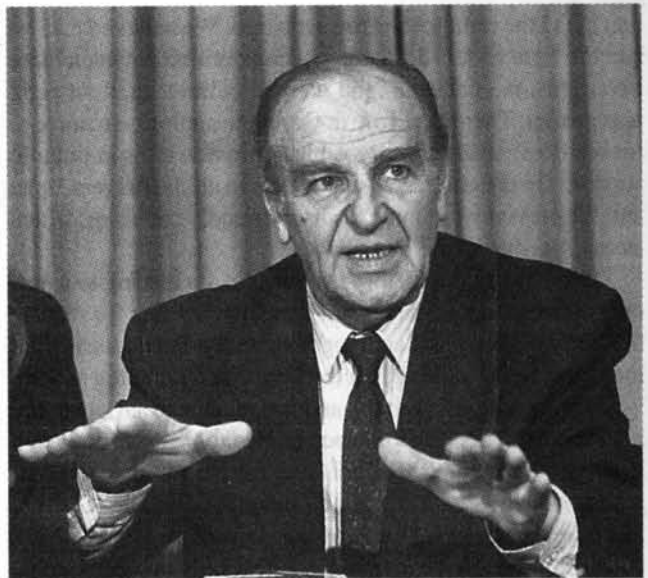
But Bosnia is a crucial singularity for U.S. foreign policy, if that foreign policy is to have the chance to break free from the British colonial model. Bosnia is the "bridge" to the Muslim world, to the so-called Third World, and indeed, to Iran. One of the most indispensable tenets of British geopolitics, is that Iran must remain "fundamentalist." If Iran becomes "normal" and is allowed to develop its resources and alliances, then the Middle East, and the area all along the "Silk Route" that leads to China, will become the center of rapid economic development and "democratization."

Bosnia is the test-case, the point on the map that so many countries of the world are looking at. Will the United States be thrown into an attack against Bosnia, enabling London to achieve its aim of undermining the group around President Izetbegovic, which led the country's battle for survival?

The attack on Hassan Cengic

The article President Izetbegovic denounced in his speech was signed by John Pomfret and published on Sept. 22 in the *Washington Post*. "Even if you have gotten used to the *Post* standard, the piece by Pomfret would strike you as a clinical example of Goebbels' style," said a Balkan observer. The article attacked the group around Izetbegovic for having procured weapons to save Bosnia. Of course, the key spice in the article was "Iran." Particularly targetted was Deputy Defense Minister Hasan Cengic, one of the young leaders who had been arrested in 1983 with Izetbegovic, by the Communist police in Yugoslavia. Cengic, a very capable leader, with contacts all over the world, negotiated with the United States the law integrating Croatian and Bosniak military forces in the Bosnian Federation, and the "Train and Equip" program, for which Washington provided official assistance. This program has now started. The *institutional* link between Bosnia and the U.S. became a reality.

London feared the end of its long control over the Balkans. Already Henry Kissinger had called, at the Republican Convention in San Diego, for Dole to attack Clinton over Bosnia. Kissinger later wrote an article in the *Washington Post* calling for the partition of Bosnia. But Izetbegovic's victory in the Bosnian elections in September smashed many of these plans. So, a personal, vicious attack against the group around Izetbegovic was launched, including against people like Chief of Cabinet Faris Nanic, who had given an eye-opening interview to *EIR* in July. These are, in fact, the most solid leaders for establishing a *principled* alliance between the United States and Bosnia.



Bosnian President Alija Izetbegovic: "I am not going to apologize to anyone for our doing everything possible to provide arms in order to survive."

The pressure on the administration became so strong, that a cowardly decision was apparently taken. If the report in the Bosnian magazine *Ljiljan* is to be believed, a letter signed by Secretary of Defense William Perry and Secretary of Warren Christopher was delivered privately to Izetbegovic: It demanded Cengic's head, without supplying any real reason. The only explanation possible, is that Cengic, known for his honesty and moderation, but also his independence and defense of Bosnian sovereignty, was made a scapegoat.

Documentation

From the speech of Bosnia-Herzegovina President Alija Izetbegovic to the United Nations General Assembly, Sept. 25, 1996:

... While flying to New York the day before yesterday, I read an article published in a prominent American newspaper [the *Washington Post*], which dealt with the providing of the Bosnian Army with arms during the war. The author of the article doesn't say it so explicitly, but implies that everything that is Muslim smells of terrorism. . . . The writer also mentioned some people: Their only fault is they helped the Bosnian Army to obtain some arms during the war.

Today, there are more than a billion Muslims worldwide. I don't know whose interest it is to, in this or similar articles, push them into the embrace of the extremists.

Our country and people went to hell. The world deemed

that it had the right to the arms embargo. We believed that we had the right to self-defense. In a competition between these two rights, we believed, and we still believe, that our right was greater. Therefore, I am not going to apologize to anyone for our doing everything possible to provide arms in order to survive. On the contrary, I pay tribute to all the brave people, and I express my gratitude to all the friendly countries, which assisted us during the war.

That page of our history is over. We are turning to a new one—peace. I thank the United States of America for starting the initiative for peace and, together with other countries, for making efforts to strengthen the fragile and complex peace.

We are a small country and we must lead an open and honest policy. Secret diplomacy and double games are privileges of mighty ones. For this and for many other reasons, among which is also the above-mentioned article, I would like to reiterate some facts, and our objectives.

Bosnia and Herzegovina is possible only as a democratic state of three equal nations and of free citizens. We accept these fundamental provisions of the Dayton peace agreement, with all its consequences. That is a well-known formula: one state, two entities, three nations. It is often considered that the Dayton agreement is not good enough. It is good because it has stopped the killing in Bosnia-Herzegovina, and because a better plan doesn't exist.

The main deficiency is not in itself, but in its implementation. All of the bad aspects of this agreement could be improved if it were very completely and consistently implemented. Unfortunately, that is not the case.

According to that provision of the agreement, Herzeg-Bosna, established as a federal state during the war, should cease to exist; but it still exists and impedes the building up of the Federation of Bosnia-Herzegovina. The Dayton peace accord envisions that the second entity, the Republika Srpska, should facilitate the return to their homes of more than half a million expelled Bosniacs and Croats. This is not going on, but expulsions are continuing. . . .

The world—and, before all, the Contact Group members—should tell [the Republika Srpska], explicitly, that the Dayton accord is a *whole*. If there is no return of the expelled, there is no Republika Srpska. Otherwise, the Dayton agreement will grow from a small and bearable injustice, into a huge and intolerable injustice, and intolerable injustice leads to new conflicts.

The provisions of Dayton agreement stipulate the respect for human rights, and nevertheless, human rights are being violated more or less on the entire territory. The September election and the pre-election campaign offered the opportunity to test this in a very efficient manner. Especially bad conditions in this regard are in territory of the Republika Srpska. For the people from the Federation, neither before nor during the election was there freedom of movement—or it was very limited. And only Serbian political parties could act.

Moreover, the electoral boards that registered the voters

and counted the ballots, in all cases consisted of only one nation and very often one party. . . .

I will complete this brief analysis of the implementation of the Dayton agreement by stating that the main war criminals—Karadzic and Mladic—are still free, in spite of Dayton, in spite of the orders of The Hague tribunal and the elementary demands of justice. We would like to proclaim the principle of reconciliation of the people and the nations. Bosnia needs it. Here no one advocates the view of the quality of guilt of a nation. . . .

Even on the issue of the war crimes, the world seeks some painless, middle-ground solution. When the issue of the war crimes, like the ones committed in Bosnia-Herzegovina, comes into question, every compromise is a shameful betrayal of justice. Unpunished war criminals will continue to poison the world and ruin its institutions.

Some people in Europe and the United Nations also ask whether Bosnia-Herzegovina, after everything, is *possible*. These people either don't know the facts, or are morally corrupt. . . My answer is, if genocide without punishment is possible, then Bosnia-Herzegovina is not possible.

So the real question is not whether the people can live together. It is more concrete and more straightforward: Does a larger nation have the right to expel a smaller nation, and then, under the slogan, "We cannot live together," usurp its property and demand that these violations are forgotten and legalized? . . . For people of principle and morality, the answer is clear.

Finally, what should the future government of Bosnia-Herzegovina do, at this crucial and historical moment, for Bosnia-Herzegovina?

. . . It should draft and proclaim its program as consisting of at least three points: first, to request from all the signatories of the Dayton agreement, its full and consistent implementation. . . . Second, the governments should proclaim the reconciliation of the peoples and the nations on the condition of vigorous prosecution of war criminals. And third, the government should ensure the freedom of media as a way to heal the country. . . .

Bosnia and Herzegovina is still a recovering patient, and it needs the world's support. The presence of the international military forces will be indispensable for a certain and limited period of time, and economic assistance is necessary for a longer period.

Before I conclude, I would like to say a few words about the United Nations. We support reform of the United Nations system. . . .

The United Nations must not undertake obligations it cannot carry out. This is impermissible. My people have paid an infinitely high price for this irresponsibility. The safe area of Srebrenica and over 8,000 of its innocent victims are not the only, but are the most grave, example of this incomprehensible attitude. We don't know who is responsible, but we seek reforms which ensure that this will never happen again. . . .

Armenians fight for free, fair elections

by Hovhannes Galajian

Sept. 22, the day when Presidential elections in Armenia took place, was a day of many hopes and fears. It was preceded by an excellent election campaign of the unified opposition's candidate, Vazgen Manukian. Despite intensive "brainwashing" by television, meant to confuse and intimidate voters, the majority of them decided to cast their votes for Manukian. From early morning, several thousands of Manukian's poll-watchers arrived at voting places, to monitor the election process and prevent fraud.

It should be mentioned, that under current political conditions in Armenia, the position of a poll-watcher for an opposition candidate requires a lot of courage, because such election monitors may be arrested, severely beaten, or even killed. For example, in Bambakshat, a village in the Armavirsk region, a poll-watcher for the Communist Party candidate was hit with a log and both of his legs were broken.

During election day, many cases of incredible violations of election law were registered. Among them, the most common was violation of the secret ballot: forcing people to cast votes for the incumbent, Levon Ter-Petrosian; forcing the same military unit to vote repeatedly in different polling places; swapping ballots, etc. The use of force against Manukian's poll-watchers and election committee members from the opposition, was extensive.

Protests suppressed brutally

Nevertheless, according to the protocols of the district committees (and the opposition has in its hands copies of about 80% of those protocols), Manukian received 54% of the votes cast. According to independent experts, if it had not been for election fraud, this number would have reached over 70%. Because the fraud at the level of election districts did not produce the result which the authorities wished for, they continued to falsify the results at the higher levels of regional committees and the central election committee. Cases of fraud and coercion led to a great deal of resentment among the population, and since Sept. 23, the country has witnessed a wave of protest rallies and demonstrations. The biggest one, which drew 100,000 people, took place in Yerevan, the Armenian capital.

The government responded with a provocation on Sept. 25, when demonstrators were incited to storm the Parliament building. A group of city police agents in civilian clothes attacked and beat up the speaker and vice speaker of the Parliament. During the night of Sept. 25, a huge number of troops was moved into Yerevan, and rallies and demonstrations were banned. Gatherings of people were dispersed with gunfire. Almost all opposition deputies of the Parliament were arrested (except for communists), and the offices of opposition parties were sealed. The whole of Armenia witnessed a despicable scene, which was broadcast live on television, when opposition deputies were beaten up in the Parliament. That event, unworthy of a civilized society, occurred in the presence of the attorney general, and with the participation of the ruling party deputies as well as the justice minister, Marat Aleksanian.

Opposition is forced underground

Over 200 members of the opposition have been arrested, and as a result, the rest have been forced to go underground. According to reliable sources, those arrested were beaten and interrogated. Another source, close to the police, claims that one of the leaders of the opposition, Academician Aganovian, has suffered a spinal injury as a result of the beatings.

Television and radio, as well as government newspapers, are conducting an unprecedented campaign of disinformation and intimidation, reminiscent of the Stalinist propaganda of 1937. The opposition has been charged with a ridiculous accusation of attempting a coup against the state, and of treason and terrorism. Defense Minister Vazgen Sarkisian went so far as to announce that even if Manukian had gotten 100% of the vote of the population, the Army and the police would not have obeyed him. Independent press has described the events as an affront against the wishes of the electorate, and an illegal takeover of power on the part of Ter-Petrosian and his close circle, who lost the elections.

The same opinion was expressed by a group of observers from the Organization for Security and Cooperation in Europe, led by Simon Osborn, which recorded numerous serious violations of election law, and came to the conclusion that the official results of the Presidential elections in Armenia are dubious. One of the bases for this conclusion, was the fact that there was a discrepancy between the number of electoral ballots cast and the number of people who voted. The difference was estimated at over 22,000, while the number of votes which moved Ter-Petrosian above the 50% required threshold, was only 21,000.

Concerning the mood of Armenian population, one has to say, that only widespread military and police terror is restraining it from organizing protests and participating in civil disobedience. The Armenian government, which does not have any support from the society today and is dependent solely on military might, is behaving as if it were an occupying power in its own country.

The shaky throne

Will the new “democratic authoritarianism” return a Tsar to the Kremlin? Part 3 of Roman Bessonov’s series on “The Anti-Utopia in Power” in Russia.

In the Soviet Union of 1990, on the eve of the dissolution of the Communist Party (CPSU) and the U.S.S.R. itself, the Democratic Russia movement based its propaganda on liberation populism, declaring itself to be the people’s movement, with no higher objective than to crush the corrupt *nomenklatura* and establish a more just political system that cared for all citizens. This goal was proclaimed at public rallies, written in magazines such as *Ogonyok*, and printed on the millions of posters produced for the country’s first really multi-candidate election campaigns, the Supreme Soviet elections of 1990.

The mirage of “multi-party democracy” never came to life, as we have seen in the sorry history of the Russian political parties’ splintering and resplintering into warring, impotent fragments.¹ While democracy-watchers from the U.S. International Republican Institute (IRI) and kindred organizations promoted and applauded the fragmentation process as a measure of success, something else came lumbering onto the scene: the figure of a Russian Tsar. In this article in our series on the strategic blunder, passed off as the “democratization” of Russia, we look at the cultivation of Boris Yeltsin, especially by the British elite, as such a figure.

New powers behind old fences

The new, democratic order in Russia was supposed to be personified by Yeltsin, the maverick who had publicly rejected the privileges of his CPSU Politburo and was now returning to the center of power. In May 1990, members of the newly elected Supreme Soviet of the R.S.F.S.R.² chose Yeltsin as its chairman, by a narrow margin, making him “President” of Russia. A year later, in June 1991, he won the first-ever election of a Russian President by direct popular vote.

Yeltsin set a pattern for his fellow reform politicians. First, the heralds of the new order easily stormed the newly open legislative bodies, sweeping into the majority in *soviet* after

soviet at various levels of authority. No sooner were they ensconced in legislative power, than most of them, following Yeltsin’s example, prepared for the next step: into the Executive branch, the state administration.

The change in their behavior was astonishing. Gavriil Popov, leading critic of the “command-administrative system” of the Soviet economy, now demanded “strict administrative force,” as soon as he was elected mayor of Moscow. Anatoli Sobchak, backed by Democratic Russia (DR) in his campaign for the St. Petersburg mayoralty, began his new career by denouncing the “system of *soviets*”—in which his fellow democrats were the overwhelming majority! Another pioneer of democracy, Ilya Zaslavsky, launched his real estate purge on the very day of his election as head of a district *soviet* in Moscow, simultaneously denouncing the “Communist system of *soviets*” and insisting that a local administrative body should be controlled only by a “limited group of people.”³

At a 1991 conference of Democratic Russia, held right after the dissolution of the CPSU, DR co-chairman Zaslavsky asserted that his organization represented the interests of the “new middle class.” Some former political prisoners were offended by such a label, but Zaslavsky evidently knew what was to come: the “institutionalization” of illegal business activity, which Vitali Naishul, a follower of Friedrich von Hayek, at that very moment, was promoting as the ideal path for economic reform,⁴ would bring into dominance a new force—not a conventional middle class, but a layer of people at the financial top of society, who skillfully manipulate the reforms for their own fabulous enrichment, and maintain a coterie of hangers-on from the world of politics and culture, the better to cloak themselves as “democratic” forces.

