

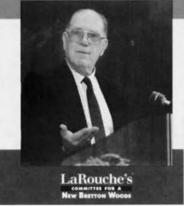
New Russian security doctrine reflects major shifts The fascist policies of Texas Gov. George W. Bush Queen breaks up nation-states to steal raw materials

## LaRouche defines America's Manifest Destiny for today



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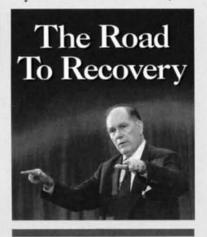
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#### From the Associate Editor

The United States is the only nation-state which was explicitly founded with a national mission to end colonialism and imperialism throughout the world. Historically, how well—or how poorly, when we've been corrupted by oligarchical interests—the nation has carried out that mission, has been the determining factor between war and peace, between prosperity and depression. That is still the case today, now more than ever.

In this week's *Feature*, Democratic Presidential pre-candidate Lyndon LaRouche, in a speech delivered in Massachusetts and simultaneously broadcast on the Internet on Jan. 14, challenges American patriots to take up that mission once again, of rebuilding the nation and the world. "Does the United States still have the function, of being a temple of liberty and beacon of hope for these nations of the world?" he asks. We can, he assures us. "We, together with other countries which can do this, are going to adopt a mission of helping the rest of the world transform itself to end this kind of deprivation and misery, which affrights us and disgusts us. And thus we, those nations and we, should be able to meet together to come to the kind of terms which will be durable, because they'll be beneficial over a long period of time to come. We have to understand our Manifest Destiny."

EIR's contents this week provide exciting and in-depth backup to LaRouche's argument. In terms of the strategic and economic setting, we feature a major package on how the British financial oligarchy, specifically the Crown, is proceeding to gain control over the world's raw materials. Their parallel effort is to destroy nation-states, which, if left standing, might combine to establish the New Bretton Woods system required to bury the current bankrupt financial system.

On the strategic side, we publish a documented report on Russia's new national security doctrine (see *International*), which is being ignored at our peril. If Russia, or other nations, see the United States acting in the oligarchy's interests, they will prepare themselves for war.

Accompanying LaRouche's speech transcript, you will find crucial material, from the real history of the United States. EIR has an unparalleled record in digging up the history which the British have buried—and we think you'll find this seldom-published history an eye-opener—one that shows that America had ideas that worked, and, if revived, can work again.

Ronald Kokuida

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### **EXE**CONOMICS

# Queen breaks up nation-states to steal raw materials

by Allen Douglas, Robert Barwick, and Rhys McGuckin

As the world careens toward the greatest financial crash since the 14th-century collapse of Venice's Bardi and Peruzzi banks unleashed the Black Death and depopulated Europe by half, the British Crown-led British-American-Commonwealth (BAC) financial oligarchy is attempting to seize control of virtually all the world's raw materials and food production, in order to rule in whatever is left of a post-crash world. U.S. Democratic Presidential pre-candidate Lyndon H. LaRouche, Jr. was the first to outline the scope and inevitability of the coming blowout, in his famous "Ninth Forecast" of June 1994. In an "EIR Talks" radio program two months later, LaRouche blew the whistle on the oligarchy's rush out of paper and into hard commodities: "The past several months' buildup of a stampede from financial investments into hoarding of bullion, raw materials, and scarce food-supplies, signals an imminent collapse of the world's financial system."

The BAC's intentions are perhaps most spectacularly evident in their drive to secure the immense oil and natural gas reserves of the Caucasus/Central Asia region, a move which could help trigger a world war with an enraged, desperate Russia. Meanwhile, they are also plundering the less wellknown, but similarly rich reserves of industrial raw materials, precious minerals, and oil and gas in the Southeast Asia/ Southwest Pacific region comprised of Indonesia, Papua New Guinea (P.N.G.), and Australia. There, the BAC is using Her Majesty's colony of Australia as a staging ground for assaults against Indonesia, and against Australia's former protectorate of P.N.G., even while seizing Australia's riches on the pretext of indigenous "land rights." Through currency warfare, International Monetary Fund (IMF)-World Bank forced privatizations, corruption scandals, ethnic warfare, indigenist insurgencies, and, wherever necessary, Australian-led military occupations, the BAC intends to break up Indonesia and P.N.G. and seize their raw materials. The following sketch gives some idea of the enormous riches of these three countries.

#### What's at stake

Australia: Home to the world's largest diamond mine (Argyle in Western Australia), the country also ranks in the world's top six producers of bauxite, cobalt, gold, iron ore, lead, lithium, manganese ore, mineral sands, nickel, silver, tantalum, uranium, and zinc. As for reserves, it has the world's largest demonstrated resources of bauxite, lead, mineral sands (alluvial ilmenite, rutile, and zircon), tantalum, uranium, silver, and zinc, and is among the world's top six for black coal, brown coal, cobalt, copper, diamonds, gold, iron ore, lithium, manganese ore, nickel, and rare earth oxides. Australia also ranks 11th in world production of natural gas. The Asia/Oceania region as a whole ranks third in reserves of natural gas, behind the Commonwealth of Independent States states (the former Soviet Union) and the Middle East.

**Indonesia:** Home of the world's richest gold mine (Grasberg in Irian Jaya province), Indonesia is the world's fifth-largest producer of natural gas, and the 14th-largest producer of oil.<sup>4</sup> It has the world's eighth-largest reserves of natural gas, with oil reserves as high as 50 billion barrels.<sup>5</sup>

<sup>1.</sup> Australian Department of Science and Resources.

<sup>2.</sup> World Gas Map, 1997, Petroleum Economist, London.

<sup>3.</sup> ibid.

<sup>4.</sup> BP Statistical Review of World Energy, 1998.

<sup>5. &</sup>quot;The Oil Markets of the Pacific Rim—Into the 1990s," Paul McDonald, *Financial Times Business Information*, for Indonesia's possible 50 billion barrels reserve. The Caspian Sea's proven reserves of 17 billion barrels is from the BP Statistical Review of World Energy, 1998.

By comparison, the Caspian Sea region is believed to have somewhere between 68 to 200 billion barrels (with proven reserves of only 17 billion barrels) and Kuwait has 96.5 billion barrels. As of 1993, only 36 of Indonesia's 60 known oil basins had been explored, and just 14 developed. One of the richest basins, in the Timor Strait off East Timor, was relatively undeveloped while under Indonesian control, due to the unrest in East Timor. However, since East Timor gained independence, a "frantic drilling season" has begun, with at least 20 new wells under way.6 As a senior City of London source told EIR last September, when the Australian-led invasion of East Timor was under way, "Informed geologists tell me, there are believed to be huge untapped oil deposits in the Timor Sea between East Timor and Australia. As long as East Timor remains in firm Indonesian hands, the oil will be controlled by the Indonesian state oil company, Pertamina. If, on the other hand, East Timor becomes independent, BP [British Petroleum] and Royal Dutch Shell will be able to come in. The British are using Australia as a stalking-horse for this. Overall, oil is again becoming a major geopolitical power theme for the British interests, after a long hiatus. Over the last year, there has been a huge consolidation of oil assets into British hands, with BP becoming number-two in the world after Exxon-Mobil, and Shell number three. If British oil wins East Timor, along with their present dominating role in the Caspian Sea region and North Sea, as well as Alaska and Nigeria, they will be in a commanding power position globally to dictate oil policy."

Indonesia is also the world's second-largest producer of tin, its fifth-largest producer of copper and nickel, its sixth-largest producer of gold, and its third-largest exporter of coal.<sup>7</sup>

Papua New Guinea: Though its jungle and mountainous terrain is woefully underexplored, P.N.G. is home to two of the world's ten largest gold mines (Porgera and Lihir, see Figure 1), and to its fifth- and eighth-largest copper mines (Panguna and Ok Tedi).8 It shares the island of New Guinea with the Indonesian province of Irian Jaya (recently renamed Papua), where the world's number-one gold mine, Grasberg, is located. Although also underexplored, Irian Jaya, according to Heffernan Consulting in Jakarta, is known to be "fabulously rich" in several other minerals besides gold—a good indicator of the potential of P.N.G. itself. As extraordinary as its mineral wealth is, exploration of petroleum in the early 1990s convinced the P.N.G. government that oil and gas would one day surpass minerals as the country's largest foreign-exchange earner. Mining and petroleum supply 70% of P.N.G.'s export revenue, and 25.2% of its GDP.

#### The British assault Asia

Shortly after the fall of the Berlin Wall in 1989, the British secured two strategic goals: By 1991-92, they had installed a government in Russia composed of trainees of British intelligence's economic warfare unit, the Mont Pelerin Society, typified by Yegor Gaidar and Anatoli Chubais. This enabled them to steal Russia blind, through "privatization," and through the virtual or outright theft of Russia's huge raw materials stockpiles. Second, they had neutered the mighty German economy by forcing then-Chancellor Helmut Kohl to submit to the monetarist, anti-industry Maastricht Treaty as a precondition for German reunification, and had prevented Germany's natural tendency to expand advanced industry eastward and link up with the former East bloc and Russia, which prospect the British regarded as a mortal geopolitical threat.

These objectives accomplished, they turned toward Asia. In 1995, Queen Elizabeth's premier think-tank, the Royal Institute for International Affairs, issued a policy paper entitled "RIIA Discussion Paper 60: Economic Opportunities for Britain and the Commonwealth." Written by Australian academic Katharine West, the paper set the tone for a conference in March of that year co-sponsored by the RIIA and Her Majesty's government, on "Britain in the World," which was attended by the entire corporate and foreign policy elite of Britain. The paper, amplified by the conference, stressed the following themes, ones reflected in British Prime Minister Tony Blair's recent pronouncements that Britain is the "pivot of power" for the world as a whole<sup>9</sup>:

1. Britain should use the extensive cultural and business networks of the 53-nation Commonwealth (the new name for the British Empire), whose chief executive is the Queen, as the vehicle to dominate virtually all multilateral organizations in the world, including, for example, the Organization for Economic Cooperation and Development, the Asia-Pacific Economic Cooperation Forum, the Association of Southeast Asian Nations, the Group of 15, and the Group of 77.

<sup>6.</sup> The West Australian, Jan. 12, 2000.

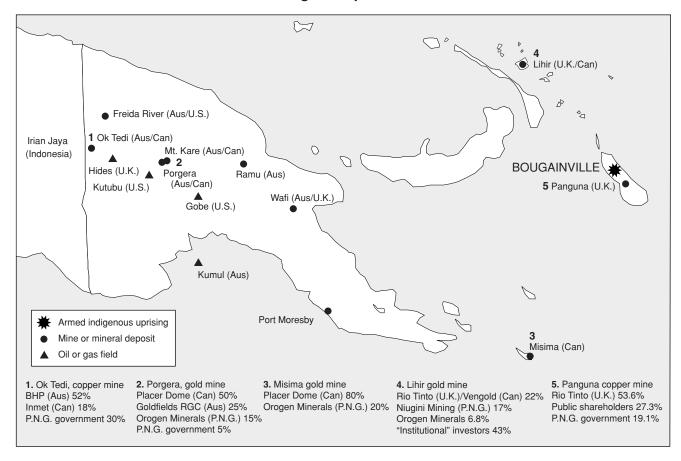
<sup>7.</sup> World Mineral Statistics 1998. Coal figures from the Register of Indonesian Mining, Resource Information Unit, Perth, Western Australia.

<sup>8.</sup> Australian Journal of Mining, "Review of Mining in Papua New Guinea," Graeme Hancock, October 1999.

<sup>9.</sup> Blair gave a speech at the Lord Mayor of London's banquet at Guildhall in the City of London on Nov. 22, 1999, which could have been taken straight out of Katharine West's RIIA report. After referring to Britain's "profound legacy of Empire," Blair said about "Britain's new role," that "it is to use the strengths of our history to build our future not as a superpower, but as a pivotal power, as a power that is at the crux of the alliances and international politics which shape the world and its future.... Britain's potential strengths are clear, in some ways unique. . . . First, our formidable network of international contacts. Our extraordinarily close relations with nations in every part of the globe through the Commonwealth . . . the UN Security Council, of NATO and the G-8. The close relationship forged through two world wars with the U.S.A. And our crucial membership of the European Union. We are at the pivot of all these inter-connecting alliances and groupings." Blair also stressed the crucial role of the City of London in asserting British power, particularly under globalization: "One and a half trillion dollars are traded every day on the world's currency exchanges, of which by far the biggest is right here in the City of London, which is bigger than the Tokyo and New York markets put together."

FIGURE 1

British-American-Commonwealth forces grab Papua New Guinea's raw materials



Sources: Australian Journal of Mining, October 1999; Petroleum Economist, World Gas Map, 4th Edition; P.N.G. Department of Petroleum and Energy.

Papua New Guinea is home to 2 of the world's 10 richest gold mines (Porgera and Lihir), and 2 of the world's 10 richest copper mines (Ok Tedi, Panguna). The British-American-Commonwealth forces sponsored a coup in 1997 against nationalist Prime Minister Sir Julius Chan, and a decade-long insurgency in Bougainville Province, in its attempt to seize the country's mineral deposits.

- 2. The engine of British power is the City of London, by far the world's largest financial center, which, according to West, still today rules "an informal financial empire that maintained its vibrancy long after the formal empire went into decline." This empire is now expanding rapidly through free trade, deregulation, and privatization; indeed, then-Prime Minister John Major bragged to the conference, that privatization was a "British invention."
- 3. The main target of the Commonwealth and City of London should be Asia, the greatest remaining repository of wealth in the world.
- 4. Australia should be used as the "stepping stone" of this turn toward Asia, given its extremely close ties to Britain, as evidenced in the extraordinary amount of cross-investment between the two, which West disingenuously called "mutual exploitation." Already, she said, some 130 multinational cor-

porations, most of them British, had established their Asian regional headquarters in Australia.

#### Securing the 'stepping stone'

The British moved rapidly to consolidate Australia as their base against Asia. In March 1996, the fanatically Anglophile Liberal-National government of Prime Minister John Winston Howard came to power with the aid of Rio Tinto, the world's largest mining company, whose single largest investor is Her Majesty the Queen. <sup>10</sup> The new government

Rio Tinto's aid to the Howard government began when the company

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<sup>10.</sup> Long rumored, the Queen's dominant holding in Rio Tinto was confirmed in a lengthy profile in an Oct. 19, 1999 article in Australia's major weekly magazine, *The Bulletin*, "Diamonds Are for ER" (a pun: "ER" stands for *Elizabeth Regina*). The diamonds refer to Rio Tinto's share in the world's largest diamond mine, Argyle, in Western Australia.

TABLE 1 Britain buys up Australia

(foreign investment in Australia, millions Aus \$)

Country	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98
U.K.	66,018	76,350	76,983	85,168	134,990	146,085
U.S.A.	78,371	86,656	91,724	106,649	128,227	145,736
Japan	51,084	49,627	51,116	58,332	57,972	56,764
EU (except U.K.)	24,949	32,427	37,690	43,653	45,282	47,345
ASEAN	8,422	9,909	9,352	11,693	10,798	16,296

Source: Australian Bureau of Statistics, "Foreign Investment in Australia," 1997-98.

British investment in Australia has soared over the past several years, as the Crown has consolidated Australia as its "stepping-stone" to attack Asia, as per Katharine West's 1995 report for the Royal Institute for International Affairs.

was dominated by its six cabinet members, including Howard, who were members or associates of Mont Pelerin Society fronts in Australia. Building on privatizations begun under the previous, Labor government, and together with another Mont Pelerin Society clone, Victoria Liberal Premier Jeff Kennett, Howard oversaw the world's largest privatization program. BAC (but mostly British) "foreign investment" in Australia skyrocketted (see **Table 1**), as the British snapped up Australian assets for pennies on the dollar. By 1996-97, the British had surpassed the United States as the single-largest foreign investor in Australia, despite the fact that the United States has six times the population of the U.K.

