

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.”