Hundreds of Democratic Russia activists were disappointed or even depressed, upon realizing within a year or less after the August Revolution,⁵ that their rallies and demon-

1. Roman Bessonov, “Russian ‘Democrats’ Recruited to Conservative Revolution” (Part 2 of this series), *EIR*, Oct. 4, 1996, describes the fragmentation process.

2. Russian Socialist Federation of Soviet Republics, the name of the Russian Federation as a unit of the U.S.S.R.

3. *EIR*, Oct. 4, 1996, p. 58; Part 2 relates Zaslavsky’s activities.

4. Roman Bessonov, “The IRI’s Friends in Russia” (Part 1 of this series), *EIR*, Sept. 6, 1996, summarizes Naishul’s October 1991 *Nezavisimaya Gazeta* article on this topic.

5. In current Russian parlance, “August” refers to the three-day coup attempt against Soviet President Mikhail Gorbachov, carried out by a State Commit-

strations had served neither their fellow citizens, nor themselves, but rather that hitherto “invisible” class, which was now visible everywhere with its Mercedes, high-fenced mansions, gangster manners, primitive interests, and no soul. The new class, meanwhile, underwent an amazingly rapid ideological transformation to neo-conservatism. Seeking protection for their property from the new poor, those new rich that originated from among the heralds of liberty, now were interested in “law and order.”

The Oktyabrsky district of Moscow, under Zaslavsky’s rule, and the top-down control of the Russian media by Yeltsin’s crony Mikhail Poltoranin,⁶ are just two models of the “democratic authoritarianism,” which the politicians most favored by British circles and the U.S. “democracy” promoters from the IRI sought to establish throughout Russia. In the second half of 1992, this effort made a dramatic and qualitative advance.

The cost of British support

Inside Russia, the “shock therapy”—the overnight decontrol of prices, even though many suppliers enjoyed monopoly positions in their sector—imposed by the Yegor Gaidar government’s cohort of Mont Pelerin Society-trained radical free marketeers, had devastated the living standards of the Russian population and the functioning of industry, within a matter of months after its implementation in January 1992. In the United States, the defeat of George Bush looked more and more certain. The future “Sir” Bush had taken Margaret Thatcher’s lead on strategic matters, from their shared sour reaction to the fall of the Berlin Wall in 1989, to the hyper-enthusiastic rampages of the Persian Gulf War in 1990-91. Uncertainty as to whether President Bill Clinton would be as compliant, dictated an escalation of London propaganda, as well as concrete efforts, for a “democratic” dictatorship, in the person of Yeltsin, to be consolidated in Russia.

It is a well-known phenomenon in Russian history, how British strategists appreciate Russian Tsars—especially if they have a clear line of sight to the Achilles’ heel of the latter, and some leverage to keep up a level of instability in his dominions!

Review some items from the record of that period:

April 13, 1992: Lt. Gen. William E. Odom, former director of the U.S. National Security Agency (1985-88), wrote in the *Washington Post*, “If [emerging dictators] are committed to privatization and building a strong and honest state administration, they . . . might be the best hope for a future return to democracy.” In conversation with *EIR* about the Odom article, a London strategist rejoined that the International Monetary Fund would prefer an “authoritarian Presidency”

tee for the Emergency, in August 1991. Yeltsin, as Russian President, resisted. The coup collapsed, and so did the U.S.S.R.

6. Roman Bessonov, “Krieble’s Friends in Yeltsin’s Service,” *EIR*, Oct. 4, 1996.

in Russia, to a “democratic” system.

March 17, 1993: The *Financial Times* of London editorialized, “The West may soon have to choose between an obstructive parliament and a government aiming to introduce the conditions for stable democracy, including a market economy. It would have to choose Mr. Yeltsin. It cannot side with the parliamentarians whose hard core is anti-market, anti-democratic, and anti-western. Democracies must back even authoritarian rulers if the alternatives are worse.”

In November 1992, a week after Clinton defeated Bush in the United States, President Yeltsin hurried to London. The agreements he signed with the British leadership were so detailed and thorough-going, that the London press, joined by *Izvestia* from Moscow, chorused that a Russian-British

The Windsors ‘do’ Russia

Queen Elizabeth II’s state visit to Russia in October 1994 was the first such excursion for a British monarch, since the 1918 execution of Tsar Nicholas II and his family. Nicholas was a close cousin, in the previous generation, of Elizabeth and of her consort, the Duke of Edinburgh (Prince Philip). Alexandra, the wife of Nicholas, was one of Queen Victoria’s many grandchildren.

Preceding his mother, Prince Charles visited St. Petersburg in 1994, at the head of a team of British businessmen.

But Prince Philip led the way, on another track. In a March 14, 1992 article, the London *Spectator* reported that, for “ecological” and other reasons, Philip was “anxious to rediscover his Greek Orthodox roots” (he was born a member of the Greek royal family). “He has personally planned a number of foreign trips that will take him on a pilgrimage to the holy peninsula of Mount Athos and to meetings with Patriarchs of the Eastern Orthodox Church.” In May 1991, Philip had met with the Russian Orthodox bishop in Britain, Metropolitan Anthony Bloom, in preparation for a solo visit to Russia in 1993, “the first time that a senior member of the royal family will have visited the country since the Romanovs were assassinated in 1917 [sic].”

The Queen’s visit was announced in February 1994. As the date drew near, President Yeltsin, on a stopover in Britain on Sept. 26, 1994, en route to the United Nations General Assembly in New York, declared about the pending arrival in Moscow of the British monarch, the leading light of the international oligarchy, “It means Russia has firmly and irrevocably entered on the democratic path.”



The Russian imperial two-headed eagle is being invoked as a national symbol by such anti-communist "liberals" as Mark Zakharov, member of the Presidential Council and director of the Leninsky Komsomol Theater.

treaty of such quality had not been signed since 1766.

Prime Minister John Major promised to double economic aid through the Foreign Office's "Know-How Fund" and other institutions.

For the first time, the Russian mass media wrote that both Queen Elizabeth II and Prince Philip were relatives of the Russian royal family, giving a hint of the royal family's own intense diplomacy on the Russian front (see box). While Yeltsin was still in London, British royal relatives of the Romanovs provided genetic material, for purposes of identifying the remains of Tsar Nicholas II, found near Yekaterinburg. Russian officials, being rather materialists than Christians by education, realized that this royal flirtation promised something substantial, such as return of former royal properties and treasures.

That was not all. While Yeltsin headed for England, the Moscow human rights milieu was in an uproar over the crisis in North Ossetia and Ingushetia, two entities in the North Caucasus, where Russian forces were intervening into inter-ethnic clashes, and Yeltsin even declared a state of emergency on Nov. 2, 1992. In retrospect, after the bloody war in Chechnya (1994 to the present), the Ingushi and Ossetians look fortunate, in that this conflict coincided with the period of uncertainty and hesitation in the Russian leadership, between the U.S. Presidential election and Yeltsin's visit to Britain. Yeltsin's emissary, Sergei Shakhrai, appointed on Nov. 11 while Yeltsin was in London, brought the situation to the brink of war, but a solution was reached through the energetic

efforts of the Ossetian and Ingushi leaderships. Ingushetia accepted a different role—as the scene not of a bloodbath, but of a British-dominated "free economic zone," which later served as a safe haven for Chechen paramilitary groups.

But Yeltsin's explicit and implicit strategic compromises seemed to be justified by the main result achieved in Britain. This was a *carte blanche* for a new type of image, the one that had been more natural for Yeltsin all along—the image of the Tsar.

The image of the Tsar

On Dec. 4, 1992, on the eve of the Seventh Congress of People's Deputies of the Russian Federation, *Izvestia* published an article prepared by one of those "creative intellectuals," who were predetermined by their nature to be tsarist lackeys. Mark Zakharov, member of the Presidential Council, chief director of the Leninsky Komsomol Theater, and a well-known anti-communist "liberal," titled his work, "The American Star or the Two-Headed Eagle?" defining Russia's choice as being between American "cosmopolitanism," and allegiance to the Slavic brethren (the very tendency, which was manipulated in Russia by Britain, on the eve of World War I).

Zakharov wrote:

"In 1914, Russia had no territorial claims, no bravado, no ambitions—nothing but the will to save the sovereignty of the fraternal Slavonic Serbia, at the cost of any humiliation of state power, in order to prevent elimination of the result of the Balkan liberation wars [of Serbia, Bulgaria, et al. against the Ottoman Empire].

"I like stars—but not to the extent of sacrificing the ancient Russian design [the author chose a very modern, imported word: *dizain*—R.B.] and the sacred places of Slavonic architecture. There is a primordial national genetics, which shaped the magic secret writings in its depth. But now we see those pseudo-proletarian cosmopolitan signs, scattered all over the country. Red Square has been transformed into a garbage pit for relics imported from Germany. . . .⁷

"The two-headed eagle of Gosudar Ivan Vasilyevich [Tsar Ivan the Terrible—R.B.] has been encrusted onto the Russian Orthodox identity in a natural way, directing its keen glance both to the mysterious West and to the alarming East. The two-headed eagle is the historical heritage of our keen forefathers. Very soon the stars with hammers and sickles will disappear from everyday life, as the schizophrenic slogan 'Proletarians of all countries, unite!' has disappeared.

"I am not confused by the imperialist details of the two-headed beauty. *The British monarchy has proved its blood ties with democracy*, and its royal crown merely emphasizes

7. Zakharov alludes to the embalmed corpse of Lenin, still on display in his mausoleum on Red Square, and labelled "German" because the funds for the Bolshevik leader's return to Russia, during World War I, were supplied by German agencies. But the real mover of that project was the Anglo-Venetian superagent, Alexander Helphand ("Parvus").

and consolidates the historical continuity of the British national unity.”

Thus, it took only 40 years after Stalin’s infamous “anti-Cosmopolitan” campaign, for a person of Jewish origin to be singing Hosannahs to a religious state based not even on Orthodox, but on pre-Christian mythology. To be sure, Zakharov, who more recently has been favored by the Dostoyevskian-Nietzschean publicist Aleksandr Dugin, does not represent the whole of the “creative intelligentsia” in Yeltsin’s support group, but the very fact of such an article being published in the pro-Yeltsin *Izvestia* was more than remarkable.

A striking detail in Zakharov’s article was the name of Ivan the Terrible, in the context of “any humiliation of *derzhava*”—the state (military power), or statehood. Russian historians such as Karamzin and Klyuchevsky, among others, testify that the reign of Ivan the Terrible was a disastrous, rather than a glorious period, for Russian statehood, as well as the economy—especially in the last period, when Ivan was obviously insane. Whatever the modern monarchist authors may write about that gloomy period, its essence was irrational tyranny, a combination of dictatorship and chaos. But wasn’t that the objective of British policy toward almost any country, and emphatically Russia?

A yes-man’s transformation

Mark Zakharov’s article could be regarded as a preface to the scandalous speech of Foreign Minister Andrei Kozyrev at the Stockholm Conference on Security and Cooperation in Europe (CSCE), on Dec. 14, 1992. The *Washington Post* reported the impact of Kozyrev’s words: “For nearly an hour today, the world appeared to have been plunged back into the Cold War. . . . Kozyrev shocked a gathering of foreign ministers and diplomats by declaring that his country’s new-found cooperation in international affairs was over. Instead of abiding by UN sanctions imposed on Serb-controlled Yugoslavia for its aggressive actions, he demanded that the sanctions be lifted and said Russia would take ‘unilateral measures’ if this were not done. . . . Russia would ‘defend its interests’ with military and economic means to press 14 former Soviet republics back into the Soviet mold.” Kozyrev added that, “The present government of Serbia can count on the support of Great Russia in its struggle.”

Some diplomats rushed from the hall, to call home and find out if there had been a coup in Russia. Acting U.S. Secretary of State Larry Eagleburger, ex-officer of Kissinger Associates, Inc. and ongoing collaborator of British schemes in the Balkans, cornered Kozyrev to demand that he clarify what he meant. After these consultations, the Russian foreign minister returned to the rostrum, to say that his speech had been a joke, an “oratorical device” to show what would happen if “the most extreme elements of the opposition in Russia” took charge.

Joke or no joke, Yeltsin was preparing changes in Mos-

cow, even though Kozyrev’s departure as foreign minister came only later, at the tail end of 1995.⁸ “The Democrats should look for a ‘back-up’ candidate for prime minister,” *Izvestia* analyst Albert Plutnik wrote during Yeltsin’s visit to Britain. Gaidar’s days as prime minister were numbered. Yeltsin’s outburst of rage, when the Seventh Congress voted no-confidence in Gaidar, was less sincere irritation, than a build-up of his image as a Tsar (“I can do without a parliament!”). Two weeks before the Congress, Yeltsin also eliminated the post of State Secretary, until then occupied by his crony Gennadi Burbulis.

Ivan, or Fyodor?

At the Seventh Congress, the opposition bloc of the moment, Arkadi Volsky’s industry-linked Civic Union, achieved little. Viktor Chernomyrdin, the natural gas industry chief, collected fewer votes than Yuri Skokov, but was appointed prime minister by Yeltsin; the Congress agreed to this “compromise figure,” being happy enough to see Gaidar go. The Congress might have ended more or less quietly, had Yeltsin not put on the agenda the question of his “special powers.” The answer was a harsh speech by Vice President Rutskoy, who began to ally with Yeltsin’s opponents in the Supreme Soviet (at that time, the standing parliament was a subset of the Congress of People’s Deputies).

Before long, Rutskoy was deprived first of his staff, and then of his Kremlin office. Most of former State Secretary Burbulis’s functions were shifted to Yeltsin’s new favorite, Sergei Shakhray, who headed a new institution, the State Law Department, with a gloomy abbreviation, GPU (the acronym of the old Soviet secret police). This young, energetic politician began to compose what was later called “the Bonapartist draft” of the Constitution, significantly reducing the rights of the parliament.⁹

Yeltsin’s next move was rather hysterical than rational. He proclaimed what he called a state of “special rule” of the country. The Supreme Soviet convened an extraordinary Congress of People’s Deputies, at which Yeltsin came within a few dozen votes of being impeached. The would-be Tsar got a painful flick on his nose. Slamming the door of the

8. Kozyrev quit his government post after winning election to the State Duma in the December 1995 election, as an independent candidate representing the Arctic port of Murmansk. IRI officials in Russia have boasted about how they helped Kozyrev’s campaign.

9. Shakhray was not in favor for long. In March 1993, several Russian papers published a report, citing unnamed U.S. sources, in which the head of GPU was called a possible replacement for the “outdated” Yeltsin. One journalist, Dmitri Travin from St. Petersburg, wrote in *Ekho*: “In Moscow and Washington, there is a general opinion that Boris Yeltsin should be replaced by a younger politician having the same views, but more capable of their implementation.” Travin co-authored the economic part of the program of Gaidar’s party. He was very close to Anatoli Chubais and the members of the Naishul group, as well as free market economist and adviser Anders Aslund, from Sweden. He joined Naishul as an admirer of Chile’s General Pinochet. Travin did not make clear exactly whom he meant in Washington.

Congress as he stormed from the room, he seemed to be asking: “Am I a Tsar, or not a Tsar?” like the feeble-minded Fyodor Ioannovich, son of Ivan the Terrible. The ministers of the defense and security services didn’t follow him out.

On April 25, 1993, Yeltsin held a nation-wide referendum on his regime, asking the population if they had “trust” in him, and if they wanted early Presidential or parliamentary elections. Amid heavy accusations of vote fraud and manipulation, Yeltsin won his supposed new mandate, but the referendum did not solve Russia’s constitutional crisis. Looking back from the year 1996, the lavish expenditure of funds on the referendum campaign was a definite success . . . for the IRI, which did its best to prove that the Russian President couldn’t do without its campaign expertise. On closer inspection, we discover that international agencies carefully rationed their activity:

- One of the parties which voted *against* Yeltsin in the April referendum was the centrist faction of the Social Democratic Party, called the United Social Democrats (USD). It got financial support from the foreign department of the AFL-CIO, which collaborated closely, at that time, with the IRI. The USD’s analytical apparatus worked with Arkadi Volsky’s Russian Association of Industrialists and Businessmen (RAPP), whose experts were in contact with Vitali Naishul’s economics group. Authors from these institutions were frequently published in magazines sponsored by the National Endowment for Democracy, the parent organization of the IRI.