Political links flourished along with financial flows. Howard's campaign director, Andrew Robb, spent a month in Britain helping the Tories campaign, while Liberal Party treasurer and chief fundraiser Ron Walker became the co-treasurer of Margaret Thatcher's Conservative Party, the first time a foreigner had held that position. Walker's Tory post reflected his prowess in raising funds from the extraordinary concentration of British firms in Australia. Nor were the political ties merely between conservatives. Observed the *Canberra Times* in 1997, "In the past two years there has been an unprecedented exchange of policy ideas between the Australian Labor and the British Labour parties."

Cultural and intelligence ties zoomed, as well. Britain's main cultural warfare body, the British Council (then run by Rio Tinto and Bank of England director Sir Martin Wakefield Jacomb), launched a \$7 million "New Images" program designed to foster a favorable opinion of Britain in Australia, the largest such program the British Council ran anywhere in the world, and Britain's MI5 and MI6 intelligence agencies tightened their ties with their Australian counterparts. As

arranged the withdrawal of Howard's main rival for Prime Minister, with a lucrative consulting offer. Howard let Rio Tinto's executive, Mike Angwin, write the government's anti-union industrial relations law. See *Stop the British Crown Plot to Crush Australia's Unions*, Citizens Electoral Council of Australia, 1998.

chronicled in the *Canberra Times* of Aug. 8, 1997, "ASIS [Australian Security Intelligence Service] has an MI6 officer attached to its Canberra headquarters inside the Casey Building at assistant director level, and the top secret Defense Signals Directorate has a special liaison officer. . . . British officers are involved in virtually every aspect of Australia's intelligence collection and assessment network."

So close had the ties become already by the mid-1990s, that several Australian intelligence officers charged that ASIS was nothing but an "errand boy" for British intelligence, and, in particular, for British multinationals through-

out the Middle East and Asia. Given that Australia had also set up several central banks in Southeast Asia, with which it still maintained close links, such economic espionage was most helpful to Britain, particularly as the so-called Asian crisis erupted in July 1997. It is no wonder then, that Britain's High Commissioner (ambassador) to Australia, Sir Roger Carrick, told a New Images conference in Sydney on Aug. 7, 1997, that the intelligence relationship between Australia and Britain "had been particularly productive and useful recently"; or that British Foreign Secretary Robin Cook crowed to the same conference that "Australia is a more viable partner for Britain now than at any time in the past two centuries. . . . The growing importance of Asia and of the countries around the Pacific means that Australia is much stronger for Britain as a bridge into an area of the world of growing importance."

The capstone to this British activity vis-à-vis Australia will be set on March 17, the day Her Majesty Queen Elizabeth begins a two-week tour downunder, her first in eight years. Additionally, she is sending as her new High Commissioner to Australia, the Right Honorable Sir Alastair Goodlad, a Privy Councillor who was the controller of Her Majesty's Household during 1989-90 and treasurer of Her Majesty's Household during 1990-92, two extremely sensitive positions. He was also Deputy Chief Whip of the Tory government under John Major, and a Minister of State in the Foreign Office during 1992-95. Before his service to Her Majesty's government and private household, he was a business executive in Southeast Asia. He has already told the Australian press that his appointment will not be "merely bilateral," but that he will be deeply involved in the "region as a whole," and that he intends to spend much of his time with the "business community in Sydney and Melbourne," rather than in the federal capital of Canberra. Although unusual for an ambassador, such activities, as well as his personal profile, are precisely those needed to achieve the goals specified in West's 1995 RIIA report.

#### Target: Australia

Australia is not merely a British "stepping stone" to Asia, but a target for looting and destruction in its own right, just like Indonesia and Papua New Guinea. We note here only the highlights of the British assaults against these three countries, which have been documented in detail by EIR, and by Lyndon LaRouche's Australian associates in the Citizens Electoral Council.

Queen Elizabeth and Prince Philip have personally directed the looting of Australia over the last four decades, in particular through the mining company which the Queen controls, Rio Tinto. Aside from the globalist, free-trade measures which the Labor government of Prime Minister Bob Hawke and Treasurer Paul Keating had introduced beginning in 1983, which were designed by Mont Pelerin Society thinktanks in Australia,<sup>11</sup> the most radical shock to Australia's economic and political system over the recent decades, has been the growth of Aboriginal "land rights," grants or claims for which now cover over half the continent, including virtually all its key mines and raw materials deposits (Figure 2). The chief sponsor of land rights has been Rio Tinto.

The push for land rights began in the 1920s, when the Australian Communist Party, following the directions of the Communist International, called for the country to be split up into several "sovereign Aboriginal states." But the concept only took off following the 1963 Royal Tour by Queen Elizabeth and Prince Philip, during which Philip set up a branch of his World Wildlife Fund, the Australian Conservation Foundation (ACF). Under the presidency of Philip (1971-76), and his associates such as Sir Garfield Barwick, Chief Justice of the Supreme Court, and H.C. "Nugget" Coombs, the decadeslong head of Australia's Reserve Bank, who then became the "father of Aboriginal land rights," the ACF spawned the entire environmentalist and land-rights movements.

From the outset, the chief funder of the ACF was Rio Tinto's Australian subsidiary, CRA, whose chairman, Sir Maurice Mawby, chaired the ACF's Benefactors Committee. In addition, Rio Tinto has poured hundreds of millions of dollars directly into land rights, enabling the company to bankrupt most of its small and medium-size competitors, who cannot afford the legal fees or the payments to Aboriginal tribes for which Rio Tinto has set the pace.

In 1975, when Labor Prime Minister Gough Whitlam threatened to buy out Rio Tinto and other British mining companies, which he charged were looting Australia's raw materials for "pennies to the dollar," he was sacked by Queen Elizabeth's Governor General, Sir John Kerr. As Kerr admitted, he acted on the advice of the ACF's founding president, Sir Garfield Barwick. Prince Philip was particularly involved in Australian matters at the time, as he had just replaced Barwick as ACF president. While the orders to sack Whitlam obviously came from the Crown, Anglophile media barons and historians preposterously assert that the Queen "had nothing to do" with her Governor General's action. That absurd claim is belied by Her Majesty's lavishing several high orders of knighthood on both Sir John, and, soon after, his private secretary, Sir David Smith, which she did at her own initiative, and not, as is usual, at the recommendation of any of her Australian ministers.

Rio Tinto controls Australia because it controls the country's mineral wealth, which increasingly dominates its economy, particularly because the free-trade era, beginning in 1983 under Prime Ministers Hawke and Keating, has deindustrialized the country, reducing it to Third World straits, exporting mainly raw materials. This reality is reflected in its export figures (and record current-account deficits): mineral exports, \$36 billion; rural exports, \$24 billion; manufacturing, \$20 billion. 12 Given such raw-materials dominance of the economy under Rio Tinto, it is lawful that current or former Rio Tinto executives now chair most of Australia's major corporations, including two of its "Big Four" banks, and that the former chairman of CRA (Rio Tinto's Australian subsidiary, now merged back into its parent), John Ralph, is widely acknowledged to be the nation's most powerful business executive.13

In addition to land rights, and the recently defeated drive to rewrite Australia's constitution which that drive spawned, 14 the two most controversial political/economic changes today are both Rio Tinto projects: a sweeping tax reform which will further impoverish the average Australian, and enrich the multinationals, which was drafted by the Ralph Commission under John Ralph; and, the most radical changes to laws governing trade unions since Australia was federated as a nation in 1901, the anti-union Workplace Relations Act, which was written by another Rio executive. The ultimate power behind these changes is indicated by another hat worn by the busy Ralph: He is the chairman of the Queen's Trust, an Australian "charity" targetting the youth, which is privately funded by Queen Elizabeth.

#### Target: Indonesia

With the East Timor independence referendum of August 1999, and the Australian-led military occupation, the BAC oligarchy successfully split off oil- and gas-rich East Timor from Indonesia. Now, through "independence movements" in the resources-rich Aceh and Irian Jaya provinces, and a brewing Christian-Muslim civil war in Maluku and North

<sup>11.</sup> Stop the British Crown Plot to Crush Australia's Unions.

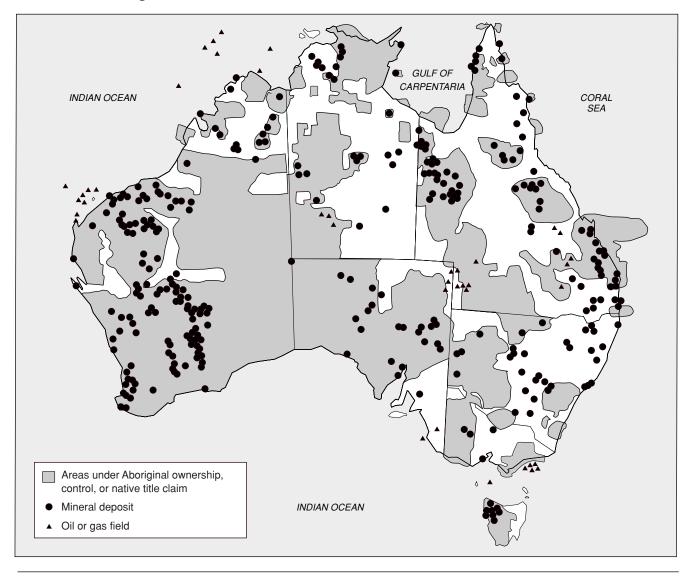
<sup>12.</sup> Australian Department of Science and Resources. Figures for 1996-97.

<sup>13.</sup> Details of the way in which Rio Tinto's corporate "kindergarten" controls Australia's corporate, cultural, and political life may be found in Stop the British Crown Plot to Crush Australia's Unions.

<sup>14.</sup> The so-called "republic referendum" of November 1999 was in reality a plot to rewrite Australia's constitution, including enshrining "land rights" into the constitution's preamble. Rio Tinto helped finance the effort. See The Fight for an Australian Republic, 1788-2000, Citizens Electoral Council, 1999.

FIGURE 2

The Queen's 'indigenous' control over Australia's raw materials



Sources: Department of Primary Industries and Energy 1997; Bureau of Resource Sciences; Minerals Council of Australia.

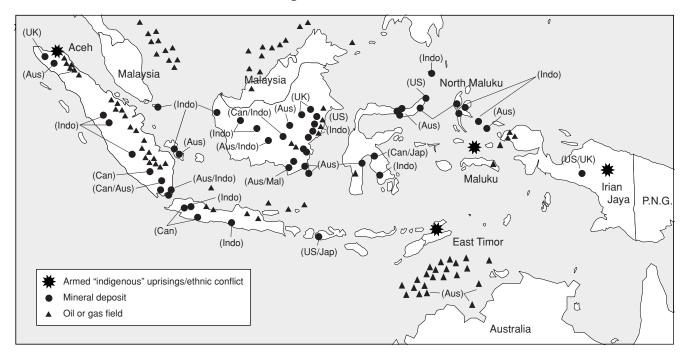
The Queen's mining cartel, led by Rio Tinto, funds Aboriginal "land rights" in order to lock up Australia's vast mineral wealth.

Maluku (the "Spice Islands" of Dutch colonial rule) which could spread nationwide, that oligarchy intends to shatter Indonesia — with 200 million people, the world's fourth-largest nation — and to seize the rest of its raw materials (see **Figure 3**). In all three violence-wracked provinces, Rio Tinto, the largest foreign mining presence in the country, is directly active in Aceh and Irian Jaya, where it has its own mines, and indirectly in North Maluku, through its former chairman and CEO for 12 years, Sir Roderick Carnegie, now chairman of Newcrest Mining, which runs the Gosowong gold mine there.

The British have openly boasted about their plans to splinter Indonesia. In a Sept. 16, 1999 discussion with an American journalist, Prince Philip's religious affairs adviser, Martin Palmer, exulted over the East Timor referendum, and similar fracturing of nation-states under way worldwide: "We are experiencing tectonic changes," he said. "We are now seeing the final dénouement of the processes unleashed in 1914. It is a process of the break-up of huge empires. Russia is breaking up, and we see the dying gasps of the old Tsarist control of Central Asia, with the sudden emergence of nationalities that no one had heard of for centuries. In Indonesia, East Timor is

FIGURE 3

British-American-Commonwealth mining cartel dominates Indonesia



Sources: Resource Information Unit, Register of Indonesian Mines 1999; Petroleum Economist, World Gas Map, 4th Edition.

The British are taking over Indonesia's huge raw materials wealth through sponsoring indigenous "independence" movements, as they did in East Timor, and are doing in resource-rich Aceh and Irian Jaya; and through the International Monetary Fund, which has forced the Indonesian government to sell off its state-owned mining companies to BAC firms; this gives the BAC much more control than even that noted in this 1998 map. As for the three areas of insurgency/ethnic conflict, Rio Tinto has major projects in Aceh and Irian Jaya (site of the world's largest gold mine), while in North Maluku, the former longtime Rio Tinto chief executive in Australia, Sir Roderick Carnegie, runs the Gosowong gold mine of Newcrest Mining, which company locals have charged with running guns (which Newcrest has denied).

the fault line. If East Timor goes, then Aceh will go the same way, and then, what about the other islands? The fact is, *Indonesia has no logic for existence*." Continued Palmer, "It is absolutely fundamental to British policy to encourage the break-up of empires. British policy, for the last 200 years, has been based on one central idea: the break-up of other empires. . . . Perfidious Albion is alive and well. . . . The British Foreign Office has a certain agenda, which is continued divide and rule."

Such British policies are readily wielded by Anglophiles in the United States. Indeed, back in 1974, U.S. Secretary of State and lifelong British asset Sir Henry Kissinger, in his infamous National Security Study Memorandum 200 (NSSM 200), had specified Indonesia as one of 13 developing countries whose population growth must be checked, in order to preserve its raw materials for Anglo-American use. <sup>15</sup> On

Sept. 9, 1999, Kissinger's longtime *bête noire*, Lyndon LaRouche, warned Indonesia, "Now the leadership of Indonesia must face reality, and repulse the assault against the country. It must, number one, expose the British role in this attack. Number two, it must threaten a sovereign default if this doesn't stop, while moving closer to China, India, and Malaysia in joint defiance of the IMF and BAC. If the Indonesian leadership doesn't do this, it will seal its own fate: the dismemberment and destruction of Indonesia."

Although unrest had existed in Aceh (home of the narcoterrorist "Free Aceh Movement"), in Irian Jaya (home of the "Free West Papua" gang), and in pre-independence East Ti-

nesia: Aceh, London's Next Domino?" *EIR*, Jan. 7, 2000; "Britain's Cold War Against FDR's Grand Design: The East Asian Theater, 1943-63," *EIR*, Oct. 15, 1999; "Great Britain Plays Its Ace in the East Timor Crisis," *EIR*, Sept. 17, 1999; "Great Britain's Colonial Guns Turn Against Indonesia," *EIR*, March 21, 1997; "Lord Mountbatten and the Return to Empire," March 21, 1997. Also, the Citizens Electoral Council pamphlet, *Global Financial Crash Drives East Timor Crisis*, September 1999.