- Nikolai Travkin’s Democratic Party of Russia, calling itself “conservative,” also maintained contacts with the IRI, as did Volsky, the founder of the Civic Union and of RAPP.

- In St. Petersburg, the Movement of Democratic Reforms joined the local organization of the Civic Union. It was headed by Prof. Konstantin Khudoley, a member of the Commission for Romanov Family Identification, and a specialist in the Russian Empire’s securities abroad.

The Anglo-American lobby was playing both sides, and it seemed that the Tsar was put on a throne that had all four legs half-sawed-off, beforehand. But the “court” of privileged writers, actors, and journalists around Yeltsin was convincing him that everything was all right.

The court

Such Russian words as *lakeistvo*, *kholuistvo*, *nizkopoklonstvo*, *presmykatelstvo* and, especially, *rabolepiye*¹⁰ are not easily translatable into European languages. All of them

10. Nonetheless, we shall try:

lakeistvo—servility, related to “lackey”;

kholuistvo—toadyism;

nizkopoklonstvo—obsequiousness, from the literal meaning, “bowing low”;

presmykatelstvo—grovelling;

rabolepiye—servile fawning, from *rab*—slave.

have approximately the same meaning: a desire or readiness to be a humble servant or even (in the last case) a slave, to look at the Master from below, eyes full of adoration and dedication, and eagerly fulfill any, even a most dirty or humiliating task, if the Master should order it.

All these terms sound “bookish”; you’ll seldom come across them at a factory, in the village, or in the Army. Such language was generated precisely in the social layer for which it was most typical—the court writers and actors around the Russian emperors, the layer which later developed into the so-called “creative intelligentsia” under Soviet power. The qualities these terms define are the flip side of the sought-for immediate and utmost freedom for its own sake: rebellion against tyranny, coupled with hatred of God, which since the 1840s was called “nihilism” in Russia. Both sides of the coin showed up in history as exaggerated, ridiculous forms of expression of the “court” people’s feelings toward the state and its leadership, and defined the irrational behavior of both servants and rebels. The two sides of the coin meant either “a part of the supreme elite,” or “an enemy of the nation, as not accepted into the supreme elite.”

Really great writers and thinkers, who created the national culture, never regarded themselves as part of either the nihilist or the sycophant intelligentsia, while their successors in the Soviet period never identified themselves as either “Soviet creative intelligentsia” or “dissidents.” Chaadayev, Pushkin, Griboyedov, or Leskov were rebellious, but not nihilistic; being in the state service, they never became “men of the court.” Mayakovsky preferred being a “proletarian writer” to an *intelligent*, Yesenin preferred the image of a “hooligan,” and the aged historian Lev Gumilyov, son of the poetess Anna Akhmatova, said in his last interview, in 1990: “I’m no *intelligent*—I’m a soldier.”

Film director Stanislav Govorukhin, making his perestroika-era film *The Russia We Have Lost*, full of nostalgia for the old monarchical traditions, could hardly imagine how soon and how eagerly his colleagues in literature, art, and music would convert into new “courtiers,” borrowing the worst possible manners of the 19th century *kholui* (toadies).

In the Yeltsin era, every aspect of the “revived old Russia” emerged in an awkward and grotesque way. Along with pseudo-Cossacks and pseudo-cathedrals, Russia got a pseudo-nobility. Toy monarchist parties allied with anarchist groups (one person of noble ancestry, called Engelhardt, even developed a notion of “syndicalist monarchism”!), and puppet “nobility balls” favored young bankers of Komsomol origin. Tiny primitive people, most of them having made scant impact in literature and art before, sang praises to the Guarantor of Democracy—that was the honorary title for Yeltsin. They were followed and accompanied by well-known people who had some reason or another to cherish Yeltsin—sometimes only because it was in Yeltsin’s time, that their party bosses were removed and they were, finally,

allowed to draw spots and hooks on a canvas and call it a painting, and also to become famous as former victims of the KGB.

Those who were students in early 1980s were astonished and ashamed to see their favorite author of philosophical songs, the master of Aesopian language Bulat Okudzhava, side by side with Yeltsinist fanatics Andrei Nuikin, Valentin Oskotsky, or former parody-writer Aleksandr Ivanov. The writers of the "village prose" school were no less astonished, to see their colleague Victor Astafyev in the same environment. The itching to be a humble servant infected film director Eldar Ryazanov, actors Oleg Basilashvili and Lia Akhedzhakova, academician Dmitri Likhachov, et al. Their fits of hysterical love for the Guarantor produced an impression of sincere devotion, which became most disgusting. Behind their hysterical appeals to Yeltsin in 1993 to "kill the snake" (of the first freely elected parliament!), one could discern the disease that struck them all: the will to represent the narrow elite, which also made most of the voluntary slaves bitterly hate each other.

One could have told Yeltsin already in 1991 that such

"courtiers" would readily betray him. They did, beginning in late 1994, as soon as Radio Liberty began to treat Yeltsin with some skepticism, and new leaders, who played on his decline of popularity after the October 1993 massacre, announced their claims on supreme power. He was betrayed by the people who had danced ecstatically around him a year before, like pagans around an idol—the same Yakunin, the same Borovoy, Yushenkov, et al., and the artistic-literary milieu faded away, leaving him alone with his professional servants.

Historians may calculate how much home-bred corruption and criminality affected the country in the early 1990s, and how much the foreign "assistants" did. But the damage done by what is defined by *kholuistvo*, *nizkopoklonstvo*, and *rabolepie* is incalculable. There was Yeltsin, and his closest people, and the hypocritical British and U.S. Republican strategists—and there were Russian citizens, also from the highest levels, who were ready to crawl as a worm before them. That is the phenomenon which the British had studied for centuries, and taught their U.S. and French marionettes how to use.

Coming soon in EIR

Syrian dictator Hafez al-Assad, the terrorist and drug-running kingpin, will be the subject of a forthcoming *Special Report* to be published in *EIR*. The study will show how the Anglo-French Entente Cordiale, which carved up the Mideast through its post-World War I Sykes-Picot agreement, still controls the Mideast. Contrary to claims that Assad's Syria is some sort of "rogue" state, it is, and always has been, controlled by British and French intelligence (helped, in more recent times, by George Bush's faction in the United States), which has always used Syrian terrorism for their geopolitical benefit.

The Assads have been French imperial lackeys for over 50 years. Former U.S. Secretary of State Henry Kissinger put Assad into power, and George Bush sustained him there. That, and nothing else, is the secret of



Partners in crime: Syrian dictator Hafez al-Assad (left) and former U.S. President George Bush.

Assad's political longevity.

Under that sponsorship, Assad has emerged as one of the world's biggest heroin and hashish traffickers, earning billions of dollars a year at the trade. Bush, whose role as cocaine kingpin has been widely exposed in recent weeks, also became one of the world's

heroin kingpins, through his association with Assad. *EIR's* study documents the fact that two of the most important Syrian-run terrorist organizations, the Kurdish Workers Party and the Lebanese Hezbollah, have the same Anglo-French/Bush factional backing.

International Intelligence

Britain, Cuba ink 'anti-drug' accord

The British government, already backing the narco-regime of Ernesto Samper Pizano in Colombia, against Clinton administration efforts to stem the tide of drugs, has now teamed up with Fidel Castro's Cuba, in an "anti-drug" alliance.

Thomas Sackville, British deputy minister of the Home Office, signed a cooperation agreement with Cuban Customs Chief Gen. Pedro Pupo on Oct. 1, during his visit to Cuba. The agreement includes provisions for the exchange of information, British training of Cuban drug officers, and the donation of eight motorscooters for Cuba's anti-drug police.

Equally important, is the strengthening of political relations: Sackville hailed "the commitment of Cuba in the fight against drugs" as "absolute," claiming that "the use of information we have provided Cuba has been exemplary and has led to some very significant arrests." Such lies fit nicely into the Castro regime's current propaganda campaign, wherein they "rebut charges coming from the United States that Cuba condones drug-trafficking," by trumpeting drug seizure and arrest statistics.

Cuba may arrest a few traffickers at home, but as *EIR* has documented, the Castro regime maintains tight control over a centralized, continent-wide, narco-terrorist apparatus known as the São Paulo Forum, whose Colombian member-organizations, alone, constitute one of the world's leading drug cartels.

Velayati condemns 'new totalitarianism' at UN

In his statement before the UN General Assembly on Sept. 23, Iranian Foreign Minister Ali Akbar Velayati harshly attacked the emergence of a "new international totalitarianism," pointing specifically to propaganda campaigns waged to distort the image of Islam and U.S. legislation "to allocate money for subversive and terrorist activities against the Islamic Republic of Iran. . . ."

Dr. Velayati further condemned the "recent unilateral sanctions enacted by the United States" as well as the ambiguity with which the nuclear non-proliferation policies are being pursued, depriving some countries of "their inalienable right of acquiring nuclear technology for peaceful purposes."

Velayati contrasted this "new international totalitarianism," to the expanding cooperation for economic development among countries in Central Asia and the Caucasus, including the "expansion of transportation networks, including the revival of the Silk Road providing the possibility for a dramatic increase in the volume of trade not only among member states, but also between them and other countries of Europe, East Asia, and the Persian Gulf."

S. Africans widen probe of Palme murder

In early October, the Angolan government arrested South African intelligence operative Craig Williamson and three other men, in the latest development in the probe of the 1986 assassination of Swedish Prime Minister Olof Palme. Late last month, two former South African secret agents publicly testified that Williamson, and another British SAS-linked mercenary, Anthony White, were responsible for planning and executing the Palme murder.

South African President Nelson Mandela announced on Oct. 7 that Archbishop Desmond Tutu's Truth Commission, established by Mandela to investigate the crimes that took place under apartheid, will be pursuing other South African leads into the Palme murder. Last month, during the sentencing phase of his murder trial, Eugene de Kock, the head of one of the apartheid-era assassination squads, charged that Williamson was involved in the Palme murder. De Kock's claims were later confirmed by Dirk Coetzee, who in addition named White as the trigger-man.

During the 1980s, both Williamson and White were part of an extensive British-American-run intelligence apparatus, directed from the U.S. side by Vice President George Bush. This apparatus ran the mas-

sive illegal arms trade that was fueling the Iran-Iraq War, at the time that Palme's commission was seeking to stop it. This same apparatus was trading weapons to the Nicaraguan Contras, who paid for them with proceeds from "crack" cocaine sold in the U.S. ghettos.

Senior Tory defects to Goldsmith's party

On the eve of the Conservative Party's last major convention before Britain's general elections, former party deputy chairman and treasurer Lord Robert McAlpine announced over BBC, that he was defecting to Sir Jimmy Goldsmith's new Referendum Party, on Oct. 6.

This could not come at a worse time for Prime Minister John Major, with the party feuding over corruption scandals, and suffering deep divisions over Britain's relationship to the European Union. Multimillionaire Goldsmith's populist gang is demanding a referendum on Britain's future under the European Union's Maastricht Treaty, which he opposes. Goldsmith holds dual French citizenship, and has a populist, dark horse party in France, called "The Other Europe." While both his Referendum Party and The Other Europe talk up opposition to Maastricht, globalization, the World Trade Organization, etc., Goldsmith enjoys heavy backing from politicians who support free trade.

Sir Jimmy is threatening to field candidates in the election (which must be held by May) against any Tory not sympathetic to his stance.

'Christian Zionist' cult backs Netanyahu's tunnel

A conference of 5,000 members of the Christian Zionist cult, meeting in Jerusalem in early October, has pledged its support for Israeli Prime Minister Benjamin Netanyahu's provocative opening of a tunnel beneath the Muslim holy site of Haram al-Sharif in Jerusalem. Likud leader and Jerusalem Mayor Ehud Olmert drew wild ap-

plause when he told the conference, "The tunnel will remain open!"

The Christian Zionists came from 102 countries, for a convention which coincided with the tunnel's opening. The apocalyptic cult is based on the belief that the establishment of Israel signals the beginning of the "end-times" and the second coming of Christ. Conference spokesman Charles Levin, a Jew, boasted: "We're talking about hundreds of millions of people out there whose Bible beliefs can be translated into support for Israel. This is something Jews could never do on their own." Although the cult believes that Jews will ultimately accept Christ as the Messiah, the cynical realpolitik of many Likudniks are typified by Olmert's remark that, "We share the same values. We share a common belief that we are doing the right things for this great city of Jerusalem."

More Muslim groups open peace talks with Manila

China's Xinhua agency reported that representatives of the Philippines government of President Fidel Ramos were to sign a ceasefire agreement with leaders of the Moro Islamic Liberation Front (MILF) on Sept. 19, to be followed within 10 days by the start of peace talks. Other sources suggest that the more radical group, Abu Sayyaf, would also be party to these talks. Both organizations had previously insisted on the secession of Mindanao, and creation of an independent Islamic state. On Sept. 2, the government signed a peace accord with the Moro National Liberation Front, whose leader, Nur Misuari, became governor of a four-province autonomous region on Sept. 9.

On Sept. 23, President Ramos appointed retired Gen. Fortunato Abat to take over as the top government negotiator in a new round of peace talks. In an interview with *Business World*, MILF Vice Chairman for Political Affairs Ghazali Jaafar said the appointment was an advantage for the MILF, because Abat "used to be a field commander of the Central Mindanao Command during

the 1970s, when the MILF (totally) controlled Maguindanao. He knows our problems firsthand since he was involved with us on the ground." At a press conference in North Cotabato, Mindanao, on Sept. 24, President Ramos announced that he would give Nur Misuari "a free hand" to recommend members of the government panel that will work with General Abat in peace negotiations with the MILF and other Muslim groups.

At his Sept. 30 swearing-in ceremony as the first governor of the Autonomous Region of Muslim Mindanao (ARMM), Nur Misuari described his "break with the past" as going from *jihād* to war against backwardness and poverty. President Ramos has earmarked \$1.2 billion in aid to Misuari for the next year, with promises to build up infrastructure in ARMM, home to 2.1 million people.

UN seeks to halt aid to Rwandan refugees

UN Assistant High Commissioner Sergio Veira de Mello is calling for an end to aid to the 1.7 million Rwandan refugees currently in Zaire and Tanzania, if they do not return to Rwanda. Under the so-called Cessation Clause, declaring the refugees no longer "legitimate," food and other aid would be stopped. After meeting with leaders of the British-Ugandan-backed Rwandan Patriotic Front in Kigali, Rwanda, de Mello offered, "My own assessment is that a return to Rwanda would be safe. . . ."

Less than a week earlier, on the night of Sept. 24-25, the Rwandan Patriotic Army fired shells on the refugee town of Bukuvu, Zaire. Zairean troops responded with light fire. The UN Security Council has lifted the arms embargo on the RPF, while maintaining it for all non-government groups—that is, the refugees. De Mello's "assessment" notwithstanding, the RPF-Zaire exchange of fire has prompted the UN refugee agency to begin evacuating its "non-essential staff" from Bukuvu. Hence, Rwandan aggression will become the pretext for UN abandonment of the refugees, whom the RFP wants immediately repatriated.

OSMANA BIN LADEN, the Saudi terrorist financier, was reported by *Al-Hayat* newspaper to be in the Taliban-controlled section of Afghanistan. Bin Laden was expelled from Sudan several months ago, after which he went to London. Bin Laden has issued terrorist threats against the U.S. presence in Saudi Arabia.

ANGOLA and Portugal, its former colonial master, signed a military agreement on Oct. 3, which includes cooperation in training and technical assistance for the Angolan Armed Forces. The agreement was signed by Angolan Defense Minister Pedro Sebastião and his Portuguese counterpart Antonia Vitorino in Luanda.

QUEEN BEATRIX of the Netherlands completed a four-day visit to South Africa on Oct. 3, the first by a Dutch monarch to the country that was ruled for more than 45 years by Dutch Afrikaners. She was accompanied by Crown Prince Willem Alexander, and a high-level business delegation. Dutch Foreign Minister Hans van Mierlo summed up the visit, saying: "Holland wants to give all moral and financial support on the road South Africa has chosen to walk."