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<sup>15.</sup> For a history of BAC operations against Indonesia, including Kissinger's NSSM 200, and the BAC sponsorship of terrorist countergangs such as the "Free Aceh Movement," see Michael Billington and Gail Billington, "Indo-

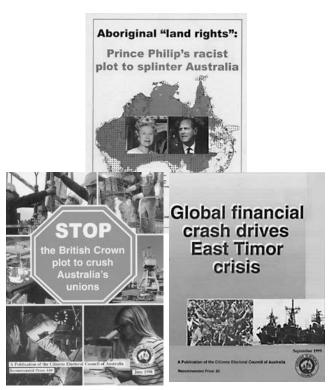
mor-largely due to BAC intelligence activities-such unrest was largely under control, thanks to Indonesia's rapid economic growth rate. In October 1997, President Suharto received the United Nations award for poverty eradication. Over the previous 30 years, Indonesia had reduced the number of people living in poverty from 60% to 11%. Within months of receiving this award, most of those gains were reversed, and Suharto was overthrown as a consequence of the Asia crisis—the attack on Asia currencies and economies which BAC speculators such as George Soros, the Rothschildbacked, sometime investment adviser to the Queen, launched in mid-1997. Perhaps the hardest-hit of all Asia, Indonesia's economy plummeted. In a series of escalating demands, the IMF slapped Indonesia with its harshest-ever "structural adjustment program," which called for privatizing the lucrative state mining companies, even as most of the country's private mining companies were going bankrupt, opening all of them for BAC takeover. Additionally, the IMF is demanding that the state oil company, Pertamina, be privatized, so that the BAC can grab Indonesia's large gas and oil reserves. Pertamina has been partially corporatized already, in preparation for privatization.

In their 1956-57 effort to splinter Indonesia, the British and their U.S. allies, such as the Dulles brothers, had armed and financed insurgencies. As EIR has documented, such activities are under way again, possibly including direct BAC military activity in country's vast 17,000-island archipelago. Months before the East Timor referendum, for example, units of the Australian Special Air Services (SAS), a subsidiary of the notorious British SAS, covertly landed in East Timor to conduct, at minimum, intelligence activities preparatory to the full-scale Australian-led military occupation following the Aug. 30, 1999 independence referendum. 16 Recently, Indonesian organizations and media have charged that there is a shadowy "third force" of provocateurs active in Maluku, stoking the violence between Muslim and Christian, in which as many as 2,000 people have died, and which threatens to spread across the archipelago. (Recent mass demonstrations of Muslim groups in Jakarta have called for "holy war" against Christians. One local Muslim group in North Maluku also charged, according to both Indonesian and Australian press accounts, that helicopters of former Rio Tinto chairman Sir Carnegie's Newcrest Mining had ferried arms to Christians.)

#### Target: Papua New Guinea

In July 1999, Sir Mekere Morauta took office as Prime Minister of the poverty-stricken nation of 4 million people of Papua New Guinea, a British Commonwealth member whose sovereign is the Queen. Among Morauta's first acts, was to promise to obey the demands of the IMF-World Bank, which P.N.G.'s two previous Prime Ministers, Bill Skate and Sir Julius Chan, had refused to do; to launch a "far-reaching pri-

 $16.\,Global\,Financial\,Crash\,Drives\,East\,Timor\,Crisis, CEC.$ 



Lyndon LaRouche's Australian associates in the Citizens Electoral Council have published extensive documentation on the British Crown's operations against their country, and on the Crown's use of Australia as its marcher-lord against Asia.

vatization program"; and to give autonomy bordering on independence to the province of Bougainville, site of one of the world's richest copper mines. He also drafted what his spokesman, cabinet minister Sir John Kaputin, in November 1999, called "the most austere budget in Papua New Guinea's history." In P.N.G., where dirt roads still lead out from its capital, Port Moresby, and where the life expectancy is only 55, life for the average citizen promises to get much worse, very quickly. Morauta was installed by the BAC to drastically weaken P.N.G.'s central government, to split up the country, and to enable the BAC to grab total control over its extraordinary resources.

Aside from some logging and subsistence agriculture, P.N.G. is basically a big quarry dominated by the Rio Tintoled BAC mineral cartel, which runs the four major mines (plus the presently inactive Panguna mine) upon which the country's economy depends (Figure 1). The IMF and World Bank have repeatedly demanded that the government privatize the state-owned Mineral Resources Development Corp. (MRDC), which holds the P.N.G. government's shares in these mines. Though Morauta has claimed he will not do so, such promises ring hollow. In 1996, the World Bank had had a furious fight with the nationalist Prime Minister Chan, over its demand that Chan sell off the MRDC. Under enormous pressure, he did hive off some MRDC assets into a newly created company, Orogen, 49% of which was privatized, and

whose chairman today is the Canadian Sir David Beatty, OBE, a director of the elite Bank of Montreal.

After Chan had kicked the World Bank out of the country, he was ousted in mid-1997 in a coup backed by several agencies, including the Australian government; the mining companies, led by Rio Tinto and the Rio Tinto-dominated BHP; the British Commonwealth secretariat; Prince Philip's Transparency International; and various subsidiaries of the *capo di tutti capi* of Britain's mercenary groups, the Corps of Commissionaires, headed by the Queen.<sup>17</sup>

The events leading to that coup began in 1989. They were triggered by Rio Tinto, which was then operating the world's biggest open-cut copper mine, Panguna, on the island-province of Bougainville, which mine was providing 40% of all annual government revenue. From the time it opened the mine in 1969, the company dumped millions of tons of toxic waste into a nearby river and expropriated or destroyed thousands of acres near the mine. Instead of negotiating compensation with the local landowners, Rio Tinto took a hard line, precipi-

17. For the full story of the coup against P.N.G. Prime Minister Julius Chan, see "Queen Elizabeth Runs a Coup: The Case of Papua New Guinea," in *The True Story Behind the Fall of the House of Windsor, EIR Special Report,* September 1997, which one former P.N.G. government minister lauded as "astonishingly accurate."

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http://www.larouchepub.com e-mail: larouche@larouchepub.com tating the formation of the Bougainville Revolutionary Army (BRA). The company's intransigent behavior was all the more astounding, given that it has paid hundreds of millions of dollars in compensation to "indigenous peoples" in Australia and elsewhere.

Rio Tinto's decision to close the mine almost flattened P.N.G.'s economy. After taking power in 1996, Prime Minister Chan developed a plan to upgrade the P.N.G. army, in order to end the insurgency in Bougainville, which was the scene of the bloodiest fighting in the South Pacific since the end of World War II, and which had almost destroyed the island of 200,000 people. Chan planned to buy up Rio Tinto's shares in Panguna, and reopen the mine. P.N.G.'s ostensible "allies," including Australia, the United States, and Britain, refused to provide him the military training he requested, though Australia approved his plan in principle. At the suggestion of the local branch of Her Majesty's Corps of Commissionaires, Chan hired Sandline International, a British mercenary group covertly associated with Rio Tinto. The suggestion was a trap, and, as soon as Chan hired Sandline, the trap was sprung. The Australian government, the P.N.G. branch of Transparency International (jointly founded by Prince Philip and the World Bank), and such local fronts for Rio Tinto as the Institute for National Affairs and the Business Council, started howling that the deal with Sandline was immoral, illegal, and corrupt. Army commander Brigadier General Singirok, who was secretly on the payroll of a British arms dealer all the while he was screaming about Chan's "corruption," led an insurrection. After Singirok's troops surrounded Parliament House for ten days, Chan stepped aside at the personal request of Commonwealth head Chief Emeka Anyaoku, who, conveniently for the plotters, was in P.N.G. at the time. The Chief gushed that he was "impressed" by the "devotion" of Singirok—a man who had just led a coup against his own lawfully elected government!

One upshot of the coup against Chan was not long in coming. On Nov. 29, 1999, Morauta spokesman Sir John Kaputin told a conference in Sydney that his boss would virtually cede independence to Bougainville, where Australian and New Zealand peacekeepers had negotiated "autonomy" with local groups, including the BRA, after Chan's ouster. The BRA, whose headquarters just happens to be around the Panguna mine, is holding out for full independence. Asked who provided the financing for the BRA's almost decade-long war, a senior Australian counterterrorism expert told EIR, "Look at the mining companies, particularly in Queensland [Australia]. You will definitely find big Australian money backing them." Rio Tinto is the biggest mining company in Queensland, and is expected to reopen its Panguna mine before long. One can presume, that the terms it will strike with the "nation" of Bougainville, will approximate those which the "nation" of East Timor will receive from the BAC oil and gas cartel, for the extraordinary reserves in the Timor Sea.

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# The United States is unprepared for a tuberculosis epidemic

by Colin Lowry

The tuberculosis epidemic continues to spread rapidly worldwide, killing 3 million people a year and actively infecting about 8 million. The World Health Organization has estimated that 1.7 billion people may be latently infected by the tuberculosis bacterium. The spread of HIV has also contributed to the spread of new multi-drug-resistant strains of TB, as people latently infected by TB become active cases once their immunity is destroyed by AIDS.

However, until recently, tuberculosis was portrayed as a problem only for the underdeveloped countries of the Third World. The attitude of many U.S. government officials was that the population of the United States were immune to the tuberculosis epidemic, and that our public health programs provided sufficient protection. In the past six months, that attitude has started to give way to a stark realization that the threat to the U.S. population from TB is more serious than ever.

Now, the Surgeon General, the head of the Centers for Disease Control's (CDC) Tuberculosis Control Program, and many other health professionals are sounding the alarm that the nation is unprepared to deal with another epidemic of tuberculosis. What has them so scared? First, multi-drug-resistant tuberculosis (MDR-TB) is spreading with amazing speed. In 1997, it was reported in 35 countries, and in 1999, had spread to 104 countries. MDR-TB is often incurable, and is lethal in 60% of cases that are treated properly with expensive second-line antibiotics. MDR-TB patients who do not have access to these second-line drugs, and are given only standard treatment antibiotics such as isoniazid and rifampin, have a mortality rate of near 95%.

Second, Federal and state funding for TB control programs is decreasing, and the cuts have left what little remains of the public health infrastructure totally inadequate to deal with an outbreak of TB and its drug-resistant strains. In an interview with the *Washington Times* on Jan. 5, Dr. Kenneth Castro, head of the CDC Tuberculosis Control Program, said, "There is no question that our funding is insufficient. We can't do what needs to be done with the resources allocated."

#### **Lessons from Russia**

The explosion of tuberculosis and the emergence of MDR-TB in Russia since 1991 serves as a frightening reminder of what happens when an industrialized nation has its

health-care system destroyed, and the nutrition and living standards of its population slashed to the bone. From 1991 to 1994, the TB incidence rate increased 47%, and the death rate jumped 87%. With the dismantling of most of the hospital systems in the same period, severe drug shortages led to incomplete treatment of TB patients, often with substandard drugs. In the overcrowded Russian prisons, the MDR-TB strains found the perfect breeding ground, and today the infected population of the prisons has reached saturation levels, whereby every one of the 1.1 million prisoners has been exposed to TB. Each year, one-fourth of Russian prisoners are released, spreading the deadly MDR-TB strains to the rest of the population. In some areas of Russia, 10% of TB cases are resistant to at least two drugs. In the Baltic countries, MDR-TB accounts for about 20% of all TB cases.

It is now estimated that at least 100,000 cases of MDR-TB exist in Russia. There are no second-line drugs available to treat these cases, and so the strains, nicknamed "Gulag," are steadily spreading westward. Added to this, is the rapidly spreading HIV epidemic in Russia, which is now estimated to be doubling every year. HIV and TB co-infection is a deadly combination, as TB is the number-one killer of HIV-infected persons worldwide. Also, HIV-infected persons are very susceptible to TB infection, and therefore can serve as a reservoir for the spread of lethal MDR-TB.

#### Will TB strike again?

While many in the United States may still say that "it couldn't happen here," they may have forgotten what happened in New York City in the late 1980s, when MDR-TB and HIV showed just how dangerous and costly it is to dismantle the public health system.

In the 1950s, with the advent of new classes of antibiotics, and the building of public clinics and hospitals designed to treat tuberculosis, the number of cases steadily declined, by 74% from 1953 until 1985. In 1985, cases began to rise again, in part due to the dismantling of much of the public health system which is the primary defense against a TB epidemic. As the national incidence rates decreased in the 1970s, funding for the public health clinics and TB control bureaus was cut back. The epicenter of the resurgence of TB and the new MDR-TB in 1985 was New York City.

The resurgence of TB in New York City started in the



FIGURE 1
Tuberculosis case rates in the United States, 1998

Source: Centers for Disease Control, Atlanta, Georgia.

early 1980s, accompanied by the rise in HIV-AIDS cases. In 1983, MDR-TB was discovered as a serious problem when about 10% of TB patients were found to be resistant to cure by standard antibiotics. In 1985, TB's resurgence was strongly associated with three groups, HIV-infected persons, poor and homeless people, and prisoners. By 1988, the number of public clinics for TB had declined from 24 to only 8, and the public health and chest clinics within municipal and voluntary hospitals had been eliminated. Also, the staff of the New York Bureau of Tuberculosis Control had been reduced by two-thirds over the years since the 1960s.

By 1989, the dual epidemics of HIV and tuberculosis had overwhelmed the city's crumbling public health system, by which time, less than half of the discovered cases of MDR-TB were being cured. Between 1985 and 1992, the number of cases of TB had tripled, and the MDR-TB rate had doubled,

to 23% of all cases. In the Manhattan neighborhood of Harlem, the TB incidence rate was 222 per 100,000 population, a percentage higher than many Third World countries at the time. The national TB incidence rate increased by 20% from 1985 to 1992, led by the outbreak of 20,000 cases in New York. By 1991, New York City had 61% of the nation's MDR-TB cases within its boroughs.

The CDC responded to help the city quell the epidemic, and sent hundreds of TB specialists, and millions of dollars in aid. The New York Bureau of Tuberculosis Control was restaffed, and its budget rose to \$40 million a year. The epidemic peaked in 1992, and in 1993, began a steady decline. When it was over, the costs of the TB epidemic in New York were estimated at more than \$1 billion, which includes money spent rebuilding some of the city's TB control programs, and renovating some hospitals and prisons, such as Riker's Island.

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A scene in Manhattan. The homeless are a breeding ground for drug-resistant tuberculosis, as they lack access to medical care and are difficult for TB control officers to track down.

#### The current threat

Since 1993, the TB control efforts have been largely successful, reducing the number of TB cases in the United States by 31%. In 1998, the average national incidence rate was 6.8 cases per 100,000, a record low. However, MDR-TB cases are still a threat, remaining at about 1% of all cases in the United States. What really has health professionals worried, is that the TB control programs are being cut back again, while the TB epidemic is raging internationally.

In October 1999, the Harvard School of Public Health issued a study, "The Global Impact of Drug-Resistant Tuberculosis," which found MDR-TB spreading faster than expected, and the response to the epidemic inadequate. In hot spots of the TB epidemic, such as Argentina, China, India, the Dominican Republic, and Russia, 7-22% of cases are MDR-TB. Considering that only about 60% of all TB cases are ever diagnosed, the scope of the epidemic is larger than reported.

Dr. Lee Reichman, director of New Jersey's National Tuberculosis Center, said in an interview with the Dec. 12 Washington Times that a new TB epidemic "can't not happen in the United States unless someone does something about it." Dr. Reichman said that treating MDR-TB cases in other countries "ought to be seen as a national defense program." He and other doctors who took part in the Harvard School of Public Health study think that the best way to deal with MDR-TB is to treat it in countries around the world, because once it gains a foothold here, it will be too late to stop it. Dr. Barry

Bloom, Dean of the Harvard School of Public Health, told the *Washington Times*, "I don't want to be hysterical. I don't want to say each of us is threatened. But there is no place from which we are disconnected when dealing with infectious diseases like TB.... We have had a half-dozen cases of persons on planes being infected. A major risk factor is breathing."

MDR-TB can spread through the air in tiny droplets of moisture when an infected person coughs. The cost of treating MDR-TB patients can range from \$20,000 to \$250,000, and treatment may be required for up to two years. In the United States, the incidence of MDR-TB has increased in persons of foreign origin, and among HIV-infected individuals. The data on HIV and TB co-infection have only been kept since 1993, and are not complete. From these data, of people 25-44 years old reported to be infected by TB, 21% are also infected by HIV.

It is not hard to see that the same factors which contributed to the resurgence of TB, and MDR-TB in New York in the late 1980s, are actually present in many areas of the nation. Today, there are a much larger number of people living with HIV, and more of these people are already infected by TB. In the prison population of the United States, the rate of HIV infection is six times higher than the national rate. During 1995-96, there have been several outbreaks of TB in prisons in California and Texas. Also, as the epidemic gets worse in other areas of the world, higher percentages of immigrants will bring MDR-TB in with them.

At a time of increased threats from MDR-TB, the nation's TB control programs are being scaled back. The budget for the National Tuberculosis Center has been trimmed down. The New York City TB control budget was gutted by 30% this year, and in Massachusetts, the state program was cut by 10%. In the Southeastern states, Georgia's TB control budget was cut by 10%, and Florida by 5%. Three years ago, the National Science and Technology Council released a statement saying that "the national and international system of infectious disease surveillance, prevention, and response is inadequate to protect the health of U.S. citizens." So far, the warnings have gone unheeded, and there is very little recognition politically of the danger the MDR-TB epidemic poses.

The majority of the U.S. Congress sees no need for increasing funds for TB control. Rep. Constance Morella (R-Md.) is one of a handful of legislators alarmed by the cuts in TB control. She told the *Washington Times* on Jan. 5: "There has been no realization that we have this new strain of tuberculosis and that it is prevalent and infecting those in this country as well as in other nations. There is no understanding that it is so much more cost-effective to pay for the treatments that will prevent it from spreading, than it is to try and cure it when it spreads."

So far, no actions have been taken by the U.S. government to deal with the TB threat. Will it take an outbreak of MDR-TB worse than that in New York City a decade ago to wake them up?

# Middle East joint energy projects: 'Let's do it now'

Dr. Amit Mor is a specialist in energy, infrastructure, and environmental economics, and Director of Amit Consulting & Enterprising Ltd. in Tel Aviv, Israel. He received his bachelors and masters degree in economics from Hebrew University in Jerusalem, and a doctorate from Pennsylvania State University, in the Department of Energy, Environmental, and Mineral Economics.

In the 1980s, Dr. Mor served as assistant to the Israeli Minister of Energy. From 1990-97 he worked as a consultant and analyst at the World Bank in Washington, D.C., on projects in Sub-Saharan Africa, eastern Europe, and the Middle East, with special focus on natural gas and power and oil projects.

In 1997, he established an energy and environment consulting firm, working with international gas companies and governments, in Israel and elsewhere, in energy economics, project definition, and implementation. Dr. Mor was interviewed by Marsha Freeman on Jan. 13, 2000.

EIR: I understand that you have been involved in the negotiations on energy projects between Israel and other countries in the Middle East. What experience have you had working on these international projects?

Mor: I have been involved in the Egypt-Israeli project for about 15 years, since its initial thinking back in the 1980s, when Israel approached Egypt to implement a natural gas project. But it was not politically feasible until 1993. At that time, I was already in Washington. At the time of the Oslo Accords, the Egyptians were willing to sign at least a memorandum of understanding to pursue the project. As a consultant, I initiated some activity at the World Bank, to try to promote the project, and advised the Israeli government about the structure of domestic natural gas projects. Since then, I have worked for various of the parties on this project, such as international companies, domestic enterprises, and for the Israeli government.

EIR: What was the specific project that you have been working on between Israel and Egypt?

Mor: It is a natural gas pipeline project. Egypt has significant reserves of natural gas and is looking for markets for export. Israel didn't have, until lately, almost any significant amount of natural gas, and the government would like to develop the natural gas market to convert consumption of heavy fuel oil to natural gas, especially in power generation and industrial uses. This would improve air quality, and might even lower power production costs.

The only option until two months ago, when the initial find of natural gas took place offshore Israel in the Mediterranean, was Egypt. There have been ups and downs politically in the negotiations between Egyptians and the Israelis, but hopefully a natural gas pipeline project will get started during the year 2000.

**EIR:** Does it look as if there will soon be an agreement? Mor: Hopefully. The negotiations commenced the second time in January 1999, among the international oil companies, the Italian firm ENI, British Petroleum-Amoco, and Egypt, and with the Israel Electric Corp., but they were halted by President [Hosni] Mubarak, who asked the companies to stop negotiating before the 1999 elections in Israel, for political reasons.

Following the elections, President Mubarak promised [President Ehud] Barak, and President Clinton, who also approached him about the project—here I might say that the American government was very active in trying to promote this project and convince the parties to implement it. President Clinton felt that it was important for many reasons.

The major reason is that such projects would yield large amounts of foreign exchange income to Egypt. For example, sales to Israel, assuming a \$20 per barrel average oil price over the next 20 years, might yield an income of \$20-25 billion of exports to Israel. And since the U.S. aims at reducing direct aid to Egypt, which now amounts to \$2.2 billion per year, Egyptian natural gas sales might be a partial replacement for American aid, and a long-lasting source of income.

In this regard, there is a committee, with Vice President [Al] Gore and President Mubarak, to identify sources of sustainable sources of foreign exchange income to Egypt, anticipating the reduction in American aid, and no doubt, the natural gas export project is the most significant source.



The Gaza Strip, 1995. Dr. Amit Mor is urging the immediate initiation of a natural gas project between Israel and Syria, as one among many energy and water projects needed to improve conditions throughout the region. "Hopefully, we will see much more integration in the region," he says, "which would benefit all of us."

That is a major reason the U.S. was so active, and still is, in trying to promote this project.

From the Egyptian point of view, Israel is a major market for its gas, along with other countries in the region, like Jordan, the Palestinian Authority, and maybe, in the long run, also Lebanon. But the Israelis are the most significant market. I took part in trying to put together a structure for this project on the Israeli side with the international oil and gas companies.

**EIR:** You have an interesting proposal that you have presented publicly in the press, for a natural gas agreement between Israel and Syria. What is your proposal?

Mor: It seems that Syria has significant reserves of natural gas. Its oil reserves are depleting. Currently, oil is a major source—about 60%—of its foreign exchange income, but in 10-12 years time, Syria might go from being an oil exporter, to being an oil importer. In the course of oil exploration, significant reserves of natural gas were discovered. The only potential market for Syrian gas, in addition to domestic utilization, is Lebanon, and negotiations have been taking place for a few years for extending a pipeline from Homs to Tripoli and down to Beirut, and to Sidon, and so forth, through Lebanon, for power generation and industrial uses. Theoretically, the second market for Syrian natural gas might be Israel.

According to the concept that I'm developing, an initial figure for export of Syrian gas to Israel could be in the amount of 1-1.5 billion cubic meters of natural gas per year, which would meet 15-20% of Israel's demand in five to

ten years time. Technically, the project is feasible. If the Lebanese project materialized, one could extend the pipeline 20 miles to northern Israel, or alternatively, build a direct line from Damascus toward Haifa, which is about 50 miles.

**EIR:** It would seem that technically this is a feasible project. What are the problems involved?

Mor: The problem is of a political nature. First, is the willingess of [Syrian] President [Hafez] Assad to export natural gas to Israel, and I would assume that he would not want to do that. I suspect that President Assad would not promote economic relations or commerce at all. It is my understanding that he would like to see, not a "cold economic peace" with Israel, like what Israel had with Egypt over the past twenty years, but would like to see a "frozen economic peace." He is expecting economic aid from the U.S. and Europe, investments from international companies, but he does not want to promote any bilateral Israel-Syria economic relationship.

On the Israeli side, Israel does not necessarily need Syrian gas. New discoveries of natural gas in Israel promise, in the next immediate period, probable establishment of significant reserves of domestic gas, and, in addition, the major source of gas will be Egypt. There is a pipeline being built from Port Said, up north, to the Sinai, about 20 miles from the Israeli border, by the Italian company ENI, [which could be extended to Israel]. So, there is no direct need per se by Israel for Syrian gas.

But, I believe there is a motivation for significant economic relations between the countries, and major infrastruc-

ture projects. We are talking about \$100-300 million per year income to Syria.

EIR: What would be advantages to Israel, Syria, and the United States from such a natural gas pipeline project? What are the risks?

Mor: From the Israeli perspective, Israel would like to be integrated into the region, and this is what the project with Syria might offer. The political risk, of course, exists in the import of natural gas from Egypt or Syria, but it is mitigated, in a large degree, by the fact that Israel maintains a strategic reserve of heavy fuel oil, so in the event that, for political reasons, the gas stops flowing, power plants could shift to alternative fuels. Israel does not need to fear a halt in supplies of Syrian gas.

Stopping the flow of gas once it has been established means a declaration of war. In that case, Israel would have back-up options, and would not be dependent. Power industry production would not be dependent on the flow of natural gas. On the other hand, mutual dependency could also happen in Syria, which would become dependent upon the huge amount of money from Israel, \$200-300 million per year. This would account for a significant percentage of its foreign exchange earnings.

I believe that the parties share a major interest in pursuing this project; the Americans, because every dollar Israel pays to Syria to import natural gas must be seen as one less dollar that the American taxpayer would be required to pay to President Assad for his signing a peace accord with Israel. Since President Assad, no doubt, is going to present an appeal to Mr. Clinton, to the U.S. government, and this deal might amount to many billions of dollars, one can think that the natural gas trade can substitute, to a large degree, for the amount the U.S. taxpayers will be required to pay to Syria.

And for Syria, it does not really have an alternative market for its gas.

Since I came up with the idea a week ago, the initiative is gaining momentum, and there is a lot of interest from various parties in the U.S.—from Capitol Hill, from the administration — as well as from Israeli government and other interested parties. I have been interviewed in various Israeli newspapers and on radio about it. I hope that the issue is going to be discussed—at least an initial discussion—in the next Shepherdstown discussions, because there really aren't any major economic issues [on the table yet] that might be identified in the normalization between the two countries.

The most important issue is the water issue, which should be discussed and agreed upon. The second major project for a bilateral relationship is the natural gas deal. One can foresee a project in which one of the major oil and gas companies active in Syria – not necessarily American, but maybe Royal Dutch Shell, the second-largest oil company in the world, or an American company like Conoco, or others—[would be involved], so there wouldn't be direct sales, but an international company would be selling gas to Israel. One could put together a structure of a project which might work.

EIR: You have proposed that the Syria-Israel natural gas agreement be written into any peace accords that are signed. Is there any precedent for this?

Mor: Yes. In the Camp David Accords there is a clause which obliges Egypt to sell 2 million tons of oil per year to Israel, and Israel has the option to purchase such an amount of oil. This structure worked for the past 22 years, until two or three years ago when Israel cut it back for commercial reasons.

Inherently, a natural gas project between Israel and Syria could be in the peace accords, to the benefit of all parties involved. I believe it depends very much on the Americans, especially the U.S. government, to promote and convince especially President Assad, that this would be an important project, and might be a test case toward normalization [of relations]. It should also show how the Syrians could take advantage of the economic benefits of their assets.

[The argument should be made that] natural gas is available in Syria, and Israel needs natural gas, so why wait 20 years or more for such normal trade to take place for the benefit of the parties? Why not do it immediately? By "immediately," I mean to start, because such an infrastructure project will take years to construct, and so forth and so on. Let's do it now. Let's not wait so many years for it to go through ups and downs. Let's do it now.

**EIR:** I am sure that in Israel there will be opposition to your proposal by people who fear that any ups and downs in the political situation could stop the flow of gas. Is that what has happened in the past?

**Mor:** Actually, during the Israel-Lebanon war in 1982-84, while Egypt called back its ambassador from Israel, oil importation by Israel from Egypt increased, from 2 million tons of oil per year, to 4 million tons. This shows that political ups and downs will not necessarily affect economic relations, where the major interests of both sides are concerned.

There is a major difference between oil and gas. Oil is an international commodity. Tankers come and tankers go. There is so much oil that Egypt can export oil to many, many countries, and Israel imports oil from various sources, including from as far away as Mexico. Natural gas is different. It is a major infrastructure pipeline which connects two countries. [In energy terms] gas and oil are almost complete substitutes. The major difference is the way they are transported. It might give them a different political meaning, because gas import is bilateral, and more visible.

Various people in Israel argued against relying on Egyptian gas for Israel's domestic utilization, which is expected to go from [supplying] zero to about one-third of Israel's energy demand in a period of 10-15 years. The question was raised whether to depend so much on the import of energy from an Arab country. The answer to that, is, mitigating the risk by maintaining strategic reserves of alternative fuels by the power-generation industry. Second, develop alternative sources for natural gas. Maybe, in the future, the import of liquefied natural gas, but that is much more costly than piped gas.

**EIR:** How do you see these cooperative energy projects contributing to the long-term security of Israel and other countries in the region?

Mor: I believe that the Israel-Egypt natural gas project, the "peace pipeline," is a "flagship" project for regional development, because it would not just supply gas to Israel, but to Jordan, the Palestinian Authority, and possiblly, in the future, to Lebanon and Turkey. I believe there might be some concern about relying on importation of Arab gas in Israel, but one should think about the integration in terms of energy, as something which is very normal in North America, Europe, and a few other places in the world. This should also happen here.

This region is endowed with reserves of oil and gas. I don't see any reason to not allow that integration to happen to all the countries in the region. You can promote natural gas also for clean energy, so there are various other benefits to the region in the utilization of natural gas—lowering emissions of carbon dioxide, which is important for the region to show that it is making positive efforts. There is some pressure already on Egypt and on other countries.

EIR: The projects that are important, such as energy and water projects, entail the strategic interests of the nations involved. It would seem that this will requires trust on all sides. Mor: One may add here the value of the external parties, like the European governments, the U.S., and multilateral organizations like the World Bank and others, which put a lot of effort into trying to promote these projects. They should continue in their efforts. Such efforts take time. There is a keen interest by various parties to launch this project, to clean up the environment, to increase the supply of water to efficiently utilize water resources.

Jordan, the Palestinian Authority, and Israel today have a population of 13 million people. One cannot separate the activity of Israeli or Palestinian or Jordanian in this small area. Each action has an effect on the life of one's neighbor. So, the approach to the water issues, and to environmental issues, should be on a regional basis, rather than on a national basis. I believe that the parties understand that very well—the Israeli, Palestinian, and Jordian people, not just the governments.

Eventually, I am confident, the regional approach will materialize and succeed. Each country will not only see its own small requirements, but will cooperate with others.

**EIR:** In the mid-1990s, there was a proposal to establish a Middle East Economic Development Bank to finance these

kinds of projects. What has happened to that proposal?

Mor: [Former Israeli Prime Minister] Shimon Peres's vision of a regional bank started in 1995. It led to the emergence of a structure, a regional office in Cairo, and the preparation for the establishment of this bank. Despite some initial resistance from the World Bank and other international banks, President Clinton and other leaders were eventually persuaded to push that ahead.

I believe that the major reason that it basically died, although it might be revived in the future, is that between 1996 and 1999, Benjamin Netanyahu became Prime Minister, and the initial enthusiasm from 1992-96 became influenced by the negative relations of the government. Between Netanyahu vis-à-vis, especially, Egypt, the relationship was pretty negative. So, an initiative such as a regional bank, which requires the cooperation of all parties concerned, could not be established.

The Arab countries had their own regional bank. We thought it was time to establish one which would allow those countries and Israel to take advantage of soft loans supported by the G-7 countries for the benefit of all countries, including Israel. It would promote some of the regional projects that we are discussing. But again, you need the good faith of all parties, and in a time of a deterioration of economic and political ties between nations, such an initiative cannot be launched.

In addition, we always need to remember that, in the background, there was some basic opposition to this initiative, so once there was no push from Israel, which was a major proponent of the bank during those years, the initiative died. But, because we all hope that the Middle East is returning to the cause of the peace accords, and we all hope that that is going to be the case, these nations and President Clinton should reconsider relaunching this initiative, because there is still the same need for such an organization that there was five years ago.