A BOMB EXPLODED at the Bordeaux mayoral office of French Prime Minister Alain Juppé on Oct. 5. The blast took place after Juppé had left for Paris. It caused significant damage, but no casualties, outside the reception hall where a Franco-British summit was to take place Nov. 7-8.

GREAT BRITAIN is harboring the Iraqi hijackers who seized a Sudan Airways plane on Aug. 26, according to *EIR*'s sources. The hijackers, identified only as "Iraqi opposition figures," threatened to blow up the plane, which was en route from Khartoum to Amman, unless the pilot flew it to London. The Sudanese government has reportedly demanded that they be extradited, in accordance with international law, but the British are refusing, claiming the Iraqis are political refugees.

Way Ahead Group scrambles to bail out the Windsors

by Scott Thompson

Over the weekend of September 14-15, the families of Prince Philip and Prince Charles met at the behest of Her Majesty Queen Elizabeth II at Balmoral Castle, Scotland, for the twice-yearly gathering of the Way Ahead Group, or WAG, as it is sometimes called. According to a spokesman for Queen Elizabeth, the WAG had been meeting in secret for decades, and it ranks above the Privy Council in matters pertaining to the survivability of the British royal family, the House of Windsor. Already, various changes approved by the WAG have gone into effect.

For example, during 1992, which Queen Elizabeth referred to as an *Annus Horribilis*, when the royal family was being pilloried in public because of the separation of the Prince and Princess of Wales, the Queen decided, after a WAG meeting, to sign a Memorandum of Understanding making herself and her heirs liable to all forms of taxation. The “voluntary” move was aimed at preempting a growing effort among City of London financiers and politicians to legislate a tax against the royals. Another WAG decision, now in the works, would pare down the number of royals who are on the Civil List—a roster of people who receive a salary paid by the taxpayers, for doing nothing, otherwise known as welfare for the royals. This decision was forced by growing popular dissatisfaction over the size to which the Civil List has grown.

Will the monarchy survive?

The essence of the latest WAG “reforms” is to “downsize” the monarchy, in order to save the institution from possible elimination. Every time there is significant popular grumbling that threatens the survivability of the monarchy, the WAG

comes up with a concession that will appear to put the monarchy in a kind, benevolent light, while holding onto fundamental powers.

This point was made by former peer, Anthony Wedgwood Benn, MP (a longtime leader of the Labour Party), who told *EIR*:

“While the precise agenda of the meetings under way at Balmoral Castle may be unknown, you can be sure that their purpose is not to give away power, but to consolidate power. The reforms that the Crown offers are phony attempts to make it seem that the Windsors are lessening their role, whereas the truth is that the proposals are to strengthen the position of the royal family, at a time of increased public criticism. The strategy is to defuse criticism by giving the impression of modernizing, when actually what the Queen is doing is consolidating. By sacking a few minor royals and discussing these other proposals, the Crown is being strengthened.”

In its own way, members of the Monarchist League agree. One spokesman told *EIR*:

“The British royal family must adapt to changing times. This question of the disestablishment of the state and the Church of England is being debated not only by the British royal family, but also at Lambeth Palace by circles around the Archbishop of Canterbury. People say that the British royal family might become ‘bicycle monarchs.’ But, I can assure you, the monarchs of Europe have great influence and power. Even in Norway, they preside over cabinet meetings.”

Monarchist Baron Blake added: “I do not know exactly what is happening. But, some of the changes will require major legislation, as they deal with overturning major acts of Parliament.”

Perhaps this explains why Prime Minister John Major was at Balmoral Castle to participate in part of the WAG meeting.

Way ahead of the curve

Various sources report that the following items were on the agenda of the WAG meeting:

1. *Changing the rules of primogeniture.* A female would have primogeniture in order of her birth, thus moving Princess Anne in front of Prince Andrew in line of succession. The only reason HM Queen Elizabeth II became Queen, is that she had no brothers.

2. *Permitting marriage to a Catholic.* Ever since the Act of Settlement of 1701, a British monarch has been obliged to marry a Protestant. Reversing this would open the possibility of the Anglican Church establishing inroads into the Vatican. Negotiations between the Anglican Church and the Vatican broke down in recent years, over the Anglican Church's liberal stance toward homosexuals and decision to allow ordination of women.

3. *Eliminating the Civil List.* One possible step is to remove minor royals, who are an irritant to the taxpaying public, from the Civil List. Another possibility is that since the Queen amassed a personal fortune of £3 billion tax-free before 1992, she could finance a reduced monarchy on her own.

What to do about the Prince of Wales

According to Anthony Wedgwood Benn and other sources, one of the purposes of the WAG meeting was to try to straighten out some of the kinks in the mind of Prince Charles.

It is because of Prince Charles that there is a significant movement within the Church of England to disestablish itself from the state, so that the monarch is no longer governor of the Church. This is true not only because Charles committed adultery, divorced his wife and the mother of his children, and now may marry a twice-divorced woman with whom he carried on an affair, but because, even by Church of England standards, Prince Charles is viewed as somewhat of a heretic. For example, he wants to change the title given Henry VIII by the pope, shortly before Henry broke from Rome, of "Defender of the Faith," to "Defender of the Faiths," including especially those faiths most oriented toward Gaia (the Mother Earth cult).

After his session with the WAG at Balmoral Castle, the Prince of Wales showed himself even loonier than before.

On Sept. 19, Prince Charles chose the 50th anniversary of the Soil Association, which is the governing body of Britain's "organic farming" movement, to give his first speech since his divorce from Princess Diana. He spread a lot of manure. Forexample, he said that farmers must not be scapegoated for the dreadful policies of successive governments to produce as much food as possible, as inexpensively as possible:

"The prevailing mood . . . has been that man can dominate nature and win, that human beings are not only at the top of

the food chain, but that manipulation and domination of the natural world is somehow our destiny, even our duty. That, I think, is where things have gone wrong."

As for genetic engineering of plants to boost productivity and extend shelf life, the loony Prince concluded:

"Apart from certain medical applications, what actual right do we have to experiment, Frankenstein-like, with the very stuff of life? We live in an age of rights—it seems to me that it is about time our Creator had some rights too."

Such paganism from the presumed successor of Queen Elizabeth II does little to help the Windsors, at a moment when the fate of the English monarchy is in serious question.

It is the poverty of mind, if not outright insanity, of Prince Charles that gives added desperation to recent meetings of the WAG. If the House of Windsor survives the global economic collapse, there is growing sentiment that the Queen should bypass Prince Charles in favor of the succession of his eldest son, Prince William. Prince Charles almost makes the Duke of Windsor (formerly the pro-Hitler King Edward VIII, who abdicated in 1936), when he was Prince of Wales, seem like a pillar of rectitude.

Deeper implications

Apart from the tabloid-orchestrated public anger and disgust with the "Merry" Windsors, there is a growing factional split within the powerful Club of the Isles apparatus, the collection of 3-5,000 British and continental European oligarchical financiers, senior intelligence officials, industrialists, and members of princely families, over the future direction of Europe, and its role in the world. For decades, the British faction of the Club, led by Queen Elizabeth II and her husband, Prince Philip, have been *primus inter pares* for the entire group; however, in recent years, with the collapse of the Barings Bank, the near blowout of Lloyd's of London, and the mergers of some of the down-and-out London financial houses with wealthier Dutch and German partners (e.g., ING Bank of the Netherlands' bailout of Barings, and Deutsche Bank's merger with Morgan Grenfell), there has been an internal power shift within the Club.

Among the most pressing underlying issues in this ongoing power struggle, is the looming collapse of the international financial and banking system, and what to do about it. Within the City of London faction of the Club of the Isles, there is a great deal of in-fighting, as well, which directly overlaps the struggle over the future of the monarchy. The issue of Britain's participation in the European Union's Maastricht Treaty, related directly to the looming financial catastrophe, is the most public issue, among those otherwise being fought out behind the scenes by these oligarchical circles.

So, the battle over the future of the House of Windsor is not a question of pomp and circumstance; rather, it is one of the central questions on the agenda of the Club of the Isles on the eve of the new millennium.

The education of princes—in Britain

by Lyndon H. LaRouche, Jr.

With respect to the current discussions of the Way Ahead Group (WAG) at Balmoral Castle, in which the British Royal Family is puzzling over how to ensure the continuation of the monarchy, given the manifest incompetence of the younger generation, this article by Lyndon LaRouche, first published in New Solidarity newspaper on Jan. 14, 1982, is most relevant. Had the Windsors listened to LaRouche in 1982, they might have avoided their current predicament.

Although the Founding Fathers of the United States abhorred the British monarchy almost in the same degree as that organized prostitution called the British parliamentary system, the body of natural law upon which the U.S. Constitution is premised, does implicitly recognize a monarchical form of government as a lawful form of republic—subject to certain unambiguous conditions.

Recent public declarations by the heir-apparent, Prince Charles, represent the prospective monarch to be presently disqualified for the succession by virtue of ignorance of elementary principles of natural law. It is our function in this matter, to point out to the Queen both the character of these defects in her son's development, and what measures might be considered to remedy past failures in the Prince's education.

One does not argue that Prince Charles is prospectively the "Ayatollah Khomeini" of Britain, but attempting such a comparison does perform a useful public service.

Imagine that Khomeini exerted his satanic dictatorial power over a nation with the power and influence of Britain. Admittedly, Khomeini has been a mere nothing all his life, a mere synthetic creation of the British Secret Intelligence Service (SIS); it is quite a different matter for the SIS to deploy dangerous psychopaths as agents of the Company, than to emplace an incapacitated or defectively instructed personality upon the throne of Britain itself. Britain might not survive another George III; more important, the presently fragile state of international public morality and strategic affairs would be vulnerable to influence of a defective head of state (e.g., a Royal "Jimmy Carter") imposed upon a nation even in such self-reduced straits as Britain today.

On one relevant point, Queen Elizabeth II and this writer certainly concur. Those dupes of the news media who believe that the Queen is merely a token ruler have no understanding of the degree of power the Royal Household exerts over Britain's domestic affairs and foreign policy. Such popular illu-

sions show no awareness of the vast power the Royal Household exerts directly and indirectly through institutions of the British Commonwealth, the International Monetary Fund, the World Bank, the City of London financial center, and virtual dictatorial British political policy-making control over NATO and such British assets as Henry A. Kissinger.

To minimize the appearance of meddling unduly in Britain's internal affairs, we limit our focus to points bearing on the Prince's prospective role in international affairs. Nothing essential is overlooked by accepting that restriction. The qualifications of a prince in world affairs are the essential qualifications for domestic affairs and also the administration of the circles of the Royal Household.

The function of the state under natural law

We write this report in the tradition of Plato, St. Augustine, and Erasmus of Rotterdam. It is composed in the form of an address to Queen Elizabeth II, advising her of the necessary remedial education of her son and heir-apparent, Prince Charles.

We believe that the Queen either knows or has access to private counsellors of the Royal Household who know, that over the past 2,500 years or so of the history of civilization, there are to date only two fundamental policies governing states, policy-shaping forces, and heads of state. It is from the vantage-point of comprehending those two sets of alternative policies among what Pareto terms the "super-elite," that the proper education of a prince is accomplished.

One of these two policy-outlooks is efficiently represented by the Fourth-Century B.C. project for the "Western Division of the Persian Empire," what was termed the "oligarchical model." This is to be compared with the policies of the Roman Empire of Emperor Augustus et al., and with the Byzantine Empire's Justinian policies and factions. This policy-outlook is congruent with the pseudo-Christian concoction produced by the Middle Eastern "magicians" and the Roman Imperial "mystery religion" priesthood, generically known as gnosticism. Gnosticism includes within its spectrum, Arianism, Manicheanism, Donatism, pure monophysite dogmas, and such Mithra (Magna Mater) cult-based abominations as the "blood and soil" cults of the Russian Orthodox Church and the Nazi "*Blut und Boden*," blood and soil, myth.

The opposing outlook, congruent with the Judaism of Philo of Alexandria and the Nicene Filioque Apostolic heri-



Prince Charles visiting Washington in February 1989, with Dan and Marilyn Quayle. "In matters of principles of law, the Prince must be bound in conscience by a body of republican natural law. . . . Prince Charles's recent public statements reflect a mind which is presently greatly defective on these crucial points of qualification."

tage, is known to Western civilization's Classical studies as the "city-builder" or Augustinian tradition, traced as secular policy into the Cyrenaic temple of Amon, to Solon of Athens, the Ionian Greek city-state republics, Plato, and Alexander the Great. France's King Louis XI is a monarch of this same tradition.

The former forces, which include the Taoist (cabalistic) tradition of Han-China culture, are viewed historically by the Apostolic Christian tradition as the forces of evil incarnate. This identification of gnosticism and oligarchism with evil on earth is often recognized in the satanic qualities attributed to the cult of Apollo-Lucifer. The Manichean cult-dogma, which we fear disorients the mind of the U.S.A.'s James J. Angleton, asserts that "good" (city-builder) forces must alternate their world-power with the forces of "evil" (bucolic, anti-technological oligarchical cultisms). The Augustine tradition rejects this evil, Manichean thesis, and insists, together with the Apostle St. John, that the forces of evil must be crushed out of all influence over future world affairs.

A proper prince or other head of state must be educated in the city-builder tradition, and in those principles of natural law associated with the writings of the Fifteenth Century's Cardinal Nicolaus of Cusa, the greatest law-giver of modern times. Although the Prince must be developed in this city-builder tradition, he must also be fully knowledgeable of the enemy tradition, oligarchism.

The Prince must become a master of the merely apparent paradoxes associated with the post-Fourteenth-Century development of the modern form of sovereign nation-state.

In matters of principles of law, the Prince must be bound in conscience by a body of republican natural law (in the sense of "republican" associated with Plato, St. Augustine, and Cusa). This body of law, equivalent to Cusa's approach to natural law, is universal, and properly determines the internal law of states as well as ordering of relationships among states.

To those who do not fully comprehend the lessons of the Fourteenth Century's "dark age," unlike the well-educated prince, it appears to be paradoxical that the most energetic proponents of the sovereign nation-state development during the Fifteenth and later centuries should have been precisely those policy-influentials otherwise most dedicated to the universality of natural law. Without comprehension of this merely apparent paradox, no prince is qualified to ascend to a throne. Prince Charles's recent public statements reflect a mind which is presently greatly defective on these crucial points of qualification. Therefore, a strenuous program of re-education ought to be ordered by the reigning monarch and her advisers.

For example, if the Prince had received a proper Classical education suited to the needs of a future monarch, his studies would have included an intensive, Socratic form of in-depth assessment of the outstanding head of state of the post-war period, President Charles de Gaulle of France. President de Gaulle commanded in general those qualifications of a prince in the footsteps of Louis XI which make for an exceptional monarch or elected head of state. Yet, President de Gaulle made a number of significant errors in various specific aspects of his policies, including national educational policy. These



Above, Henry VIII's chancellor Thomas More; left, Erasmus of Rotterdam. "In English history, Henry VIII's break with Sir Thomas More exemplifies the potential for an evil turn in the development of the monarchy. The Tudors generally were quite mad, and served England's true interests only to the extent they were influenced by the Erasmians. . . ."

errors brought the "Gaullist dynasty" to its spring-summer 1981 downfall, in the image of Classical tragedy. A qualified heir to the throne of Britain, or any other contemporary throne, should have thoroughly mastered this subject-matter through Socratic studies modeled on the dialogues of Plato.

This would have been a companion to similar studies of the Tudor monarchs, aided by the Classical dramas directly bearing on the follies of Queen Elizabeth I, including Shakespeare's dramas as a whole and Friedrich Schiller's, with emphasis on *Maria Stuart* and Shakespeare's *Hamlet*.

Such case-study-focussed Socratic inquiries by the young Prince and his educators define reference-points for the Prince's thorough education in universal history. This is properly grounded in the Classical Greek of the span from Homer through Plato, and subsuming a mastery of such related works as St. Augustine's, Dante Alighieri's, Cardinal Nicholas of Cusa's, Grotius's, and Leibniz's, and including Pufendorf's commentaries on the acts of the Great Elector of Prussia. The writings of Tommaso Campanella and the work of Giordano Bruno should also be included in this program.

Through a more modest approximation of such an approach, Gottfried Leibniz attempted to prepare one of Prince Charles' most virtuous Welf ancestors for her duties as mother of British princes.

Granted, such an education is directly contrary to what has passed for British philosophy since Francis Bacon and James I. Yet, the Prince should know that British philosophy

was created as a belief to be imposed upon manipulable dupes, and is not suited to be the personal belief of the monarch himself or herself: The shepherd of a nation must not be degraded to the mental-philosophical level of one among his sheep.

Admittedly, I hate British philosophy, and hate the degradation of any human being to the sheeplike mental and moral condition consistent with British philosophy. Every man and woman in a republic must become as a king in knowledge and in comparative dignity of person.

However, if one is given the authority to rule a nation which has been degraded to a collection of philosophically semi-psychotic sheep, as so many among the British subjects have been degraded for one instance, the uplifting of the nation and its people demands leadership from one who is himself or herself above such degraded levels of philosophical outlook. A British prince with true charity toward his subjects must be angered at the moral bestiality to which the overwhelming majority of those subjects have been degraded, and must be passionately dedicated to uplifting them from that condition. A true king must aspire to be nothing but a king among kings, the executive officer and spokesman for a nation of kings.

If a nation is constituted or reformed to serve such city-builder traditions, it is a republic. In that case, the monarch, however selected, functions under natural law as an alternative to an elected President. Therefore, under natural law, a

monarch is bound by the same principles as an elected President of the United States (for example), with the special added problems of managing both the monarchical succession and accountability of monarchical "President for Life."

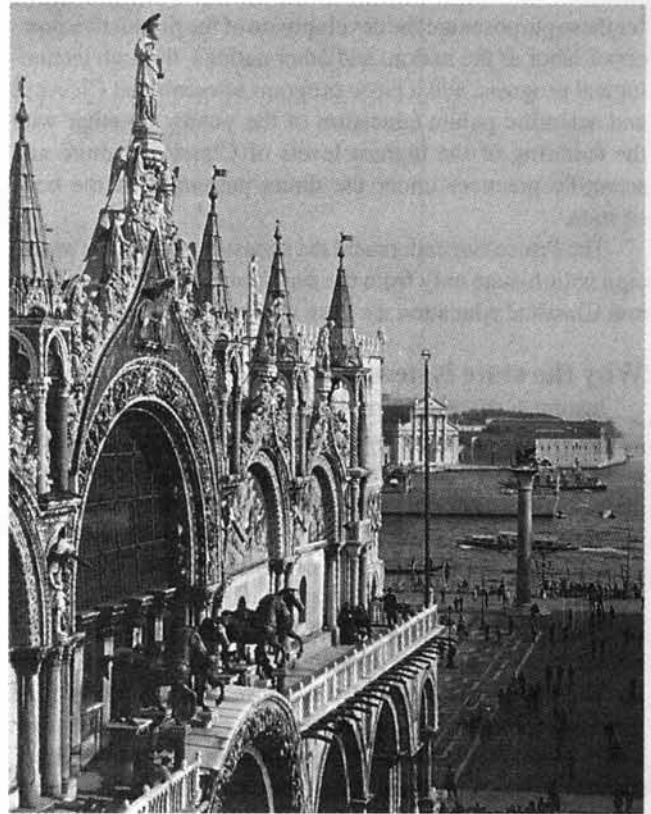
The principals among the Founding Fathers of the Constitution of the United States (excluding the atypical Thomas Jefferson), were painfully aware of the difficulties attendant upon keeping a constitutional monarchy efficiently within the bounds of natural law, and therefore rejected monarchy on the same grounds they rightly rejected Jefferson's inclinations toward the evils of so-called "pure democracy."

If a nation insists upon the institution of monarchy, it must regulate the education and succession of princes by such means as prevent the kinds of dangers the Founding Fathers of the United States reviewed in rejecting monarchy. The prince must be educated as either a "philosopher-king" in the Augustinian tradition of philosophy, or must be educated to commitment to be influenced by counsel of such "philosopher-kings."

In English history, Henry VIII's break with Sir Thomas More exemplifies the potential for an evil turn in the development of the monarchy. The Tudors generally were quite mad, and served England's true interests only to the extent they were influenced by the Erasmians, both the Erasmians per se, such as Thomas More, or such successors to the same Golden Renaissance tradition as the great counsellor of Britain's and France's finest elite circles, the Neapolitan Dominican, Giordano Bruno. George III's collaboration with the British East India Company circles of Lord Shelburne (Pitt, Bentham, et al.), is another example of a grave turn for the worse in the history of the British monarchy. From that point onward, the grip of the Venetian-Genoese political financier influences, through such mediations as the Actons, Lord Palmerston, Lord John Russell, and the Ruskin circles, caused the moral and intellectual condition of Britain and its people to plunge downward.

To return discussion to the immediate question of the seeming paradox, the primary education of the Prince must be focussed on a richly elaborated knowledge of the role of supranational forms of controlling influences over the circumstances and internal political and cultural life of a nation. Within this setting, the importance of the sovereign nation-state institution becomes clear to the Prince.

The Prince's education on this point must include full disclosure to him of the role of religious associations in controlling the thought and political behavior of peoples of nations. The evil history of the Justinian faction of the Eastern Rite, including the Russian Orthodox and Uniate spin-offs, and the significance of the Jesuit order as an arm of that Justinian gnostic cult, as modeled upon the Peripatetics of the ancient Delphi cult of Apollo-Lucifer, should be fully explained to the Prince, together with the contamination of the hierarchy of the Established Church of England and of the British Secret Intelligence Service by this arrangement. The manner in



Venice seen from St. Mark's Cathedral. The Prince must not only be educated in the city-builder tradition, but also "must be fully knowledgeable of the enemy tradition, oligarchism." The Most Serene Republic of Venice was synonymous with that enemy tradition.

which the Justinian hierarchy manipulated the development of Islam, and the fight, based on the creation of the Caliphate of Baghdad, against this Constantinople-based operation within Islam, is indispensable education for the Prince.

The Prince must be educated, in the same vein, in the history of Venice, and must be able to trace out in considerable detail the Venetian pedigrees of financial and political power in the present-day world. Without such knowledge, the future monarch could not understand the efficient features of present-day policy-problems, nor could he competently exercise his responsibility for directing the deployment of monarchical family funds or the British Secret Intelligence Service. The Prince's mind must be free of the mythologies popularized through university classrooms and the popular news-media.

The monarch, like the constitutional head of state, must be either a "philosopher king" or the instrument of executive power guided by the knowledge of advisers who are qualified as "philosopher-kings." The duty of the monarch or other head of state, like the philosopher-king, is the uplifting of the individual member of society. This is the true purpose and ultimate source of strength of monarchs and the nations they serve. The principal instruments employed by the monarch

for these purposes are the development of the productive powers of labor of the nation, and other nations, through technological progress, and a basic program of combined Classical and scientific public education of the young, together with the fostering of the highest levels of Classical culture and scientific practices under the direct patronage of the head of state.

The Prince can understand the necessary role of the sovereign nation-state only from the standpoint of the kind of general Classical education we have outlined.

Why the state is necessary

Insofar as the principles of proper education of a prince are generally established in outstanding Classical scholarship, it is sufficient that I merely identify those topics. Otherwise, in respect to those principles in which I am presently the world's leading authority, I am accountable to explain what the Prince may not find available to him or his instructors from other sources.

All knowledge, including the essential knowledge of a prince, begins with the elementary fact that the individual life is a very tiny speck in the expanse of humanity and the universe, respectively, and is, moreover, mortal. If a human life is to be lifted above the moral condition of mere beasts, the development and practice of that individual person must become efficiently an influence for good over a broader span than immediately affects that person and his or her family circles, and into generations yet to come.

The individual becomes morally, efficiently human, only as the self-development and practice of the individual transforms that individual from the moral status of talking beast into a microcosm of the macrocosm. This is, of course, the practical reason the Filioque principle of Nicene Christianity must be defended in the domain of secular policy.

The issue of the intent to become a microcosm of the macrocosm, is the practical question of individual knowledge of what constitutes the policy of practice consistent with such an intent. How is it possible for man to know what the lawful composition of the universe is? This is usually viewed as a question of science in the contemporary, narrow usage of the term, science. It is a question of science in that usage of the term. It is more broadly the question of provable, knowable natural law in the most inclusive general sense of natural law.

It is upon that foundation, such a proven body of knowledge of principles of natural law, that the proper conceptions of state, statecraft, and the proper functions of a monarch or other head of state are rigorously defined.

The question of human knowledge is a practical question, a question of those transformations in knowledge which can be demonstrated to increase mankind's average (per-individual) power to command the universe. It is only those transformations in knowledge which increase man's average power over the universe which are empirically proven to be consistent with the lawful composition of cause and effect in the universe.

There is only one general proof of such knowledge, such power. That proof is the effect of technological progress in both maintaining and increasing the potential relative population-density of society. The fact that this coincides with the fundamental principle of secular policy set forth for Judeo-Christian civilization in the Book of Genesis, merely increases our agreement with the scientific authority of that portion of the Book of Genesis.

We know, empirically, that the potential relative population-density of a society is defined in respect to that society's technological mode of production of necessary goods, through chiefly agriculture, industry, and transportation. A society's adult population yields only a portion of itself as a productive labor-force. The activities of that productive labor-force as a whole must produce all the material needs of the entire population. So, the amount of effort, estimated in time, required of the entire labor-force to yield the material requirements of existence of all the population, is the central feature of study of potential relative population density. As the portion of the total labor of society needed to supply an adequate ration of any particular good required decreases, the potential relative population-density tends to increase. As this social cost increases, the potential relative population-density tends to fall.

It is in those terms of elementary reference that we properly define "natural resources" as part of this function. There are no absolute definitions of "natural resources," such that the term can mean the same thing for all societies as for one case. "Natural resources" are defined in practice as those resources which can be exploited at acceptable social costs, with existing technology, to yield goods satisfying essential needs of the successful reproduction of the population of a society. Were the technology of a society to remain fixed, or to decline, the depletion of lowest-cost resources would increase social costs, and thus lower the society's potential relative population-density. Only by varying the range of "natural resources," and by increasing productivity through more advanced technologies, could the potential relative population-density of society be maintained. Only by higher rates of advancement of technology, can the potential relative population-density of society be increased.

A society which embraces the "small is beautiful" perspective, is a society self-condemned to descend into unspeakable bestiality, into a condition of genocidal collapse of potential relative population-density, and into bestiality—probably worse than that of the Nazis, as evil as that of Peking's Pol Pot-puppet regime in Kampuchea, or the Khomeini genocidal dictatorship in Iran. Thus, we judge that Prince Charles lacks to date the rudiments of the moral and intellectual development indispensable for a monarch.

However, the difficulties to be overcome are not fully solved by what we have stated here so far. Any fixed technology, however spectacular in its initial benefits to mankind, is an ephemeral value, which must become evil in consequences

unless it is superseded by a more advanced technology. Therefore, any body of scientific knowledge simply congruent with an existing level of technological practice, is an ephemeral, with no absolute authority in itself respecting statements about the lawful composition of the universe.

Knowledge—true knowledge—is not located within any particular body of prevailing scientific opinion. True knowledge is located only in scientific progress. The ontological, empirical correlative of scientific progress is adducible only in terms of principles of discovery ordering successive, successful forms of scientific and correlated technological revolutions. This is identical with Plato's elaboration on the notion of the hypothesis of the higher hypothesis.

In the history of science, one properly traces the elaboration of the hypothesis of the higher hypothesis from that Cyrenaic temple of Amon contemporary to that Classical Greek culture (Homer through Plato) which the priests of Amon fostered and educated. This leads, within science, through the original contributions associated with the real Euclid and Plato, through Archimedes, and, over the recent six centuries, from the work of Plethon, Cusa, and da Vinci through Kepler, Pascal, Leibniz, Euler,¹ the Ecole Polytechnique of Monge and Carnot, into the crowning accomplishments of Riemann and Cantor during the last half of the Nineteenth Century. Riemannian physics, as defined in reference to the 1854 habilitation dissertation ("On The Hypotheses Which Underlie Geometry") and Cantor's complementary, 1871-1883 development of the notion of transfinite orderings, represent, taken together as of one piece, the highest advancement in methodology of scientific work and thought available to this date. A head of state who is not knowledgeable on this fact is no qualified prince of a modern republic.

As Kepler and his direct successors proved, beginning with Kepler's proof of the harmonic composition of the solar system, the universe as we see it (visible space) is merely an aspect of the whole of reality. In specialist language, the visible space is a discrete manifold generated as a visible projection of a special kind of continuous manifold, a Riemannian, or negentropic form of continuous manifold. Empirical evidence everywhere dense in visible space proves consistently that lawful transformations of physical processes, as these transformations are seen in terms of a discrete manifold, are transformations "geometrically shaped" by boundary-conditions of transformation, from which boundary-conditions we are able to adduce rigorously, scientifically valid images of a negentropic form of Riemannian continuous manifold, within which latter, out of sight of what we do, causal determination of transformation actually occurs.

As Plato and St. Paul inform us rightly, science—knowledge of the real universe—is a game with shadows. The visual

image of objectified space we see is a space composed of shadows. We act on the basis of shadows seen, and discover what new patterns of shadows emerge through our actions. What transformations in shadows occurring in that way are beneficial to mankind, we know by tests of potential relative population-density. By adducing those principles of successful scientific revolutions corresponding to increase of potential relative population-density, we adduce the boundary-conditions of transformations pertaining to scientific discovery, and thus are able to achieve certainty respecting the lawful composition of the unseen reality, through rigorous mastery of the game of shadows.

For example, the numbers e (natural logarithmic base), π , complex-number functions, and trigonometric functions, have a simple, geometric demonstration of the equivalence of one to each among all the others, in the generation of projected plane spirals from the most elementary generation of a spiral inscribed on the surface of a cone. These special kinds of number-functions, associated with the primary reality of complex-number functions in physics, reflect a crucial aspect of the way the shaping of space determines the shaping of lawful transformations seen in terms of appearances of the discrete manifold of visible space.

If we pursue this further, to require a kind of continuous manifold whose discrete-manifold projections account not only for the characteristics of the discrete manifold as a discrete manifold (singularities), but also for the metrical characteristics of physical transformations, and the efficiency of what we associate with object-images (singularities, including our human selves), we have no choice but to embrace as a reflection of the higher principles of discovery (higher hypothesis), a negentropic, Riemannian continuous manifold. In such a manifold, any given order of the manifold, n , is passing over to a higher order of manifold, of order $n+1$. This image of a negentropic continuous manifold can not be completed without introducing Cantor's notions of transfinite orderings.

This, in respect of matters of method, is as far as science has progressed to date. Yet, despite the temporal conditionality of Cantor-Riemann physics, this variety of physics is consistent with everything we know respecting the lawful composition of the universe, and is also consistent with the requirements of the higher hypothesis. This knowledge enables us to proceed with certainty concerning a wide range of matters of social policy.

With aid of such improved modern knowledge, we are able to proceed with certainty in advancing policies which are not new in principle, but which old, proven principles we are advantaged to apply with greater scope than ever before.

The essential good, on which all secular policy is properly focussed, is to increase the future potential relative population-density of society through technological progress. Such a policy distinguishes humanity from the beasts; rejecting such a policy degrades a society to a moral condition akin to

1. Editor's note: For LaRouche's more recent thoughts on Euler, see "The Essential Role of 'Time-Reversal' in Mathematical Economics," *EJR*, Oct. 11, 1996.

that of beasts.

This goodness is expressed otherwise, and necessarily so, as an increase in the average power of the individual member of society. This determination to effect good over the span and duration of generations yet to come, and under the governance of the principle of higher hypothesis, is the policy which transforms the mortal individual from beast into the divinely-colored microcosm of the macrocosm, which is true, adult humanity, which is morality. That policy is the kernel of all natural law.