Shimon Peres wrote of a vision of a "new Middle East." It was a very important vision for people my age—I'm 40— and for many people in the region. I think of it project by project, sector by sector, tying together people and commerce.

It's going to take a lot of time to develop. It won't change the Middle East overnight, and Israeli integration into the region will take many years. But we should not give up. We should continue to develop these frameworks to meet the needs of the people. We don't have any other alternative.

There is the potential for changing our views from hostility, and investing so many hundreds of billions of dollars in arms and ammunition, to putting some of this investment into economic development. It won't make a "new Middle East" overnight, but gradually some connections, some projects for the benefit of all countries will emerge, and hopefully we will see much more integration in the region, which would benefit all of us.

### **Business Briefs**

#### Britain

# Poor stuck on 'bottom rung,' says economist

Despite Prime Minister Tony Blair's rhetoric on income fairness, the poor in Britain cannot move off "the bottom rung," according to economist Richard Dickens, in a report published by the Royal Economic Society in the January edition of the *Economic Journal*.

"Possibly the most striking phenomenon in the British labor market over the last couple of decades has been the massive rise in wage inequality," which is "now higher than at any time over the last century," Dickens said. There is record-low unemployment, says the report, but no job mobility. Top earners in "London's financial district" were earning record bonuses in 1999—as much as £2 million.

The Blairites are claiming that their plan to get young people into the job market through their "New Deal" has been a big success. They've put 170,000 youths to work since the plan was adopted in 1998—but these youths suffer from near-total illiteracy: Four out of ten "could not read well enough to understand something as simple as the instructions on a medicine bottle," Dickens said

#### Asia

# Debt buildup threatens economic 'recovery'

The massive debts that Asian governments have built up just in the last year alone, could make the economic "recovery" in Asia "unsustainable," *China Daily* reported on Jan. 10. Cutting domestic spending or raising taxes would hurt business and foreign investments, and therefore Asian governments face "tough choices," it said.

While Asian economies reportedly grew in 1999, after three years of decline or stagnation, budget deficits "surged very fast." In Asia overall, GDP grew by 5.7% in 1999, up from 2.3% in 1998. In Southeast Asia, GDP was up 2-3%, from a negative 7% in 1999. But, heavy domestic spending has been necessary to achieve this. According to a Jardine

Fleming forecast, budget deficits are expected to grow to 4% of GDP in Indonesia in 1999, 3.8% in Malaysia, 2.7% in South Korea, and 4.5% in Thailand. In 2000, budget deficits are expected to grow to 7% in Indonesia, 5% in Malaysia, 2.1% in South Korea, and 6% in Thailand.

Goldman Sachs reports that, with the huge deficits, government domestic and foreign debts are also skyrocketting. Indonesian government debt soared to 98% of GDP in 1999, up from 54% in 1998; South Korea's government debts increased to 28% of GDP, from 20%; and Thailand's government debts grew to 48% of GDP, from 38%.

While governments are likely to continue heavy spending to keep the "recovery" going, they will have to find ways to avoid a debt explosion. Even if governments start cutting budget deficits in 2001, the heavy burden of interest payments will keep government debts rising for several years. "We used to be very proud of our fiscal situation in Thailand, but now it is something we need to be very concerned about," said Thai Finance Minister Tarrin Nimmanahaeminda.

Many Asian governments have used favorable tax rates or tax holidays to get new local and foreign investment. Foreign investment is seen as critical for Asia, because the regional banks are "still in the grip of huge non-performing loans." But printing money to buy government debt, *China Daily* observed, could risk "runaway inflation and sharp currency depreciations."

#### Tax Policy

# Use 'Tobin tax' globally, says Italy's D'Alema

Italian Prime Minister Massimo D'Alema proposed an international "Tobin tax" on speculative transactions, in a speech at Athens University, the Italian daily *Corriere della Sera* reported on Jan. 11. "Is it possible to conceive fiscal equity at the global level? In some way, could the basis be, for instance, the one proposed by U.S. economist [James] Tobin, who calls for a tax on international capital flows? I believe that these questions and similar ones should not be considered utopias," D'Alema said.

The Tobin tax "is the idea to tax capital

transfer from one state to another, an idea that would influence one pivot of globalization," *Corriere della Sera* commented. "It is now being pursued by 68 Senators from various parties, who introduced a resolution in the Senate." The newspaper does not report it, but that initiative was prompted by Paolo Raimondi, head of the Italian Solidarity Movement, co-thinkers of Lyndon LaRouche, who proposed a similar tax to dry up speculation.

The leftist Partito della Rifondazione Comunista has pushed for the Tobin tax, and the press speculates that D'Alema is seeking to include that party to enlarge the government majority.

#### China

# Debate is under way on economic situation

There is a debate under way in China on its current economic situation, the vice president of the Chinese Society for Research on Restructuring the Economic System stated in a commentary in the Jan. 10 China Daily. "Optimistic" scholars forecast that China's economy will grow at a rate of 8.5% in 2000. China's GDP growth was 8.3% in the first three months of 1999; it fell to 7.1% in the second quarter, and the decline was halted in the third quarter. More "pessimistic" scholars warn that China's economic development will slow down in 2000, with GDP growth at 6%. They compare China's economy to that of Japan in the 1990s. "The root cause of the two countries' problems, they believe, can both be ascribed to the bubble economy."

To deal with the bubble, and prevent deflation, the government would have to carry out an expanding monetary policy to increase infrastructure investment by a big margin, and support the protective prices of certain industries. To prevent a bigger economic crisis, the government would have to invest heavily to remove bad bank loans and save enterprises.

The first forecest is "too optimistic," the analyst wrote, and "we can hardly say a turning point has emerged.... China's economic growth has since 1998 mainly been boosted by expanding domestic demand. However,

in 1999, only export volume saw a prominent increase, while domestic consumption has not been overtly pulled up.... [It is] an urgent task for China to maintain a 7% or higher economic growth rate in the next decade or two. Development is of overriding importance for China."

#### Banking

# Large European banks counting on bailouts

European private banks are counting on taxpayers' bailouts, said Edgar Meister, board member of Deutsche Bundesbank, on Jan. 12. Increasing competition in the banking system is leading to a growing number of mergers, which is posing a "considerable risk," even if the risks only become "virulent" after a few years. At the same time, mergers are increasing the number of banks which are perceived as being "too big to fail" in financial emergencies.

It seems that the large private banks in Germany are counting on such an "implicit guarantee" by public institutions, which means that "in the end the taxpayer would have to make good for private enterprise failures." Reflecting on the ongoing attack by the large private banks and the European Commission against the public banks in Germany, Meister added that the explicit state guarantees for public banks are being justified by the common-good function of these banks. But what is the "return service" of the private banks for their "implicit" state guarantee?

#### Economic Assistance

# Singapore Prime Minister pledges aid to Indonesia

Singapore Prime Minister Goh Chok Tong led a delegation of 15 government officials and 60 businessmen, for two days of talks in Jakarta, Indonesia, starting Jan. 13. At a press conference after meeting with Indonesian President Abdurrahman Wahid, Goh said that Singapore proposes to put together

two investment funds totalling \$740 million to kick-start investment in Indonesia. A \$500 million fund will be for Singapore government-linked companies to buy minority stakes in distressed assets held by the Indonesian Bank Restructuring Agency (IBRA). A \$240 million fund will be set up in conjunction with Singapore-based banks to finance investment by Singapore firms in Indonesia. Singapore will also spend \$1.2 million to promote Indonesia and Singapore as a joint tourist attraction.

Goh stated: "The most important factor in getting the Indonesian economy back on track is the security and political situation in Indonesia." He insisted that Singapore wants to be a catalyst to help Indonesia, and cautioned that it would be politically unwise for Singaporean firms to be seen to be controlling Indonesia assets. "We won't take a majority share of IBRA companies," he stated. Goh also encouraged investment to develop the islands of Batam and Bintan, in Riau province (just offshore of Singapore), as free-trade zones, possibly with special economic status; he admitted that this would take time.

#### Research

# British scored on sale of secret facilities

The British government of Prime Minister Tony Blair is coming under pressure by the Clinton administration because of its plans to sell off some of its most top-secret research laboratories to private companies, Reuters reported on Jan. 15.

The Defense and Research Agency (DRA), the British equivalent of the Defense Advanced Research Projects Agency in the U.S. Department of Defense, is scheduled to be largely sold off to private companies. The DRA runs some of Britain's most important secret weapons sites, including the germ warfare facility at Porton Down.

The United States has informed the Blair government that it will not continue to share American defense secrets if the sell-off to private firms goes ahead. The DRA has a staff of 12,000 and an annual budget of \$1.64 billion, making it one of the biggest research agencies in Europe.

# Briefly

ROMANIA'S sugar beet industry is collapsing. Dumping-price imports, mainly from Moldova, have caused a sharp drop in prices, and planted acreage fell from 255,000 hectares in the late 1980s, to 53,000 hectares in 1999. The nation has to import 400,000 tons of sugar, which it cannot pay for. This is one of the results of International Monetary Fund policies dictated to the country.

**BRITISH** giants Glaxo Wellcome PLC and SmithKline Beecham PLC are discussing a friendly merger which, if successful, would form the largest pharmaceutical cartel in the world, with a market value placed at \$187 billion. The firms admit that the merger would result in 10,000 layoffs, but claim it would also provide \$3 billion per year for R&D.

U.S. WINTER WHEAT plantings of 42.9 million acres are the smallest since 1972. Under the 1996 "Freedom to Farm" free-market law, traditional supports for the farm sector, as a national economic security matter, were knocked out. Low grain prices are plaguing farmers, and the amount of unsold wheat and corn in storage is estimated to be the highest volume in 10 years.

GERMAN Hans Ulrich Klose, the head of the Bundestag (parliament) foreign commission, visited Iran on invitation of Majlis (parliament) Deputy Speaker Hassan Rowhani, on Jan. 10. Klose stated that his committee is lobbying for better relations with Iran. One issue discussed was the Hermes credits for trade with Iran, which currently have a ceiling.

UKRAINE recently suffered an increase in the price of bread of 10-20% in Lviv and 20-40% in Kharkiv, Interfax reported on Jan. 12. City officials cited hikes in grain prices as being the main reason for the more expensive bread. Meanwhile, Deputy Prime Minister Mykhaylo Hladiy assured oblast deputy governors in Kyiv that available grain reserves are "sufficient to avoid any tension in supplying bread."

### **FIRFeature**

# The issue of America's Manifest Destiny for today

by Lyndon H. LaRouche, Jr.

The following is the transcript of a live Internet video webcast conducted by Democratic Presidential pre-candidate Lyndon LaRouche, from the Wyndham Hotel in Billerica, Massachusetts (see www.larouchecampaign.org). He was introduced by Dennis Speed. Subheads have been added.

January 14, 2000

Thank you. Thank you very much. I've chosen to do this in New England for a number of reasons. First of all, because the issue of Manifest Destiny as a debate over the foreign policy of the United States, is the leading issue today. The currents, the opposing currents on that debate at the end of the last century, and at the beginning of this century, those issues remain today more important than ever before.

And they're more important than ever before because we're in one of the worst crises worldwide we've seen in any recent century. And this policy has to be understood. Unfortunately, very few candidates who are running for President, have even the glimmer of ideas of what this means. Most American citizens no longer know what the issue is, or what its practical implications are. And tonight, I will attempt to make that, in a shortened version, clear to you.

This is New England, a good place to choose for dealing with this, because it was here in New England, as defined in 1630 by John Winthrop, the founder of New England, otherwise known as the Massachusetts Bay Colony at that time, that the foundations of the states of Massachusetts, Maine, New Hampshire, Vermont, Connecticut, and Rhode Island were made, under the leadership of Winthrop and those associated with him.

From that point on, there was a certain policy about the

developing of a nation in North America, starting from the Massachusetts Colony. That policy has continued as a viable policy to the present day.

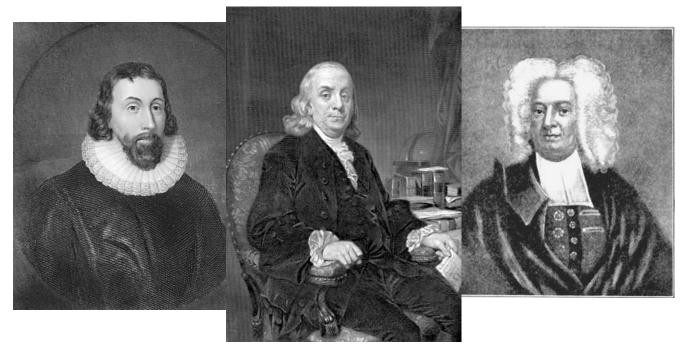
It did not, however, start entirely here. It was a concept which was brought to North America by Europe. It was a policy which, in one form or the other, already dominated the late Fifteenth Century, the so-called century of the Renaissance. And, it was from the Renaissance that the ideas of our present, or what should be our present foreign policy, and what it has been in the best times in the past, was founded—from those ideas.

From the time of the Roman Empire, from the time of the birth of Christ, civilization in the Mediterranean region had collapsed, degenerated, and continued in a degenerate form of one degree or another, for about fifteen centuries.

But with the birth of Christ and the leadership role of his Apostles, there was a new conception of man and society, which was based largely upon the foundations of the Classical Greek tradition, especially the ideas associated with the work of Plato. And in the Apostles, especially in the Gospel of St. John, or the Epistles of Paul, you'll find this conception of man on which our later foreign policy here was founded. You'll find it established there; especially, for example, in Paul's Epistle in *I Corinthians*, Chapter 13, where this concept of man was set forward.

## The power of cognition and the Golden Renaissance

But the idea is that man is not an animal. Man, unlike any other species, is capable of willfully increasing our species' power in and over the universe. This is possible, because we have a power which is called, technically, *cognition*, the



Left to right: John Winthrop, Benjamin Franklin, Cotton Mather. While oligarchy-instigated wars raged in Europe, states Lyndon LaRouche, "people in England and elsewhere, conceived of establishing a new nation-state on the continent of North America. The first such venture was the founding of New England, by that name, by John Winthrop, in 1630. And it's from that, that the United States came."

power to discover universal physical and other principles, to prove that those principles are correct, and to apply those principles in ways which enable us to increase man's power in and over the universe, and to improve the conditions of life of the human being.

This quality in the person, the quality of cognition, combined with a determination to do good—in the sense of increasing man's power in the universe, in the sense of improving the conditions of life of human beings through the use of this power—was called, in the Ancient Greek,  $agap\bar{e}$ , which is the term which was the subject of the original Greek version of Paul's *I Corinthians*, notably *I Corinthians* 13.

For a long period of time, almost fourteen centuries from the birth of Christ, there was a struggle by Christians, to establish a society which was consistent with that principle. That is, that all men and women are equally made in the image of the Creator, by virtue of having this power of cognition, the quality of  $agap\bar{e}$ , the potential to increase man's power in and over the universe, and to improve the conditions of life through the discovery of these kinds of principles, which no animal could do.

And thus, we must have a society fit—a form of society fit, for that quality of creature: man cast in the image of the Creator. And it was only in the Fifteenth Century, in a period called the Golden Renaissance, that the first successful steps were made to actually establish this kind of society, for which people had struggled and dreamed over the intervening four-teen centuries.

This developed in the middle of the Fifteenth Century, around an event which is called the Council of Florence. But the enemies—the Roman feudal tradition, tried to stop the emergence of this form of society, which we call today the sovereign nation-state. And therefore, powerful forces, centered in Venice, organized a revolt against the efforts to form this kind of society.

The first such nation-states based on this principle, were France under Louis XI; and following that, modelled on the success of Louis XI in France, Henry VII in England founded the first modern nation-state in England, though his son and successor, Henry VIII, as we all know, erred. He stepped in the wrong direction a few times. He had a Monica Lewinsky in his life.