Although the development of the individual is therefore the axiomatic purpose of the state and statecraft, this purpose can not be fulfilled individually.

For example, in a society in which only one person were rational, the good contributed by the one would not be efficiently transmitted to the benefit of society generally, and goodness would be extinguished from humanity with the death or imprisonment of that one good individual. The goodness of each individual's self-development and effort cannot be transmitted as goodness unless an ordered society exists, a society whose laws and practice selectively prefer goodness to irrationalism.

In the same sense, the mortality of the individual locates goodness as an efficient work, not in the existence and activity of the individual as such. It is the contribution of the individual to furtherance of a development of goodness over successive generations of society, which is the thing which is durable, not as ephemeral as a single mortal life.

In the same, continuing sense, since scientific progress, rather than isolated, particular scientific discoveries, constitute truth and goodness, it is the process of continuing scientific progress over successive generations of society which is the primary, immediate expression of goodness. The value of the individual, particular discovery, is its mediation, as an ephemeral, of the continuing process of scientific progress.

So it is with princes. The head of state of a nation must differentiate his or her day-to-day tasks from the particular duties of most other members of society. The head of state must act consciously and efficiently for scientific progress and everything correlated with that progress, rather than limiting his or her efforts to any ephemeral particular contribution. The head of state must be, therefore, either a philosopher-king or a servant of the whole society whose conscience is guided by the influence of philosopher-kings.

The development of the individual in society occurs through a practice governed by language. Language, as we have defined this matter in other published locations, is composed of "the language of hearing" (poetry, music) and "the language of vision" (geometry, painting, sculpture, architecture). Both aspects of language, interconnected most immediately through the geometric principles underlying the well-tempered principles of polyphonic singing of poetry (music), must satisfy P. Shelley's happy formulation of the matter: "the power of imparting and receiving profound and impassioned

conceptions respecting man and nature." There can be no rational form of society except as its citizens share use of a common, literate form of spoken and written language of hearing, as well as integrated mastery of the language of vision.

The development of language (of both hearing and vision) is properly, indispensably based on the substance of philosophy and universal history, for which philosophy subsumes natural law generally and scientific method in particular. The proper instruction of youth, from approximately six to eighteen years in any modern civilized nation, should be limited to these subjects—as I have outlined such a policy in other published locations.

Such education does something more essential than developing the youth's potentialities for specialized varieties of labor as an adult member of society. It develops in the youth the potential mental and moral qualifications of an adult citizen of a republic.

Therefore, as the Fifteenth-Century Golden Renaissance resolved the essentials of this matter, it is indispensable that the human population as a whole be self-governed through republics constituted as fully sovereign nation-states. Each such state must be constituted as a sovereignty on the basis of a common form of literate language and ruling philosophical commitment. Such republics, although hermetically sovereign, are bound together in a community of principle based on common adherence to the same body of natural law, as Cusa et al. define the standpoint and proper usage of the term natural law.

The nation-state and war

Those who argue that the institution of the sovereign nation-state causes increased incidence of war, are clearly illiterate imbeciles in the rudiments of history. The modern nation-state, first established by efforts of France's Louis XI and then under England's Henry VII during the last part of the Fifteenth Century, clearly did not increase in the slightest the propensity for bloody horrors of conflict. On the contrary, states which have been republics unified by principled adherence to the natural law of Cusa, Leibniz, et al. may have been obliged to defend themselves in war, but those states did not organize the wars in which they were obliged to defend themselves. One need but look into the late Thirteenth and Fourteenth Centuries to recognize that a Malthusian world-federalist order would be the surest way to accelerate the propensity for large-scale homicide.

True, some nation-states have been habitual offenders on this point. The way in which the influence of Max Weber's sociology led directly into the emergence of Mussolini and Hitler, is exemplary. States governed by philosophical policies akin to Hobbes, Hume, Weber, and Jesuitical "bio-ethics" dogmas, are habitual criminals on this very account.

A republic preserves its character as a republic only to the extent that its major political parties are what German doctrine

describes as *Weltanschauung* parties. It was the *Völkisch* (populist) movement, and the transformation of Germany's *Weltanschauung* parties [parties based on a particular world view], into *Volksparteien* [parties based on mystifications of the German racial stock] which made the destruction of the Weimar Republic possible, and led lawfully into the possibility of the Hitler regime. Weber, Michels, and Pareto—although otherwise evil and irrational persons—have the clinical merit of showing to us what sort of emulations of Hobbesian, Humeian irrationalism must never be permitted to become the influential philosophical outlook of practice of a state or the major parties of a state.

If a group within society follows Weber's immoral prescriptions, the results must be in the direction of a new Hitler phenomenon. Weber rejected knowable universal values, substituting the problem of making arbitrary choices of values and goals efficient, as Dr. Helmut Böttiger outlined this problem during proceedings of a recent conference in Mainz, West Germany. The attempt to make a populist grouping's arbitrary choice of values and goals efficient means nothing but an effort to impose the "triumphant will" of an irrationalist faction upon society and humanity generally. This is the evil which must never be tolerated by any republic.

Human beings must never be distinguished by any particularist labelings, either by others or themselves. They are human beings, irrespective of race or other attributes of heredity. The only efficient distinctions among peoples are those of superior and inferior forms of cultures, such that inferior cultures degrade their subjects into greater or lesser degrees of relative moral bestiality—such as the Aztecs' ritual mass-murder, cannibalism, and what-not. Each human being has a potentiality for good which is roughly equal to the potentiality of every other human being, on condition that culture, education, and opportunities for useful expression of potentialities for good are afforded that individual.

To the extent that different languages express approximately equal degrees of literacy, and that the philosophical and subsumed scientific knowledge of that language-culture is the same for all, the differences in culture are of no moral significance. Differences in culture have moral significance only as one culture is morally and intellectually inferior to another. Our task, to provide true political and related equality within the human family, is to eliminate morally and intellectually inferior cultures, by affording peoples the assistance they require to develop for themselves a superior culture, according to the standards for culture I have indicated here.

Nonetheless, as long as a nation with a less-developed culture is moral in its republican commitments, we must treat that nation as a political equal among nations, thus fostering the conditions under which it is given the climate of circumstances in which to develop a superior culture among the speakers of its language within those borders.

That is key to the foreign policy of a true prince or other head of state.

The vision of a true prince

There are three great tasks of humanity immediately before us all. A true prince, above others, must be totally focussed upon the accomplishment of these tasks.

First, two-thirds of the human population lives in nations which are to one degree or another in jeopardy. We must unleash a North-South process of transferring advanced industrial and agricultural technological improvements in the potential relative population-density of nations now to one degree or another in jeopardy. Unless we commit ourselves to that as the world-purpose served by each nation, we make ourselves morally less than human.

The ruined economy of Britain, which represents a population of good or remedially-defective productive potentialities, must be retooled, in high-technology investments in industry, in agricultural and in general programs of education and reform of popular culture, to become a great high-technology exporting nation. It is in the interest of other industrialized nations, as well as developing nations, to build up Britain's capabilities for large-scale contributions to transformation of the developing sector. A British prince should have such a purpose and related undertakings most prominently in mind.

Meanwhile, especially in relativistic-plasma physics, with implications for biological sciences, mankind stands now on the shores of the greatest scientific revolution in all history to date—provided the implications of the Cantor-Riemann program are adequately understood. The prince, in this case a British prince, must be associated prominently with setting the pace in policy for such breakthroughs in education, science, and technology.

Thirdly, it is time for mankind to begin to rouse itself from the mud of our planet's surface, and to seek in space those tasks which the Composer of the universe has awaiting our arrival there. The prince must be foremost among those looking upward to the planets and stars. A true British prince should gather about his person a circle of great scientists and prospective astronauts of the various astronomical professions of navigation, engineering, biological sciences, and so forth, a circle like the English captains of the pre-1589 period. This conquest of space is the true "moral equivalent for war," and a proper British prince of today must develop himself as a national commander of British forces deployed for the tasks of conquest of space. An heir to the British throne should wear the uniform of a commander of astronauts.

"Small is ugly," insofar as "smallness" pertains to the human spirit or the scope and implications of human undertakings. To see efficiently embodied in the sparkling glance of a person of relatively smaller stature the commitment to be a microcosm of the work of shaping the universe according to natural law, is the only expression of the ephemeral, mortal diminutiveness of the individual which should be honored, which is morally tolerable.

Focus shifts to Bush role in Contra-cocaine scandal

by Ronald Kokinda

The release of the *EIR Special Report*, "Would a President Bob Dole Prosecute Drug Super-Kingpin George Bush?" at a press conference in Washington, D.C. on Sept. 18, has emboldened many elected officials to get to the bottom of the Contra-cocaine operations which brought massive amounts of cocaine into U.S. cities during the 1980s. It has also begun, increasingly, to shift the focus of the inquiry onto George Bush, who oversaw the "secret government" apparatus which ran the Contra-cocaine operations.

Several officials have begun to target Bush in close races crucial to a Democratic recapture of the U.S. Congress. In Massachusetts, State Senator Dianne Wilkerson has been naming Bush, in media and campaign appearances. In Quincy on Oct. 5, at a Clinton campaign rally with First Lady Hillary Clinton and Sens. John Kerry and Edward Kennedy on the podium, Wilkerson told 5,000 people that Bush and North were the ones running the Contras, and that William Weld (who is in a tight race for the U.S. Senate seat held by Kerry) had helped to sabotage the investigation of Kerry's Senate Foreign Relations subcommittee, from his position in the Department of Justice.

In Phoenix, Arizona on Oct. 7, María Elena Milton, a LaRouche Democrat challenging Gingrichite John Shadegg in the 4th Congressional District, greeted Bush, who was in town for the 50th anniversary celebration of Best Western motels, with a 16-foot-high banner which read, "Jail George Bush, Grand Old Pusher of the Republican Party." Her press conference received extensive coverage, including nationally on CNN. One viewer reported that CNN said it had gotten a "No comment" from Bush, when he was asked about the charges.

In Alabama, the charges against Bush, aired at an FDR-PAC political action committee-sponsored press conference,

were the lead item on the CBS TV evening news in Montgomery on Oct. 8. "We know that Bush was in charge of the Contra operation, and that the Contras were running drugs. We want to know what [Gingrichite Republican candidate for U.S. Senate Jefferson] Sessions knows about this," a spokesman was quoted. The reporter commented that Sessions was not in town to answer the charges.

The Los Angeles resolution

On Oct. 8, the Los Angeles County Democratic Central Committee, by a vote of 100-0, approved a "Resolution to support an investigation of the activities of U.S. intelligence agencies and the role of former President George Bush in drug running into Los Angeles." It is similar to resolutions being submitted to city councils throughout the country. It reads:

"WHEREAS, the *San Jose Mercury News* has, in a three-part investigative series, documented the role of the U.S. intelligence agencies in financing covert operations through the sale of drugs, specifically crack cocaine into neighborhoods throughout Los Angeles to finance Iran-Contra operations, turning Los Angeles into the 'crack' capital of the world; and

"WHEREAS, these alleged activities were under the aegis of then Vice President George Bush in his capacity as National Security Director, and that the Kerry Committee documented these horrible activities in 1987 when Kerry Committee investigator Jack Blum testified to the Congress on Feb. 11, 1987, that the Contras moved drugs 'not by the bag, but by the ton, by the cargo plane load,' and

"WHEREAS, Congresswoman Maxine Waters, Senators Feinstein and Boxer, and the Los Angeles City Council have called for Congressional and other investigations into the role of the CIA and other agencies in these operations;

"BE IT RESOLVED, That the Los Angeles County Demo-

cratic Central Committee endorses the call by Congresswoman Waters, Senators Feinstein and Boxer, the Los Angeles City Council, and others for their stand against such a hideous violation of trust, and demands that the role of then Vice President George Bush, and all those under his aegis, also be investigated.”

Rep. Juanita Millinder McDonald (D-Calif.) thanked the committee for their passage of the resolution, and stressed the importance of elected officials taking a stand on the issue. She said that hearings will be convened on Oct. 19 in Los Angeles on this subject.

Meetings on Bush’s crimes are being held across the country. In Washington, D.C., for example, over 100 people attended a “Citizens’ Court” hearing at a church on Capitol Hill on Oct. 8, in which over a dozen witnesses detailed the impact of Bush’s crimes on their families and neighborhoods.

New documents released

On Oct. 8, Rep. Maxine Waters (D-Calif.) released records which she had obtained from the Los Angeles County Sheriff’s Department, including an affidavit for a search warrant by a Los Angeles County narcotics officer which was executed in October 1986—which was first published in the *San Jose Mercury News* and which the department initially denied that it had. The affidavit makes clear that federal and local law enforcement agencies knew that a drug ring operated by Danilo Blandón was selling large amounts of cocaine, “mainly to blacks living in the South-Central Los Angeles area” in the mid-1980s; that the Blandón cocaine-distributing organization consisted of over 100 people who were “either Nicaraguan and/or sympathizers to the Contra movement,” and that Blandón was a founder of the Nicaraguan Democratic Force (the main Contra organization, known as the FDN); and that “the money and arms generated by this organization comes thru the sales of cocaine.”

In response, Los Angeles County Sheriff Sherman Block called a press conference to deny that his office had evidence that the CIA or any other U.S. government agency was involved in drug dealing in Los Angeles. However, although his office had evidence that the Blandón ring was moving hundreds of kilos of cocaine into black neighborhoods, and despite the seizure of cocaine, scales, cutting agents, drug ledgers, and assault weapons in the raids, *no charges* were filed against any of the Nicaraguan Contra supporters arrested, the Oct. 8 *San Jose Mercury News* reported.

Sheriff Block also denied the report by his detectives that the CIA had removed evidence from his office two days after the raid. He said that documents seized in the raid were destroyed in 1987, and, within days of the raid, the rest of the evidence, including drug ledgers, notebooks, weapons, business records, and even a cocaine preparation kit, were returned to the suspected drug dealers!

Despite all this, Block, possibly prompted by the fact that Waters showed up at his press conference, said that “if the

CIA or any other agency of the government is or was in fact involved in the distribution of illicit drugs, they they should be dealt with in the same manner that anyone who would stoop so low as to distribute that poison through our communities. Certainly we have no interest in protecting them.”

Meanwhile, calls for an investigation of U.S. government involvement in the Contra-cocaine operation are multiplying. On Oct. 2, Sen. Barbara Mikulski (D-Md.) called for the creation of a Senate select committee to investigate charges linking the CIA to drug running by the Nicaraguan Contras. And on Oct. 4, Sen. Dianne Feinstein (D-Calif.) urged the Senate Intelligence and Judiciary committees to hold joint hearings. However, the danger all along has been that the focus of an investigation would be on the CIA, a dry hole in which records probably don’t exist, leaving the higher-level command structure, headed by Bush, untouched.

It’s going to take a fight

Lyndon LaRouche, in a radio interview with “EIR Talks” on Oct. 9, reemphasized Bush’s responsibility. “Now, what you had, was a private organization which sometimes covered itself by calling itself CIA, but it wasn’t CIA,” LaRouche said. “It was under the Joint Chiefs of Staff. That’s where it was located. But it was not *run* by the Joint Chiefs of Staff. It was run personally by Vice President George Bush. And, we have, and we’ve published, the paper trail that shows *exactly*, in terms of Executive Orders, what the trail is, from George Bush all the way down to the command structure of this crack cocaine epidemic in the United States. That’s a fact.

“And, of course, there’s going to be a big fight, to try to prevent” an investigation of Bush, LaRouche said. “George Bush has a lot of people involved with him in this dirty money, he’s involved in oil deals and other deals now, dirty money. His sons have got dirty money from Kuwait and so forth. . . . There’s an attempt to cover it up.

“If the United States does not have the guts to pull George Bush into an investigation, and not allow a cover-up like that which the Republicans organized to protect George Bush back when the Kerry Committee report was submitted; if we don’t do something like that, we can just say, ‘Don’t complain about anything, buddy, because it’s all your own fault. If you won’t destroy George Bush, with the evidence in hand to do so, then you really don’t care about yourself, your country, and go and stop your whining. You just make us sick.’