So, as a result of the struggle in Europe—and remember, Europe was dominated, from about 1517 until the middle of the Seventeenth Century, that is, 1648, by religious wars. Those who opposed the nation-state in Europe, tried to defend the old feudal order, in one way or another, by pitting parts of Europe against each other in religious wars. And terrible religious wars dominated Europe during most of the Sixteenth Century and the first half of the Seventeenth Century, until the Treaty of Westphalia.

#### A new nation-state in North America

Now, it was under these conditions that people in England and elsewhere, conceived of establishing a new nation-state on the continent of North America. The first such venture

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Joining the tracks for the first Transcontinental Railroad, Promontory, Utah Territory, 1869. From 1630 on, states LaRouche, "the patriotic Americans . . . worked to develop the United States as a nation, to move westward, and to move toward Asia...In the middle of the Nineteenth Century, you had the great effort of Lincoln and others, to build a Transcontinental Railroad, to spread and develop this land, by building railways which would enable us to conquer the land, to make it open to the people."

was the founding of New England, by that name, by John Winthrop, in 1630. And it's from that, that the United States came.

Now, Massachusetts was not always good; New England was not always good. It deteriorated. But nonetheless, what was done under the leadership of Winthrop, and collaborators of his, such as the Mather family, in education and so forth, this was the foundation of what was continued by Benjamin Franklin during the Eighteenth Century, in leading this nation, or what became this nation, to founding the United States.

At a later point, the question came up, and it came up around the question of the Constitution in the 1780s, and in 1789 in particular: What was the mission, and what was the purpose by which we, as a nation, should define ourselves? How should we define our relations to other nations, in particular, but to the world in general? What was our purpose and our mission, which would be a kind of—our law, as it pertained to what purpose would guide us, in dealing with other parts of the world?

Now, back in the Fifteenth Century again, a crisis erupted. The Venetian oligarchy, which is a financier oligarchy, organized the fall of Constantinople, and turned Constantinople over to the Turkish or the Ottoman dynasty, thus dividing Europe, cutting Europe apart, and obstructing the development of the spread of nation-states which had been planned throughout Europe, nation-states such as—pioneer nation-states, such as France under Louis XI, or England under Henry VII.

And at that point, still in the Fifteenth Century, one of the founders of the Council of Florence, one of the organizers of

it, Nicholas of Cusa, with his friends, launched an alternative to the Ottoman conquest of Constantinople, to try to save civilization as a whole, and European civilization in particular, by colonization, by voyages of exploration—by finding allies behind the back of the Ottoman Empire.

So, a map was drawn, drawn by one of the associates of Cusa, a geometer—who drew a map of the spherical Earth. This map was drawn by Toscanelli. The map went to Portugal. It was a map which influenced the Portuguese, in exploring the Atlantic, and going into the Indian Ocean.

The same map was picked up by Christopher Columbus, who had a correspondence with Toscanelli. And Christopher Columbus went to a woman, Isabella I of Spain, who was a little bit better than her husband, and much better than those who followed her as the rulers of Spain. And she sponsored Columbus's voyage to America, using the map to rediscover the continent on the other side of the Atlantic. And he succeeded.

And therefore, we had a Spanish development in the Americas, where people who didn't like the conditions of life in Spain and who had some courage, would flee to the Americas, to the so-called Hispanic Americas, to establish what became the foundations of nations in Central America and South America, that is, the Spanish-speaking part of this world.

At a later point, at the beginning of the Seventeenth Century, you had the great effort of John Winthrop to found New England, as the germ of a new nation, a new kind of sovereign nation-state republic, based on those principles, and to spread that. From that time on, from 1630, the patriotic Americans,

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who were dedicated to that heritage, including, typically, Benjamin Franklin, worked to develop the United States, or what became the United States, as a nation, to move westward, and to move toward Asia.

And the struggles: beginning with the King Philip's Wars here in New England, where the British and French tried to stop the spread of the Massachusetts Bay Colony, by organizing what was called King Philip's Wars, to stop the spread of the colony.

Other efforts were made. But nonetheless, the struggle went on. The struggle was always—colonize westward. Bring the best people from Europe, the best common people who believed in this idea; bring them to this land, develop this land, move westward, open the way to the west, keep moving westward.

This continued. Of course, in the middle of the Nineteenth Century, you had the great effort of Lincoln and others, to build a Transcontinental Railroad, to spread and develop this land, by building railways which would enable us to conquer the land, to make it open to the people.

Remember, the railways were actually development areas. Where a railroad went, on both sides of the railroad, you developed farms, you developed industries, you developed towns. You developed the land. You brought people in, people from Germany, from other parts of Europe, to settle and build farms, and spread the area under development.

#### U.S. technology was a model

And then we came to the West Coast. So, in 1861 to 1876, under Lincoln's leadership, and his followers, immediate followers, the United States emerged as the most powerful single economy in the world, the most advanced technologically. Not necessarily the most advanced scientifically, but the most advanced technologically.

Our level of technology was a model, so that by about 1876-1877, the entire world was looking to the United States as the model to be emulated. Russia adopted the model of the Americas. We had Mendeleyev, who was at the 1876 Philadelphia celebration of the Centennial of the founding of the United States. He went back to Russia, and he built the Trans-Siberian Railroad.

You had developments in Germany. Germany, in 1877, changed its policy fundamentally, so that the German economic policy was a copy of the American economic policy.

Japan in the 1870s, adopted the American model of Henry Carey. And Henry Carey directly had a hand in directing Japan in doing that, to lay the foundations of what became the economic successes in Japan. And the same thing happened with Sun Yat-sen at a later point.

Sun Yat-sen was a Chinese who was educated in Hawaii. While educated in Hawaii, he became the future founder of the nation of China as a republic. He was backed by the Americans. He was hated by the British, and persecuted by the British.

But if you look at the plans for the development of China by Sun Yat-sen, in a book which is published—we republished a copy of this book, even in China, to get it backtranslated into Chinese, for the benefit of the Chinese. His model for the development of China, was the model of the United States, the model of 1861-1876: the American model.

#### A great debate

So in this period, there came a great debate, a debate between the patriots and traitors of the United States, particularly in the latter part of the century.

The patriots of the United States looked at the Pacific Ocean, and said, in continuation of the ideas of Cusa, that we must go across the Pacific, to help the nations of Asia develop.

And they understood something more about this. They understood that the culture of European civilization—when we speak of European civilization, we're talking about, essentially, a Greek-founded, or Classical Greek foundation for European civilization, in all its achievements. So, it was a Christian matrix imposed upon the Greek Classical model. This was the model upon which our Constitution was based, our laws. This is the difference between us, and the British laws and the British traditions. That we recognized that we dealt in the world with other cultures: the culture of China, the culture of India.

That we, being the products of European Christian civilization, must find our way to come to an ecumenical agreement and cooperation with people of other cultures in other parts of the world.

And the great drive, and the great debate in the last part of the Nineteenth Century, between the patriots, on the one side, like Blaine from Maine, who was Secretary of State for a while, who was an associate of President Garfield, an associate of the great heroes of our nation in that period, had this conception: We must go across the Pacific to establish an ecumenical relationship and bond with the peoples on the other side of the Pacific Ocean, to develop the world as a whole for our common benefit. And we must reach out to other nations.

What was the other idea here? That because of problems in Europe—and, of course, I have a great deal to do with Europe, personally. I know a good deal about it. I have a wife who beats me if I don't learn enough about it—

#### Democratic reform in a feudal system

But in any case, if you look at European governments and European political systems, the political systems of Europe are, at their best, *inferior* to the form of government which we established here in the United States, with our Constitution.

What's the difference? We have—our head of state is an elected President. There is no person, under our law—of course, the Congress doesn't obey the law too much, too well these days—but there's no person under our law, who has greater authority in the state as a person, as an elected official,

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than the President of the United States. That is the characteristic of our Constitution.

Now, what's the difference, in Europe? With the exception of what de Gaulle tried to do with the Fifth Republic in France — which was an abortive effort, because when he went out of power, the Fifth Republic degenerated-European governments are not true republics. There has never been a

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true republic in Europe, not since the Greeks at least, or since the efforts in the Fifteenth Century.

Why? What happened in Europe, is, under the impact of the American Revolution, the idea of freedom received a jolt, and there were continuing efforts in the late part of the Eighteenth and in the Nineteenth Century, to develop republics in Europe. But the Europeans never succeeded in building a republic.

What they built was something different. They built movements which moved for democratization, to democratize society. And thus, what they did, is they put pressure on the existing form of government—which was a feudal form of government, based on a monarchy, or somebody who took the place of a monarch, a permanent bureaucracy, which stayed no matter what the government was otherwise, and

Now, the parliament was a *feudal institution*. It was not a

republican institution. And always, as you can see, if you look at the history of European governments, the monarch, the king, or the bureaucracy as such, could overthrow the parliament at any time they wanted to. All they would do is form a parliamentary crisis, and they'd dump the government.

So the government had no real power. The government had power to lobby, to pressure the state, to pressure those who rule society. But no power to actually make policy power to help shape policy, power to pressure.

So, what we had in Europe was a democratic reform in a feudal system. And that's what the governments of Europe are to the present day. Look at the way their governments function. They are not true republics.

We are the only true republic, in that sense. We are the ones who bear this principle. So it was understood by the best people in our society: two things.

First of all, that what we are did not come from the ground in the United States. It did not come "from the frontier" as such. It did not come from barrooms on the frontier, or from cowboys and Indians shooting each other, which is what Teddy Roosevelt thought it came from, or said it came from. But he was a great liar, so you can never believe what he said anyway.

But the United States, as a republic, came from the greatest thinkers of Europe, typified by people like John Winthrop; typified by others who came here, and brought the best ideas of Europe here, with the hope that on this ground, those ideas could grow up and flourish as they had not been able to grow up and flourish in the same degree in Europe.

For example, in the end of the Eighteenth Century, the United States, our republic, was called a "temple of liberty and beacon of hope for all mankind." And our function as a nation-state, as something produced here through the best influence of the best ideas of European civilization, was to create a form of society which would be an inspiration and a friend to all humanity, in bringing forth on this planet, a system of sovereign nation-states, which would cooperate, for their mutual benefit, in an ecumenical way.

#### The principle of reason

Now, what does that mean, "ecumenical," in this sense? You have a whole history of ecumenicism, particularly in the Mediterranean region. Because you had, first of all, Judaism and Christianity. And you had the great Jewish writer-rabbi, as he's called, Philo of Alexandria, who was a friend of the Apostle Peter, and who wrote very important writings, who actually helped to civilize the Jewish religion at that point, which had been a captive of Babylon and the Romans at that time. And he laid down a principle of ecumenicism.

Later in the Fifteenth Century, the same Nicholas of Cusa to whom I referred, wrote a paper called *De Pace Fidei*, or The Peace of Faith, which has a dialogue among Christians, Jews, and Muslims, on what the relations must be among the people who represent these different religions.

What is the common basis to avoid religious war, and to have a peace among the faiths, based on the adoption of certain common principles? It's the same principle of Christianity. We call it the principle of reason.

In fact, if we can discover the truth, if we can discover a principle of nature, what we call a "universal physical principle," if we can prove that principle to be valid, demonstrate it to be universally valid, then we'd know, by the power we have to make that discovery, there's something going on in our minds which is not formal logic: the power of reason.

What we say, therefore, if we have a difference with others on religion, or on culture, we say that we must reason together, we must use this power of cognition, the principles which are made known to us through this sharing of this power of cognition, to recognize whatever our differences are in a particular faith as a given faith, that we must work together on the basis of reason. We must reason together, find a true universal principle, adopt it commonly, and work together on the basis of reason.

Civil society must not be a religious society, but civil society must be of an ecumenical form, based on this principle of reason. And that is the way that we will have to deal with cultures such as China, or the culture of India, or other cultures which come from roots other than European civilization. In the case of European or Mediterranean civilization, in dealing with Christianity, Judaism, and Islam, you don't have a great—you have problems and struggles, but you shouldn't have them, but because of a common root, you have an easier task in coming together in adopting common principles.

Whereas, you go into other parts of the world, you don't have the same cultural background. Therefore, you must look *deeper*, to the principle of reason, to find a common foundation for working together for a common interest. But it must be a *voluntary* association, based on reason teaching us that this is the thing we must do together, and civil society must be based on that.

For example, I referred recently in things we've published to one of our heroes, Moses Mendelssohn. Moses Mendelssohn in Germany, in the middle of the Eighteenth Century, played a key part in creating what is the modern Classical German culture. Now, you might say Classical German culture is a Jewish conspiracy. And in a sense, it was. And he was part of it. He was also the great liberator of Judaism from persecution, by these ideas.

One of his most famous writings, was on this subject. He remained, to his death, an Orthodox Jew. And he said he would, always. But, he said at the same time, society must be based on the principle of reason: Political society, civil society, must be based on the common principle of reason.

#### We must dedicate ourselves to the truth

And that we in the United States in particular, must exemplify that, the principle of reason. Not religious bigotry, but

the principle of reason: that if something is true, we can discover the truth, and we can test it as to which is true and which is false, in universal principles.

And other than that, we must dedicate ourselves to the truth, even when we don't yet know it. That is, if we don't know what the answer is, we can at least dedicate ourselves to the urge and desire and method of finding the truth. And that's what our society is based on.

So, the conception among all the greatest thinkers of American politics, was in that direction. They may have said something slightly different than what I've just said, but we would all agree, among us. If they were alive and standing here today, we would agree. And Blaine would agree, even though I have some differences with some of the things Blaine said. But we would agree.

And the function of this nation is to be, still, to become again, the beacon of hope and temple of liberty for mankind, which it's not right now. Not even for our own citizens. For the 80% in the lower income bracket, it's not.

But it must become that again. That's our purpose. That's the function we have among nations. That's the role that the President of the United States must have, in dealing with other nations, in leading this nation, in his negotiations with other powers: to come to those forms of collaboration and agreements which are consistent with that.

We must call ourselves that, we must see ourselves as that, and we must function to that effect. We're not doing it now

What's the situation now?

#### We're producing less and less

We're in a *terrible* situation. Not only is the United States in an economic crisis—and if we weren't stealing from other countries, we'd know how bad our poverty is. The United States is using its power and the power of the British Commonwealth combined, *to steal massively from other nations*.

For example, you wouldn't have the boom on Wall Street, unless, for the past 14 years, the United States had been looting Japan. We have been stealing from Japan. Japan is printing money, and issuing it, at a quarter-percent interest overnight. This money, Japanese yen, which are being issued by the Bank of Japan at a quarter-percent interest, are being borrowed by Americans and by Europeans, and others. They convert them into dollars; they use the yen to buy dollars. Then they come into our markets, and they jack the markets up, with financial speculation, like this great Internet bubble that's now ready to pop.

In this country, we have a deficit, a national so-called current account deficit, that we as a nation, are spending \$300 to \$400 billion a year more than we are taking in. We are taking that money, from other countries.

We are living, not on what we produce, but—we produce less and less. We're living upon slave labor, or virtual slave labor, from other countries. We don't produce our goods—

or less and less. We get cheap goods from other countries, through virtual slave labor abroad. And our companies buy those cheap goods, and dump those things on us. And that's how we get along.

Look at our supermarket malls, for example. They're disgusting. No decent goods. Look at the fact that our satellites don't go up regularly, because they don't work so well any more, because our engineers and our firms are no longer as competent as they used to be, because we're not a productive nation any more.

Our farmers, generally, the real farmers, the family farm-

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ers, are going bankrupt. When farmers who are now in their 60s and 70s die off, what's going to happen to the farms? There are no replacements for them, except cheap labor working on company farms. Gone.

Where are our industries? Look at New Hampshire, for example. How do people in New Hampshire live? We used to have industries here. We used to have respectable industries. We used to have some farming here, to get by. It was always a rather poor state, relative to Massachusetts, but a proud state. We used to make jokes when I lived up here, about the Massachusetts drivers and things like that.