“You have to get rough on this one. People can not be allowed to have any quibbles, any Baby Boomer quibbles, about this question. George Bush is guilty. The evidence is in hand, there’s no lack of evidence. It’s one of the strongest cases that could be presented to any court, and, unless we pursue that track, and get rid of the George Bush apparatus in our national life, we’re not going to have a country. And, if you don’t get rid of George Bush, don’t complain to me or anybody else about your suffering. I’m not interested. If you won’t fight to save your life, why should I?”

Arizona in an uproar over María Elena Milton campaign

by Steve Komm

LaRouche Democrat María Elena Milton, a candidate for Congress from Phoenix, Arizona, has the state in an uproar, with shock waves spreading throughout the country. By the second day of her campaign's first barrage of radio ads, and third day of distribution of her pamphlet, "Defeat Congressman 'ValuJet' Shadegg," her opponent, incumbent John Shadegg, the chairman of Newt Gingrich's GOPAC, was virtually in hiding, ducking out of debates with her, and even calling out the police to protect him from his 120-pound opponent. Local right-wing talk-show hosts and Gingrich supporters were flooding the airwaves with howls of protest, demanding that her ads be taken off the air, lest, as one host put it, "some people might believe her." And Arizonans, from senior citizens to high school students, were thrilled at Milton's "tell-it-like-it-is" ads, which called Shadegg "Congressman ValuJet," a "clone" of Gingrich, whose policies of cutting Medicare and Social Security, like ValuJet's cost-cutting, "kill people."



María Elena Milton gives a press conference on Oct. 7, announcing the release of EIR's report on "Would a President Bob Dole Prosecute Drug Super-Kingpin George Bush?"

By Oct. 10, Gingrich and Shadegg's backer, ValuJet owner Richard Gilder, had his lawyer telling Milton's campaign and the press that ValuJet was threatening to sue, to force the ads off the air.

Milton's press conference on Oct. 7, outside an appearance by George Bush, where she called for jailing Bush as the "kingpin of 'crack' cocaine, the Godfather of the Crips and the Bloods," was covered prominently in area media, and nationwide by CNN. She also received wide coverage for her keynote speech, calling for jailing Bush, at a federal courthouse "Rally for Justice" on Oct. 9, organized by area civil rights and African-American community activists.

By Oct. 8, the second day of her radio ads, a veteran newsman was telling Milton, "You have polarized this [normally Republican] district as it never has been before. You're doing a great job." Senior citizens said how delighted they were, that she was telling the truth about the way they're being thrown on the scrapheap. Republicans over 65 years of age were volunteering to distribute Milton campaign pamphlets, saying, "How dare Shadegg try to privatize Social Security?" Other Republican seniors were saying, "I loved your ad, linking Gingrich and Shadegg. There's no way I'll have anything to do with Gingrich."

Labor and Democratic Party activists have been greeting Milton with excitement, telling her, "You said what had to be said," and "You have the tough talk we need, to win." She has been speaking morning, noon, and night at union meetings, senior citizen centers, Democratic Party caucuses, and campaign forums. High school students, at an anti-drug "hearing" organized by Shadegg, flocked around Milton, grabbing her literature exposing George Bush as the drug kingpin, asking for her autograph, and saying, "I wanted to tell you how great it is you're doing this. I just want to follow in your footsteps."

Shadegg ducks out

Shadegg was so frightened of the collapse of his supposed base, that he withdrew from two debates with Milton on Oct. 8, including a long-scheduled one-hour live radio debate on Christian radio station KHEP, which in former times would have been considered a bastion of support for Republicans. Milton thanked the audience and the moderator-turned-host for the opportunity to define and discuss public policies from the point of view of Christian morality. They proceeded to spend the hour with a live radio interview, with the moderator

repeatedly referring to the empty chair that Shadegg was supposed to have been sitting in.

Shadegg's ducking any threat of confrontation with Milton, followed a candidate's forum in front of a group of (predominantly Republican) insurance women, who applauded Milton after she exposed Shadegg's ties to the "ValuJet syndicate." Meanwhile, Shadegg and his aides nervously pored over Milton's just-released "Congressman ValuJet" pamphlet. Shadegg grimaced, as Milton told the crowd how Gingrich and GOPAC, which Shadegg chairs, pushed for airline deregulation, "getting the Big Government FAA off the back of that poor owner of ValuJet, the Wall Street speculator Richard Gilder, lobbying the FAA to stop oppressing him with their terrible safety regulations. What did GOPAC get? \$320,000 from Gilder. What did Gilder get? He saved millions on safety and maintenance. What did we lose? 110 lives." Milton went on to expose Shadegg's and Gingrich's roots: "The first opponents of America having a Big Government were King George III and his lackey Adam Smith!"

By the evening of Oct. 8, Milton's ads were a feature story on the evening news of ABC affiliate KNXV-TV, which referred to "outrage" among some at the "powerful, haunting memories" evoked by references to Nazi gas ovens and the ValuJet crash. Milton's picture was shown, while her ad was played: "Don't let the philosophy of Gingrich Republican Shadegg push your parents into the gas ovens of managed health care." Shadegg was quoted calling the ads "outrageous

... completely beyond the pale ... of normal discourse." An official of the Anti-Defamation League was shown complaining that the ads were "almost ... a slap in the face to the Jewish community"—followed by a reporter saying, "María Elena Milton stands behind her commercials. She says they demonstrate that managed health care and the privatization of Social Security, will be deadly for the sick and the elderly. The Lyndon LaRouche Democrat is a native of [working-class Hispanic] Nogales, and says she is part Jewish."

The excitement which Milton's campaign is evoking, is typified by her address to a meeting of women labor activists. She began by telling the activists that she had been invited, by an AFL-CIO leader, to come and speak to them informally. "Now, I was asking myself, while I was thinking this morning about what to tell you: Here I am, a housewife and a mother. Some people claim I have no business in this race, because I have no credentials. With all the impressive, talented political people in Arizona, why did it have to be a housewife that takes on the head of Newt Gingrich's GOPAC, one of Gingrich's right-hand henchmen, John Shadegg?"

"Then I realized: It's because we women know how to clean house. I'm an expert toilet-bowl scrubber—I know how to get rid of the scum!"

This brought down the house. While the AFL-CIO leader who had invited her was standing in the back of the room, saying, "Oh my gosh, oh my gosh," the crowd started chanting, "Go, Milton, go!" She's still going.

The ads that have the Gingrichites howling

Managed health care is a killer:

Milton: Managed health care is a killer. Managed Health Care turns a doctor into a clerk, and his patient into a *corpse*—all for the greater glory of the financial sharks. Don't let the philosophy of Gingrich Republican Shadegg, push your parents into the gas ovens, of managed health care.

I am running for Congress in the 4th CD against John Shadegg, the chairman of Newt Gingrich's GOPAC, which is promoting managed health care. To stop this killing, elect me, María Elena Milton.

Why I call him 'Congressman ValuJet':

Milton: Gingrich Republican John Shadegg says he is very offended, when I call him "Congressman ValuJet." Well, I am very offended that John "ValuJet" Shadegg is the chairman of GOPAC, the main funder of Newt Gingrich's Conservative Revolution. It's not just that GOPAC

received \$300,000 from the financial shark that founded ValuJet. More important, John Shadegg has called for brutal, vicious cost-cutting measures for Medicare and Social Security—the same way ValuJet "cut costs," on safety and maintenance.

These policies *kill people*.

Newt Gingrich has taken out a Contract *on* Americans—and people are dying. . . .

Elect me, María Elena Milton, to Congress. I won't let that Gingrich Republican, Shadegg, send your Social Security crashing into the Everglade swamps, like ValuJet.

On privatizing Social Security:

Milton: Congressman Kolbe, from Tucson, has spilled the beans. After the election, the Gingrich gang is planning to *privatize* Social Security. Do you know what Newt Gingrich and his clone, John Shadegg, mean, when they say privatizing Social Security? They should call it, "piratizing." They want to hand over up to \$5 trillion from your retirement fund, to a bunch of Wall Street speculators.

Do you remember when Orange County, California, lost \$2 billion, and went bankrupt, by speculating in these same markets? Don't let the Contract on America crowd make an Orange County gamble with *your* Social Security.

The Weld family and the cocaine Contras

by Anton Chaitkin

Governor William Weld's bid for John Kerry's U.S. Senate seat gives Massachusetts voters a remarkable chance to deal with Weld's outrageous role in recent history's greatest crime. As chief of the U.S. Justice Department's Criminal Division, Weld led the sabotage against Sen. John Kerry's probe of the "Contras" criminal ring responsible for America's crack cocaine plague.

The Senate Foreign Relations Committee's Subcommittee on Narcotics, Terrorism, and International Operations, chaired by Senator Kerry, devoted 13 pages of its 1989 report ("Drugs, Law Enforcement, and Foreign Policy") to attempts by Weld's unit to block their investigation.

EIR interviews with Kerry subcommittee staff members, and widely published news accounts, furnish still more evidence of Weld's actions, throughout the 1980s, to squelch prosecution of the international criminal organization.

Weld, Bush, and gangster banking

William Weld was essential to the Contra criminals, because of Weld's own family ties to the *Crédit Suisse* bank and its financial partners, launderers of the dope and weapons dollars in all the "Iran-Contra" schemes.

Weld's father, David Weld, was chief executive of White, Weld & Co., a private bank of Boston, Wall Street, and London. The Weld firm had joint money-laundering operations with the Geneva-based *Crédit Suisse* going back several decades. During the 1960s, *Crédit Suisse* became notorious as the safe haven for Meyer Lansky's murder-narcotics ring, and the base for British Empire spooks and assassins. David Weld gradually increased ties, toward absorption into the Swiss banking giant. He died in 1972, leaving his company interest to William and two other sons, and to his widow. The two secretive banking firms were soon intertwined in Geneva and London under the name "Crédit Suisse White Weld."

Meanwhile, the brokerage house G.H. Walker & Co., founded by George Bush's maternal grandfather George Herbert Walker, was sold to the Weld firm by Bush's uncle and personal financier, George Herbert Walker, Jr. His son George Herbert Walker III, a Wall Street colleague of Iran-Contra schemer Nicholas Brady, became a senior vice president of the Weld firm beginning in 1974.

George Bush attained to the vice presidency in 1981, and

Bush-leaguer William Weld was appointed U.S. Attorney for Massachusetts.

Weld announced, on Feb. 7, 1985, that he had closed down investigation and blocked prosecution of bank officers caught in a case of criminal money laundering between Boston and Switzerland. The Bank of Boston admitted that, over the previous five years, \$373,579,000 in U.S. currency had been secretly transferred between that bank and *Crédit Suisse*, and \$845,103,000 likewise with eight other foreign banks (most of them Swiss), in violation of U.S. reporting requirements for cash transactions of \$10,000 or more.

Saved from serious consequences, the Bank of Boston admitted to 1,163 separate criminal transactions. Under the headline, "Bank of Boston Moved Drug Cash, U.S. Official Says," the *Wall Street Journal* on March 6, 1985 quoted U.S. Treasury Assistant Secretary for Enforcement John Walker: "There's every indication that the \$600 million of small bills that the bank took in was the laundering of drug money." Criminal penalties might have given executives thousands of years in jail.

Yet U.S. Attorney William Weld quashed the case. The bank paid a minuscule \$500,000 fine. By agreement with Weld, the Bank of Boston pleaded guilty to only one felony count; the other 1,162 counts were dropped. No Bank of Boston official was prosecuted.

Most importantly, neither the source nor the use of the cash was to be probed, and no aspect of the Weld family-linked *Crédit Suisse* was to be questioned in any way.

Later investigations by Senator Kerry and others revealed *Crédit Suisse* as the central covert financial base for the drug trafficking, illegal arms deals, and other operations personally supervised by Oliver North, Manucher Ghorbanifar, Adnan Khashoggi and their partners. And during the early 1980s, *Crédit Suisse* White Weld's own London branch accounted for a majority of the world's placements of "Eurobonds," through which drug money was exchanged for untraceable interest-bearing securities.

In concert with the George Bush-led national security apparatus within the Reagan-Bush administration, U.S. Attorney Weld had initiated, in 1984, a legal attack on Lyndon LaRouche and his political movement on a variety of trumped-up charges. The LaRouche movement had been campaigning against drug-money laundering by the banks, and had opposed the drug-pushing Contras.

A political frameup trial of LaRouche in Boston federal court, under Weld's jurisdiction, occurred in 1987. When evidence surfaced that Oliver North and other Bush agents were engaged in illegal conduct against LaRouche, Judge Robert Keeton ordered a search of the files of Vice President Bush, to determine if the case involved a government vendetta against LaRouche. In May 1988, the case mistried. Jury members told the *Boston Herald* that they would have voted to acquit LaRouche and his co-defendants, because they believed that it was the government that had committed the crimes. In a



William Weld in Senate testimony in 1988. When Senator Kerry wanted to investigate cocaine-trafficking by the Contras, Weld, as chief of the Criminal Division of the Justice Department, blocked it.

post-trial ruling, Judge Keeton found the government guilty of systemic and institutional misconduct.

Blocking all probes

The Boston-Switzerland whitewash having been accomplished, and the attack on LaRouche having been started, Weld was appointed chief of the Justice Department's Criminal Division in 1986, to continue these tasks.

When Senator Kerry sought to convene hearings on the Contras' drugs-for-guns ring, Weld and his men acted to wreck or delay the investigation.

According to the 1989 Kerry Subcommittee report,

- Jeffrey Feldman, Assistant U.S. Attorney for the Southern District of Florida, who was investigating John Hull and other drug traffickers, "testified before the Iran/Contra committees that a memorandum he wrote recommending that the [Contras'] cases he was investigating be taken to a grand jury had been rewritten without his knowledge in late May, 1986. Feldman testified that the recommendation had been changed to suggest that a grand jury would be merely a 'fishing expedition.' Before the [Kerry] Subcommittee, Feldman testified that . . . statements [about this matter] by [Tom] Marum [assistant head of the Internal Security Division of the Justice Department], could create an inference that the decision not to move to a grand jury had been taken in order to slow down the Foreign Relations Committee inquiry" (p. 392).

- "In August [1986], North's courier, Robert Owen, was asked by John Hull to transmit copies of falsified affidavits [from jailed mercenaries in Costa Rica] charging the Kerry

staff with bribing witnesses to both the U.S. Attorney's Office and Miami and to the Senate Ethics Committee. The U.S. Attorney then provided a copy of these affidavits to the Justice Department in Washington. Shortly thereafter, these false charges against Kerry staff appeared in press accounts, while the Committee investigation was pending" (pp. 399-400).

"The Justice Department ultimately concluded that the affidavits had been forged . . . [but] the Justice Department has taken no action against John Hull for obstruction of justice. . ." (p. 149).

- "Beginning in April 1986, Senator Kerry sought for eight months to convene public hearings regarding . . . allegations [against the Contras]. No such hearings took place, in part because material provided to the Committee by the Justice Department . . . wrongly suggested that the allegations . . . were false" (p. 389).

- "Confidential materials of the Foreign Relations Committee were improperly provided to the Justice Department and to the U.S. Attorney [who was the boss of Jeffrey Feldman]" (p. 397). "North was provided with information regarding Senator Kerry's attempts to have hearings in the spring and fall of 1986, at a time when the information was Committee confidential" (p. 399).

On Sept. 26, 1986, Senator Kerry personally asked William Weld, as chief of the Justice Department's Criminal Division, for an individual designated "Wanda Doe" to be given government protection. Wanda Doe had been an eyewitness to Air America (CIA) aircraft in guns-for-drugs transfers with the Colombian cocaine cartel, in 1983 and 1985. The FBI tried to break down the Kerry witness, and protection was prohibited, even though Barry Seal, a drug cartel pilot turned government informant, had been assassinated earlier that year.

Meanwhile a scandal threatened to blow up all the Contra operations, when U.S. Ambassador to Switzerland Faith Whittlesey was found to have diverted funds from special embassy accounts. Prior to her posting to Switzerland, Whittlesey had been director of the White House Office of Public Liaison. In that capacity, she worked with Oliver North, raising and channeling private money contributions to the Contras, and providing official cover for the Bush national security apparatus's illegal conduiting of government funds. Whittlesey's assistant at the embassy in Switzerland, Robert Reilly, had previously handled private Contra funding at the U.S. Information Agency; after a scandal over his disbursement of funds, Reilly was transferred to Whittlesey's side. The two officials continued their operations in Switzerland, the global financial center of the Contra intrigue.