But it was that kind of — we were proud. But we had some dignity. Now, we take in people's laundry. New Hampshire lives by tourism in the summer, and tourism in the ski season. And a few other things. But New Hampshire overall, as an economy, is no longer a viable economy.

You look at what's happened to Massachusetts. The collapse of the industrial potential of this area, of the technological potential. It's being destroyed.

So, this is true of the United States as a whole. We are being a self-destroyed nation. And the bills are piling up. Since Carter, since the middle of the 1970s, our national debt has become a cancer. Our total indebtedness has become a cancer, which is about to crush us.

When Japan goes down, as it may soon, or when Russia goes down, or a combination, and Brazil goes down, Mexico goes down, Ecuador's already gone, there's a crisis building up in Europe, we will go down too. And you will have people who are now in the upper 20% of income brackets, working as middle management at \$60,000, \$70,000 a year, with stock option bonanzas, which they're using to buy \$300-400,000, \$600,000, million-dollar shacks, tar-paper shacks with Hollywood frontages on them, shacks that will collapse if people don't stay inside to keep the walls straight—this terrible stuff.

#### The danger of fascism

This is what we face. We can have the white shirts turn into brownshirts very easily in this country. You have people who have no skills, really, who are middle management, who are generally psycho-managers more than goods managers. And when they lose their jobs, when the Internet bubble collapses — not all the Internet industries will go down. But some of them are just fly-by-night operations, essentially. And when they go down, these people—who have got \$600,000 to a million-dollar mortgages on these tar-paper shacks, with a little bit of glorification and fancy faucets—when they go down, those mortgages will be unpayable. They'll be migrating, looking for a job, and we're going to have panic in this country, not so much among the people who are already poor, because they've gotten used to poverty. But these people will go crazy.

And if we don't provide a solution for this problem here, a Roosevelt-style solution, we're going to have white shirts turn into brownshirts. And you're going to have the rage, which you see in the death-penalty cases, the finality rule in death-penalty cases, as in particularly Virginia and Texas, or now in Florida, where you've got the - both Bushes who want to kill everybody. I don't know, just for pleasure or what not? They might as well open a Roman circus, and just get 'em out there, and kill each other or something.

But a meanness in the American people, an absolute meanness. You turn that kind of thing loose, with the absolute lack of morality — as we used to understand morality as morality, person to person-drive these people into a rage, and you're going to have the brownshirts, or their equivalent, stampeding through the society, destroying us, tearing us apart.

So, we have a crisis. Since last August, when the financial crisis, the Russian crisis hit, we've been getting into wars. It started with Al Gore and his friends.

Clinton had a problem with the Lewinsky case—actually, with the Starr Chamber. He was distracted. In the absence, while the President was distracted by this impeachment process from last summer on through February, Al Gore and his friends inside the administration began organizing wars, together with the British government.

You had the bombing of a pharmaceutical factory in Sudan. There was no reason to do that. They were not involved in terrorism, or producing something—It was done because Al Gore and Madeleine Half-bright wanted it done.

You had other incidents. You had Al Gore's fanatical speech, for example, in Kuala Lumpur, attacking the Prime Minister of Malaysia in a way that even a Nazi diplomat wouldn't have dared do in his time. Filthy behavior! The same crowd.

Then you had the forcing of the renewed bombing of Iraq, pushed through by Al Gore. Not the President. By Al Gore and his friends, Madeleine Half-bright and so forth.

Then you had us go into a no-win stupid war, organized by the same people, behind the back of the President, in the case of the so-called Kosovo war, or the war against Yugoslavia. The bombing war, which has simply destroyed the territory. It solved no problem. The conditions are *far worse* than when the war started, throughout the entire region, including Kosovo.

Now, the same forces, the heirs of Bush and Thatcher, have launched terrorists internationally, headquartered in London. They've launched it in Transcaucasia. They've launched wars between India and Pakistan, virtual wars, now ongoing, and similar things throughout the world.

So, you're in a situation which reminds you, in a sense, of what happened during the 1930s, during the period of the 1930s Depression.

But, at the same time that the economic situation is ready to blow, we've got this chaos—threat of wars. We have already the threat of a deflationary collapse: A 60-80% collapse of the stock market, for example, could occur at any time. Nobody knows when, because political factors will decide when and how things happen. We have a hyperinflationary tendency in real estate and elsewhere already building up, reminding us of Weimar Germany in 1923. They could go that way.

We've got wars and chaos spreading. We've got the two biggest dummies in politics, running as leading Presidential candidates of the Democratic and Republican parties. Either of these idiots in power, whether they're just dummies or not, is a threat to our national security. That's our situation.

Now, what's the solution? That means we're coming to a point in foreign policy, this financial system, this monetary system, this crazy thing that was started in 1971 with Nixon and the floating-exchange-rate system, this is about to come to an end, one way or another.

We're in a time in which the people who represent money, big money, are hysterical. Their plans are not to have Wall Street go up forever; you've got people who have bought into what they call "income streams"—people who have bought up raw materials, especially through London. The mega-mergers are grabs. They take all the money in sight, and they'll never pay the bills. But somebody behind the scenes, who is behind the money grab, who has an angle on grabbing those assets when these mega-merger organizations go bankrupt. This means gold mines, it means petroleum, it means the communications industry—which is being grabbed up now. The idea of the communications

industry being indispensable—anybody who controls communications after the system goes belly-up, will be able to control that income stream as a monopoly, or as a syndicate that controls it as a monopoly.

And we have the same thing with our power system. We're running out of power. But people are moving, like Enron, to grab up power from companies, power companies that are going bankrupt, that control your energy.

Control communications, control energy, control food supplies, control raw materials, the things on which life depends: to control those things, means you control whatever income stream exists when the thing goes belly-up financially.

And they're already moving for it. They have the suckers who are still betting on Wall Street. They're still betting on these crazy stocks, betting on these financial ventures. They're counting on their mutual funds, their money-manager accounts. They think they're making money on it. They'll be wiped out.

We don't know exactly when, but it's coming. No. The smart guys are not doing that. They're letting the suckers do it, especially the suckers in the upper 20% of income brackets.

They're grabbing up, around the world—they're grabbing assets. Petroleum assets, mineral assets, communications system assets, power system assets, water assets, food monopoly assets. They're grabbing them up. And when the malls go bankrupt, when the suburban projects go belly-up, they'll be there, controlling the income stream and controlling the world. That's their idea. They're mad and greedy.

That would mean a New Dark Age. We've seen this before in human history, in European history in particular, this kind of thing. And if we don't stop it, don't prevent it, it's going to mean Hell, Hell on Earth, at least for decades to come.

#### We have to take Roosevelt-style decisions

So, what's the solution?

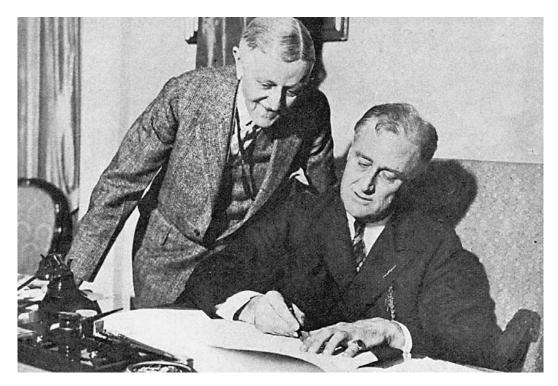
The solution is, of course, that we have to take Roosevelt-style decisions and answer the crisis. We have to act. We have to create a new monetary system. We have to put the thing into bankruptcy reorganization. We have to make sure that people don't die on the streets, because their pensions aren't paid, because their savings accounts have disappeared.

We've got to keep order, so normal life continues. We've got to improve employment and production. We've got to do those things as emergency actions immediately. We've got to prevent chaos and bring back order, and start to put ourselves back together again.

But we can't do it all by ourselves. We have to do it with other nations, or at least some other nations. Now, we need some other nations. Well, most of the world's population, where is it?

Most of the world's population is in Asia: India, Indonesia, Malaysia, other parts of Southeast Asia, Central Asia, China, Japan, Korea. And then, also Africa.

This is where the great part of the human population is.



President Franklin Roosevelt signing the bill in March 1933 empowering him to reform the nation's banking system—his first important act as Chief Executive. "We have to take Roosevelt-style decisions and answer the crisis," says LaRouche. "We have to act. We have to create a new monetary system. We have to put the thing into bankruptcy reorganization. We have to make sure that people don't die on the streets, because their pensions aren't paid, because their savings accounts have disappeared."

Then we have ruined areas of the world, which could be great and prosperous, with good labor forces, at least the remnants of them, in South and Central America. Many of these countries have good labor forces, under good conditions.

So, we have people with whom we should cooperate and can cooperate, to put this planet in some kind of order.

And this brings us back to the question of Manifest Destiny. Does the United States still have the function, of being a temple of liberty and beacon of hope for these nations of the world? And can we do that by making sure we do it also internally, to restore the nation *internally*, as a temple of liberty and beacon of hope, in order to give it the moral authority to be a temple of liberty and beacon of hope worldwide?

Could it be done? Yes, it could be done.

#### A LaRouche foreign policy approach

Let's take the case of my own, and Helga's, and our friends' foreign policy, which we've been practicing. This is not something we dreamed up, it's something we've been practicing.

It started in New Hampshire, in the New Hampshire primary campaign in 1980, when I was sitting at a table at a gun club event which had about 2,500 people up there in the Concord area, at what used to be the old New Hampshire Highway Hotel.

And because we were arranged at the table as Presidential candidates, in alphabetical order by surname, Ronald Reagan was at the end of the table, and I was next to him. And you had all these other funny fellows there, too.

So, Ronald and I got into a little bit of discussion. There wasn't much substance to it. It was just a discussion. But I saw, when he put his speech together, a five-minute speech which we were each allotted to do, I saw the way he did it, and realized the man was not as dumb as he was supposed to be. He had problems, but he wasn't stupid. And I recognized that from talking to him.

So, when he became President, or had been elected, I, as a Democrat, got into a conversation with some of the people who were going to form, who were in the process of forming the new administration. And I said, "Well, what's your agenda?" You know how politicians talk.

And a whole bunch of them, including Richard Richards, and so forth, said: "What's your agenda?"

So, I would discuss with these people the things that I thought the United States ought to do. And they would say, "We like that, we don't like that, we like that,"

So, we would go around (Helga went with me to some of these meetings), and we'd meet various people, and we'd talk with the Democrats. I would say to the Democrats, leading Democrats in the Congress, "This is the way I think we ought to deal with the Reagan administration. We ought to move quickly, because there are some bad things over there. But we ought to move quickly to find common denominators which are good for the nation, and get this thing going in that direction now."

Well, one of the results was that at the end of 1981, I became—I had a project. And the question was discussing it

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with the Russians, or the Soviets then.

So, to make short of the thing, I got involved, on behalf of the Reagan administration, in discussing with the representatives of the top Soviet circles, on my policy for dealing with the weapons crisis and related matters. So that led, eventually, about a year later, to Reagan making the famous speech announcing his SDI, on March 23rd, 1983.

Now, that went awry afterward. And I was out of the picture soon, because the enemies of mine got into it pretty quick. And they made a mess of it. So what they're talking about, about missile defense systems today, is mostly nonsense. Even though there were some people in the background who knew what we were talking about.

But since that time, and in earlier businesses in dealing with non-aligned nations and developing nations generally, I've been pretty much involved with the question of foreign policy matters, over a period of about at least three decades. And I know a lot of people, if you look at some of my endorsements from various parts of the world, from leading figures from South America, Europe, Asian countries, and so forth, you see a reflection of the fact that I have been a significant figure on their horizon, in terms of relations with the United States and others, over this period of time.

And in many of these countries, there are people who wish I were President. They think it would be good for them and good for the world. And they say so.

#### A New Bretton Woods system

So, I know these countries. I know what we can do. And I know that if I were President, I could deal with this problem. The problem is, that we must have an emergency action to put the present monetary system, which isn't functioning, into bankruptcy, bankruptcy reorganization, by governments, by sovereign governments.

In other words, we all agree that each government will take its chunk of the problem, and they'll put that chunk through their own bankruptcy reorganization. But then we will coordinate our efforts, to get something out of this which will be stable for all of us.

Now obviously, if you're going to make a sudden move like that, you've got to base your move on something which is a proven precedent. You can't come up with some completely newfangled thing that nobody ever heard of before, and expect the people, as well as the politicians, to suddenly accept that as a plan of action.

You've got to say: "Here's where we went wrong. Here's where we were doing things that were working, relatively speaking, and here's where we went wrong and we began to do the wrong thing. That's why we're in a mess. Now, let's go back to the point in the road where we made the wrong turn, and let's begin to move from there."

So, this idea of a New Bretton Woods, is very simple. We had, from 1944 through '58, and somewhat beyond, we had, with all its faults, a monetary system and a general economic

policy which worked. It may not have worked the way we liked it, but it worked, relative to anything we've seen since. We had recovery of the world from the war, economic recovery.

We had the Marshall Plan. We had a rebuilding of the United States economy, based largely upon Marshall Plan exports into Europe. So we built up our industries in helping Europe develop, and Japan develop, through Marshall Plan cooperation, and through that kind of policy; through the Bretton Woods agreements, the old Bretton Woods agreements: sovereign nation-state, gold reserve, fixed parities, tariffs

We had a rebuilding of the United States economy, based largely upon Marshall Plan exports into Europe. So we built up our industries in helping Europe develop, and Japan develop, through Marshall Plan cooperation, and through . . . the old Bretton Woods agreements: sovereign nation-state, gold reserve, fixed parities, tariffs which were protective for all countries, each and all countries, trade agreements of that type, and so forth. Low-interest, long-term loans to promote international trade, and that sort of thing.

which were protective for all countries, each and all countries, trade agreements of that type, and so forth. Low-interest, long-term loans to promote international trade, and that sort of thing.

It worked. With all the failures, *it worked!* With all the problems, it worked, relative to anything we've seen since 1971. If we had never stopped doing that, we wouldn't have the world financial and economic crises, or the U.S. crisis we have today.

So, it should be obvious to nations which have gone through this kind of experience of the present IMF system—they all know it doesn't work, they all know it's destroying us.

Well, let's get rid of it. Well, you don't ask one nation, by itself, to get rid of it. You try to get a group of nations together, to say, "We will jointly agree this thing has to go."

And if you have the majority of the human race in the deal

with you, it's likely to fly. And if the United States is a partner in it, the President of the United States, it's likely to fly, particularly if the American people at that time perceive a major crisis which needs some fixing.

And our argument to the American people is: This is what worked. We've got the facts to prove it. You've got senior citizens who remember how it worked, who can remind you of it and tell you about it. That worked. What you're doing now, has failed.

Now, let's simply go back to the turn in the road where we made the wrong turn. Go back to the Bretton Woods model, maybe change the relations among states a bit, but do basically the same thing. Go in the same direction. Learn the lessons of the 1930s and 1940s and 1950s, and go back to that.

#### A national mission

Now, what does that mean? As I dealt with this yesterday, in a press conference in Concord, where the question came up, particularly from one of our friends who is in the machinetool area: How do we do this?

I said, "Well, you can't just have an economy and set up a master plan of how it's going to work and have it work. You've got to have a national mission. You've got to have a sense of purpose. What are you going to do? Where are you going to go?"

Well, the general condition of this planet is as follows. Presuming we've gone back to the old Bretton Woods model, or something like it, the same principles, the same general idea, now, how are we going to build our way globally out of the crisis? How are we going to have a mutual advantage: China, India, Indonesia, Malaysia, South America, Central America, Europe, the United States? How are we going to have a deal that is equitable to all? What do we have to do?