William Weld was officially placed in charge of the U.S. government's inquiry into the Whittlesey-Ryan Swiss money diversion. On Dec. 5, 1986, the Justice Department declared the matter closed, in keeping with Weld's recommendation that no special prosecutor was warranted to investigate the Whittlesey financial irregularities.

National News

Ridge evicts homeless, steals their blankets

Pennsylvania Gov. Tom Ridge (R), in his typical Nazi-like fashion, shut down a demonstration by the homeless Oct. 3 against his murderous cutbacks in aid to the poor—and sent in police in the middle of the night to steal the protesters' blankets.

Earlier in the day, a federal judge had upheld a new law rammed through by Ridge, restricting activities on the grounds of the State Capitol at Harrisburg after 8 p.m. The so-called "Ridgeville" demonstrators had been maintaining a 24-hour-a-day protest on the front steps of the Capitol building. Following the court ruling, the shelter for the 12 homeless protesters (six black and six white) was taken down that very afternoon.

Then, at 2:30 a.m., during a freezing rain, police arrived to take away the demonstrators' blankets, which had been purchased for them by members of the legislature's Black Caucus. Seven demonstrators remained throughout the night despite the bitter cold.

The Philadelphia *News Observer* quoted a member of the Kensington Welfare Rights Union, which led the protest, "We're telling the governor that people are dying today! Women and children are living in the streets."

Lack of basic research will cripple economy

More alarms are being sounded, that the steady decline in spending for basic research will end up crippling the U.S. economy. According to the Oct. 8 *New York Times*, spending on basic research, by both the government and by private industry, has steadily fallen during the 1990s, raising the grim possibility that new technologies and inventions may not be developed.

The ongoing destruction of basic research in industry stems from the "free trade" hoax of the "global economy." Corporate executives, pressed by deregulation,

have decided they cannot afford basic research, and that it should be done by university scientists, who are largely dependent on government grants. An estimated 25% of corporate research funding now goes for "process R&D," simply to find faster, more "efficient" ways to manufacture existing products. A large portion of the remaining research focusses on technologies expected to yield "marketable" products within three years or less.

Meanwhile, the government budget-balancing mania, has resulted in slashing of R&D funds—both for potential "science-driver" agencies such as NASA, and for the university research laboratories which private industry had hoped would be able to take up the slack.

Paul M. Romer, an economist at Stanford University, told the *Times*, "We are eating our seed corn." Romer referred to the fact that industry is still squeezing products from the former cornucopia of technological breakthroughs developed during and after World War II.

Starr has trouble with neutrality and legality

During an Oct. 5 press conference in Virginia Beach, Whitewater special prosecutor Kenneth Starr made public comments about the two Whitewater grand juries now sitting. He stated that the grand jury in Washington is "making very substantial progress." As to the Little Rock grand jury, Starr said that it "is at a very important phase." When asked who was paying for his trip to Virginia, Starr said he was uncertain, but, he stated, "Ordinarily the United States pays."

Starr was in Virginia to speak at an event co-sponsored by Pat Robertson's "Christian Broadcasting Network" and Robertson's Regent University Law School. His appearance, at an event tied to one of President Clinton's most vicious critics, drew criticism from the White House on Oct. 3. During the 1992 Presidential campaign, Robertson attacked Clinton as "Slick Willie"; and later said that Clinton's inauguration amounted to "a repudiation of our forefathers' covenant with God." Robertson's so-

called Christian Coalition also used its "Family Channel" on cable television, to run Paula Jones's allegations of sexual harassment against Clinton.

Starr's comments to the press, on his ongoing grand jury investigations, provided further evidence that he considers himself above the law in his political witch-hunt against President Clinton. Rule 6(e) of the Federal Rules of Criminal Procedure states that a prosecutor "shall not disclose matters occurring before the grand jury." The rule is designed to maintain the confidentiality of grand jury proceedings, and to protect persons being investigated but not charged with any offense.

AMA reports HMOs worsen care for the poor

A new study published in the *Journal of the American Medical Association* reports that poor people and the elderly are twice as likely to suffer deteriorating health if they are treated by health maintenance organizations (HMOs), than by physicians operating under traditional pay-for-service arrangements.

A team of researchers, led by Dr. John E. Ware, Jr. of the New England Medical Center in Boston, tracked 2,235 adult patients with chronic conditions, such as high blood pressure, diabetes, and congestive heart failure, in Boston, Chicago, and Los Angeles, from 1986 to 1990. The patients were given extensive surveys about whether they felt their health had declined or improved. The survey found that 54% of elderly patients in HMOs reported their health had declined, compared to 28% of the elderly in fee-for-service plans. Among low-income patients, 57% of those in HMOs said their health had worsened, compared to 22% in fee-for-service plans.

Despite the subjective nature of the survey, Prof. Sara Rosenbaum, director of the Center for Health Policy Research at George Washington University, says, "The new findings are consistent with a long line of research showing that poor people with health problems tend to do worse in prepaid health plans. The results tell me that we are

going much too fast in converting Medicaid to a managed-care program. We are going faster than HMOs can accommodate. Whether it's good policy or not is not the issue. The market may not be ready for these patients—sick, low-income, and elderly populations.”

Most Americans, not just the poor and the elderly, whose health care is controlled by HMOs, know that the policy deliberately denies access to needed treatment. The growing backlash against HMOs includes ballot initiatives in California and Oregon, which specifically target the practice by HMOs of withholding medical care. The California measure includes a requirement for state standards for the number of nurses and doctors employed by hospitals and nursing homes; and would prohibit HMOs from denying payment for any medical procedures recommended by a doctor, unless the HMO gets a second medical opinion.

Budget cuts threaten U.S. inland waterways

The U.S. inland waterway system, a vital component of the nation-building infrastructure first envisioned by George Washington, faces a major breakdown under planned budget cutbacks for the U.S. Army Corps of Engineers. According to the Oct. 2 *Journal of Commerce*, the Office of Management and Budget wants to cut the operations and maintenance (O&M) funding of the Corps of Engineers, by 15% over the next five years.

At the recent National Waterways Conference, a number of U.S. barge industry executives expressed concern for the future of the system, the *Journal* reports. Robert Tisdale, chairman of the Corps' O&M Cost Reduction Task Force, warned that only about half the deep-draft ports on the U.S. inland waterway system, meet minimum criteria for costs and usage. "Either we have to reduce the level of draft we maintain, or it may be that it is not economically feasible to bring these vessels into these ports."

The Corps has already estimated that large portions of the waterways system will

be too expensive to maintain. Benchmark O&M costs are 16¢ per ton carried annually on a waterway, and \$320 for passing through a lock. Current O&M costs in the Ohio River district vary from 18¢ to \$12 a ton. On less-used sections of the waterways, just locking through can exceed \$10,000.

At the conference, the upper Tennessee River and the Tennessee-Tombigbee Waterway were also cited as examples of waterways that would be too expensive to keep in operation under the proposed budget cuts. Randy Walters, marketing director of the Red River Waterway, said that it is unlikely that the Corps will ever build any new waterways. The Red River project was completed two years ago, at a cost of \$1.8 billion. "I think it's safe to say that this is the last major navigation project the Corps of Engineers will do," he said.

Scowcroft confirms Bush role vs. U.S. in Russia

In a recent interview with a Washington-based journalist, made available to *EIR*, Gen. Brent Scowcroft confirmed that ex-President George Bush has been promoting the activities of the International Republican Institute (IRI) in Russia—nearly every time he opens his mouth in public. The IRI has been targeted by Lyndon LaRouche for deliberately seeking to turn Russia against the United States, by polluting Russian political circles with British-spawned lies.

Scowcroft, a Knight of the British Empire and a member of the board of the IRI, is a former director of Kissinger Associates and was Bush's Presidential national security adviser. In the interview, Scowcroft traced the origins of the IRI to President Reagan's 1982 speech to the British Parliament, in which he stressed the need for what became Project Democracy. With the assistance of then Vice-President Bush, this led to the creation of the National Endowment for Democracy, the parent group for the IRI.

Scowcroft is currently at work on Bush's Presidential memoirs, and reports that Bush thinks the IRI has done "wonderful work" in Russia.

Briefly

GOV. WILLIAM WELD (R-Mass.) wants to stay far away from the explosion around George Bush's role as a drug kingpin. Commenting on the record of Sen. John Kerry, whose seat he hopes to win in November, Weld dismissed Kerry's efforts to expose drug-trafficking in high places. Weld told the Sept. 27 *Quincy Patriot-Ledger*, "Some bank in the Caribbean, somebody in Nicaragua, somebody dealing drugs in Nicaragua, who cares? Look what I've done. Send me in, coach, I'll score."

NEWT GINGRICH declared Oct. 8 that if the GOP loses control of the House in November, it will be the fault of the labor unions and the media. Dismissing the nationwide backlash against his own Nazi policies, Newt said, "I'm comfortable with my conscience." He would only concede that "the GOP should have chosen its words more carefully in pushing its Medicare reform proposal."

NICHOLAS BRADY, George Bush's treasury secretary, told an Argentine journalist at the recent IMF meeting in Washington, that the next U.S. administration must keep its hands off the economy. "It is important for us to ensure that the government withdraws from business affairs and directing the economy, and lets the private sector do this."

HENRY KISSINGER, babbling in the Oct. 6 *Washington Post*, complains that the failure to destroy Iraqi President Saddam Hussein has raised doubts "about the reach of American power." Yearning for another genocidal Gulf War, Sir Henry fondly recalls "President Bush, without whose strong leadership the victorious coalition would never have come about."

HILLARY CLINTON, dedicating a new statue of Eleanor Roosevelt in New York City Oct. 5, said that Mrs. Roosevelt "touched millions of lives and she still is." She added, playfully, "When I last spoke with Mrs. Roosevelt, she wanted me to tell all of you how pleased she is by this great, great new statue."

LaRouche's Ninth Forecast

The International Monetary Fund and related agencies have insisted for years that the world financial system was sound, and that the warnings of Lyndon LaRouche and a handful of other economists, that the system was headed for collapse, were nonsense. It simply can't happen, we are in control, the officials prattled. Thus it is quite ironic to hear those same agencies suddenly warning of looming crisis.

"A banking crisis is an accident waiting to happen," International Monetary Fund Managing Director Michel Camdessus told the IMF's board of directors at their annual meeting on Oct. 1. Camdessus warned that "urgent care" is needed to prevent "the Achilles' heel of the global economy today, the fragility of national banking systems," from erupting into a "systemic" crisis.

What the IMF fears, is that their efforts to contain the crisis by throwing trillions of dollars into the speculative financial bubble, is breaking down, and that the bubble is going to burst.

Those fears are justified. They should have listened to LaRouche, who told them what would happen. As LaRouche noted Oct. 5, "This train came crashing into the terminal on schedule."

"The presently existing global financial and monetary system will disintegrate in the near term," LaRouche warned in his Ninth Forecast, published in *EIR* on June 24, 1994. "The collapse might occur this spring, or summer, or next autumn; it could come next year; it will almost certainly come during President William Clinton's first term in office; it will occur soon. That collapse into disintegration is inevitable, because it could not be stopped now by anything but the politically improbable decision by leading governments to put the relevant financial and monetary institutions into bankruptcy reorganization."

That disintegration is inevitable, LaRouche warned, because the very existence of the speculative bubble depends upon the looting of the underlying physical economy. As with a cancer, the growth of the bubble comes at the expense of its host; the larger the bubble, the weaker the host. Therefore, any attempt to prolong

the existence of the bubble by pumping it up further, actually hastens its collapse.

Thus far, the financial collapse has taken the form of what LaRouche described in his Eighth Forecast in November 1991, as a "mudslide." Huge chunks of the global economy have simply disappeared, taking with them some of the most prestigious names in the financial world.

The accuracy of LaRouche's economic forecasts is based upon his understanding of the science of physical economy. Economic growth depends on increases in the productive powers of human labor. Policies which increase that productive power through the development of infrastructure and higher levels of science and technology, lead to economic growth and the growth of relative potential population density, in per-capita, per-household, and per-square-kilometer terms. Policies which decrease that productive power—such as the looting of the economic base to feed a financial bubble—lead inexorably to economic collapse.

While beginning to admit that a problem exists, the IMF and its cohorts are unable to break with the axiomatic flaws in their thinking that brought about the present disaster, and are instead foolishly determined to press ahead with more of the same policies which have brought the world to the brink of ruin. They see their system failing, but have learned nothing of why it has, and must, fail.

The solution to this crisis begins with recognizing the disease, the decay and inevitable disintegration of the existing central-bank monetary system, LaRouche has said. Nothing can be done, and nothing should be done, to save the system. You have to tell the patient to give up the diseased organ; otherwise the patient will die. "What we have to do, very simply," LaRouche said, "is to seize the U.S. Federal Constitution, and the work of Treasury Secretary Alexander Hamilton, the work of Henry Carey, of Friedrich List, and Abraham Lincoln, with both hands, and say, 'This was good; let us eliminate that which replaced it, which is now dying, and let us bring it back into operation.'"

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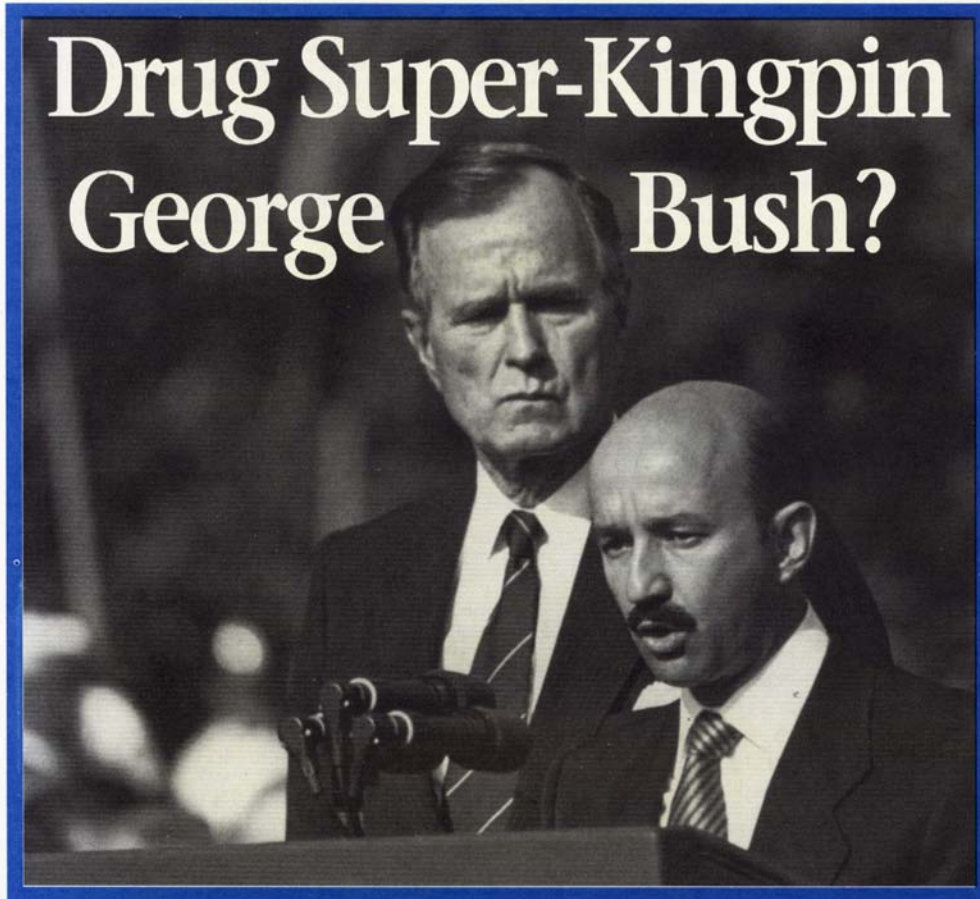
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