Well, the basic problem of the planet is that when Roosevelt died, we didn't do what he intended to do, that is, to rip up all vestiges of Portuguese, Dutch, British, and French colonialism and imperialism, and end the domination of this planet by a free-trade system. That was Roosevelt's intention, as he stated plainly and repeatedly, to Winston Churchill.

But, when Roosevelt died, Winston Churchill won. And the Washington gang took orders from Churchill, along with the people who worked for Churchill. And they put the policy in.

So, as a result of that, we did not address the question which Roosevelt intended to do, is to transform what had been the colonial region of the world, or semi-colonial, under free-trade domination and looting, and transform this into a collection of sovereign nation-state republics, which would be in partnership with the United States in particular, as well as Europe, and to try to build this world up so that you had just economic conditions throughout the world as a whole. To bring nations together as sovereign nation-states, so we would not create a situation where we'd look forward, in Roosevelt's view—and mine at the time, when I was in

service—to a world where you wouldn't have another terrible world war.

And the way to do that, is to have a just economic system, and a just political system, in which sovereign nation-states have a partnership, a sovereign partnership, in terms of doing things together, which are in the common interest.

#### We must rebuild the nation

Now, what does that mean today?

That means in countries like China, or India, or Southeast Asia, or South America now, Central America, you have nations which could not by themselves, with their own resources, recover in time to meet the desperate condition of all of their population.

One case is China. China has now currently a rate of growth, annual rate of growth, of about 7-8% per year, maybe 8.5. It depends on how you calculate.

But that sounds very good, considering the fact that the United States has no growth, really no net growth. You take the hot air out of our financial system, we are contracting, as manifest by the fact that we can no longer afford the health care we used to have. They tell us we can no longer afford the pensions we used to have, we can no longer have the educational system we used to have, we can no longer afford anything that we used to have.

So obviously, we've become much poorer. And anybody who's telling us that things have become better is kidding themselves, or blowing hot air, blowing bubbles, as they're doing on Wall Street.

So, it's not enough to have a certain rate of growth, you've got to be able to sustain the growth. Now, you can have growth in the inland area of China, for example, where very poor people live. The Chinese economy is mostly located on the coastal areas, or near the coast, traditionally.

Inland, it's poor, very poor, desperately poor. They're one of the poorest parts of the world. They're just better organized than some other parts of the world. But they're very poor.

And the social stability of China, depends not merely on improving the economic conditions of these people, but improving the *cultural* conditions; and the improvement in economic conditions, is necessary to improve cultural conditions. That means you have to have a higher standard of living, more education, and all the things that go with that.

Well, they're not going to be able to do that, without a lot of high technology. You can not sustain growth at high rates, without also increasing the average productive powers of labor, as measured in physical terms.

We can do that. We have on this planet the ability to produce the technologies, which, used by developing countries such as China, or India, or South American countries, or Africa, we have the technologies, which, on the long term, will enable these countries to sustain growth, real growth, on a stable basis.

Ah! We used to be machine-tool exporters. We used to

be high-technology exporters. Europe, especially continental Europe, used to be high-technology exporters. Present-day Russia has some industries, the scientific, military and scientific-industrial complex, which could produce machine tools—capable of doing it.

Japan has a machine-tool capability.

If we, the nations which have a machine-tool type of capability for science-driver machine-tool development—we can supply the developing sector of the world with the tools and the technology which they need, to increase their productive powers of labor, per capita and per square kilometer. That solves their problem.

We need to employ our people. We need to get back to work. What should we do?

We should build those industries, and farms, and so forth; we need to maintain our own national economic security at home.

But what should we export? What should we concentrate on, in terms of exports? We should concentrate, together with Europe, together with Japan, and other countries which have a high-technology capability, on building up—what? Our universities, particularly science education. Our university laboratories, which test discovery and development of scientific principles; our machine-tool capabilities, including the highly specialized ones, and develop the new principles, including the ones that produce the applications for sophisticated machine tools, including the mass production machine tools that go with that.

And helping these countries get also the supporting repair capabilities and maintenance capabilities, in the area where the industries are developing, which they don't have in these countries now, at least not adequately.

That should be our mission, particularly for the next quarter-century, next 30 years. We should rebuild ourselves, not only to put our own shop at home in repair, but to orient ourselves, using this aerospace industry as a focal point or driver for this thing, to retool the United States with a mission.

We, together with other countries which can do this, are going to adopt a mission of helping the rest of the world transform itself to end this kind of deprivation and misery, which affrights us and disgusts us. And thus we, those nations and we, should be able to meet together to come to the kind of terms which will be durable, because they'll be beneficial over a long period of time to come. We have to understand our Manifest Destiny.

#### The role of legitimate government

Our Manifest Destiny lies in Classical Greek civilization, its unique contribution to global civilization. It lies in the role of Christianity, especially the Apostles, like John and Paul, in taking this Greek Classical legacy, and using this as the tool of Christianity, to improve the condition of mankind, as the Renaissance did later.

We need to develop the nation-state, the idea that a national government has no moral authority, except as it is founded on an absolute commitment to promote and defend the General Welfare of all of its people, including their posterity.

That's the *only right* that a government has to rule. Otherwise, it's simply some group of people that treats the government and the people as their personal property, and passes down laws accordingly.

But the only foundation for law, is the principle of the

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General Welfare: that all human beings are equally made in the image of the Creator. It is our obligation to promote their General Welfare so defined, as creatures of cognition and reason, to develop and cultivate their powers of cognition and reason, to develop all children, to develop all adults, equally, and call that the General Welfare. To improve the condition of the present and future generations, the General Welfare. That is the only moral authority and the chief responsibility of legitimate government.

Our concern is to have on this planet the emergence of governments which correspond to this principle of the General Welfare, which is the foundation of law in the Preamble of our Constitution, and of our constitutional law. And to make that commitment, define that, our being the temple of liberty, make that the definition of our being a beacon of hope. And let us reach out to other nations, with that message, with that commitment, with that purpose, and say, "Let's end this nonsense. Let's learn the lesson. Let's deal with the crisis."

And let us, in the process, to show this is no novel idea, let us understand the Greek Classic. Let us understand the mission of the Apostles. Let us understand the accomplishments of the Fifteenth-Century Renaissance. Let us under-



Veterans parade in a World War II victory commemoration. What does it mean to be an American? "What's your mission, what's your commitment?" asks . LaRouche. "Our concern is to have on this planet the emergence of governments which correspond to this principle of the General Welfare, which is the foundation of law in the Preamble of our Constitution, and of our constitutional law.

stand the achievements of the great scientists and others who struggled to make the Renaissance possible, including Abelard and Charlemagne, or Dante Alighieri and others who came before that, who made it possible.

#### What it means to be an American

Let us remember that, and let them live in us. This is no wild idea. We are simply affirming the proven principles of history, and the history of the United States in particular. Let us project that. Let us encourage our children, our citizens, to project that. When they say, "What are you?" You're an American citizen. What does that mean? Other countries have citizens. What do you mean by your being an American citizen? What does it mean? What's your mission, what's your commitment? What's your standard for picking the politicians you elect? What do you demand and expect them to do? Where do you expect them to stand? On some bite-size slogan they put out? Some phony gimmick, some sideshow, boolaboola, or do you want someone who thinks like that, who you can trust, because they are committed to that?

To educate our children, so that when they reach maturity, they're that kind of a person, where each person can finally see themselves in what I call the simultaneity of eternity. Not an unusual term, but one rarely used.

That once we understand our nature, we understand that we are made in the image of the Creator, each equally so. We must cultivate or redeem that quality which is within us, given to us at birth. We must relive the acts of reason, the discovery of universal principle, which has been passed down to us, for

us to reexperience and absorb in ourselves.

We are short-lived. We are born, and we shall die, all of us. Then, what is the meaning of our life, as our human life? Is it not to assimilate and cultivate in ourselves, those qualities which define us as human; to absorb the gifts of reason from preceding generations, from history; to utilize those and preserve and defend those gifts of reason, to add something to that for future generations, so that when we pass on, we have retained a permanent place in the span of eternity?

That is the natural capability, and also the right of every human being: not to be an animal that is born and dies, that has pleasure in the meantime. The right of every human being is to live in such a way, that they, in their own way, can have their powers of reason cultivated, can find something good to do for humanity, so that they can die with a smile on their face, because they die with the assurance that in the life they had, they have secured a permanent place, an identity for themselves, in the simultaneity of eternity.

That's the commitment we must have. That is, to spark what's inside us, and must radiate from us, so that we become a true Beacon of Hope and Temple of Liberty for all mankind. That's what all of my predecessors in this political profession, who were good people, thought and dreamed.

That's what Blaine, in his own way, from Maine dreamed. That's what John Winthrop, the founder of New England, dreamed. That's what Benjamin Franklin attempted to do. That's what Cotton Mather preached, and preached to others. That's what Lincoln represented. That's what Garfield represented. That's what McKinley represented.

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That's what Cleveland *didn't* represent. That's what Wilson *didn't* represent. That's what Coolidge *didn't* represent.

That's what Roosevelt, in his own imperfect way, tried to represent. That's what poor Kennedy, who was assassinated, was groping to try to represent, too. All the best people at least tried to represent that, in their own way. And that, for us, as Americans, when we were good, was always, for us, our choice of Manifest Destiny. Thank you.

# 'The eyes of all people are upon us'

by H. Graham Lowry

The plain truth is that America's historic mission was to create a sovereign republic, to save the world. The beachhead for the new nation was John Winthrop's Massachusetts Bay Colony, a miraculous undertaking in 1630, when all of Europe was literally being consumed in the fires and pestilence of the Thirty Years War. From the republican institutions forged by John Winthrop and his associates, the Temple of Liberty was constructed as the new United States, after America's successful War of Independence.

Winthrop reviewed the degeneration of England in a 1629 treatise, arguing for the necessity of launching a republic in the New World:

This land grows weary of her inhabitants, so as man who is the most precious of all creatures is here more vile & base than the earth we tread upon, and of less price among us, than a horse or a sheep, masters are forced by authority to entertain servants, parents to maintain their own children, all towns complain of the burden of their poor though we have taken up many unnecessary, yea unlawful trades to maintain them. And we use the authority of the law to hinder the increase of people . . ., servants & neighbors (especially if they be poor) are counted the greatest burden which if things were right it would be the chiefest earthly blessing.

Instead of this ruinous policy, Winthrop issued a call for developing the North American continent for the benefit of mankind:

The whole earth is the Lord's garden & he hath given it to the sons of men, with a general condition, *Gen*:

1.28. Increase and multiply, replenish the earth and subdue it, which was again renewed to Noah. The end is double, moral and natural, that man might enjoy the fruits of the earth and God might have his due glory from the creature. Why then should we stand here striving for places of habitation . . . and in the meantime suffer a whole Continent, as fruitful and convenient for the use of man, to lie waste without any improvement.

#### **Building the Massachusetts republic**

Winthrop was elected governor of the company by its General Court, and skillfully negotiated a royal charter for the Massachusetts Bay Company which uniquely included powers to elect its own officers, establish its own laws, and govern its affairs directly in Massachusetts—rather than being ruled by stockholders in London. But this was not a stock company, motivated by accounting notions of profit and loss. It was instead a project to develop a new society, to nurture citizens, and ensure the rights bestowed upon them by their Creator. On April 25, 1630, less than two months after Charles I signed the Massachusetts Bay Charter, an advance party of 300 colonists set sail, assigned to establish the infrastructure for the much larger migration to follow.

They included engineers to lay out towns, as well as carpenters, brick-makers, and sawyers to build warehouses, a sawmill, ships for fishing and commerce, and fortifications for the colony's defense. Their cargo included seven cannon as well. Preparing for the next wave of settlers, Winthrop raised additional funds to provide transportation for poor families, to maintain ministers, and to build churches, public buildings, and still more fortifications.

On June 12, 1630, after a voyage of 76 days, four ships with 800 passengers under the command of John Winthrop, anchored in Salem harbor. Winthrop told his followers on board his flagship, the *Arbella*,

We must be willing to abridge ourselves of our superfluities, for the supply of other's necessities. We must uphold a familiar commerce together in all meekness, gentleness, patience, and liberality. We must delight in each other; make other's condition our own; rejoice together, mourn together, labor and suffer together, always having before our eyes our commission and community in the work as members of the same body. So shall we *keep the unity of the spirit in the bond of peace*. The Lord will be our God, and delight to dwell among us, as his own people, and will command a blessing upon us in all our ways. . . . For we must consider that we shall be as a City upon a hill. The eyes of all people are upon us.

More ships were already under way, and Governor Win-

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throp soon presided over a struggling colony of 2,000 determined people. Guided by the principles he had set forth, Massachusetts grew to a population of 20,000 by 1650, and constituted the most advanced republic the world had ever seen. In 1636, the Massachusetts General Court — as its legislature was known then and still is today - voted to establish Harvard College, half a century before any other was established in America. The 1640s brought the first public system of compulsory elementary education, and a system of publicly supported academies for further instruction and college preparation. In 1641, a Body of Liberties was adopted, a constitutional definition of the powers and duties of the General Court, the judiciary, and the voters and citizens. Included was a criminal code prohibiting inconsistent penalties or punishments, and overturning the arbitrary use of precedent in English common law.

John Winthrop noted that the reason such a constitution had not been put into writing, during the initial struggle to establish the colony, was the fear of prematurely challenging a provision in the charter which prohibited the enactment of laws "repugnant to the laws of England." In 1646, the legislature ordered an unprecedented extension of protection to the citizens of Massachusetts. The laws were to be *printed*, despite the fact that only one press existed in the colony, "so as we may have ready recourse to any of them, upon all occasions, whereby we may manifest our utter disaffection to arbitrary government. . . ."

The effort to forge a constitutional republic proceeded with a specific commitment to economic and industrial development. In 1640, the General Court voted sizable subsidies for the local manufacture of textiles and, especially for outfitting a fleet, passed measures in 1641 to stimulate the production of hemp. Twenty-one-year tax exemptions were also granted for all discoverers of mines. The governor's son, John Winthrop, Jr., was dispatched to England to recruit skilled labor for iron manufacturing. The General Court backed the construction of iron works with a twenty-one-year monopoly, necessary lands, and a ten-year tax exemption, on condition that complete facilities be developed, from blast furnaces and forges, to rolling and slitting mills. The company would only be permitted to export iron after the colony's needs were met.

Under the younger Winthrop's direction, the Saugus Iron Works were established by 1647—the first automated, integrated industrial complex in the New World. By the end of its first year of operation, the Saugus Iron Works was producing eight tons of wrought iron per week, far beyond the output of the best works in England.

The colony further advanced its economic sovereignty in 1652 with the creation of a mint. Massachusetts issued its Pine Tree Shilling, redeemable only within the colony to prevent foreign draining of its hard currency, long into the century, until the destruction of its charter freedoms by royal decree.

#### The fight for liberty

The Massachusetts Bay Charter was under attack almost from the colony's beginning, and in 1634, the King's Privy Council ordered that it be returned to England. Governor Winthrop demonstrated that the issue was worth going to war over. The General Court authorized funds for improving the colony's fortifications, and granted Winthrop and four of the magistrates "power to consult, direct and give command for the managing of any war that may befall us for the space of a next year's ensuing." Finally, it was ordered that a beacon be set on Sentry Hill (now Beacon Hill, the site of the Massachusetts legislature) at Boston, to give notice to the country of any danger.

Faced with the threat of armed popular resistance, the crown backed down; but the return of the charter was again demanded in 1638, coupled with the threat that King Charles would otherwise "reassume into his hands the whole plantation." This time the colony responded by forming the Military Company of the Massachusetts, with Governor Winthrop himself serving as colonel of the 1,000-man First Massachusetts Regiment of Militia. This was the beginning of the republican militia system which spread throughout New England—and remained to produce the core of the Continental Army during the American Revolution.

Winthrop's political defense foreshadowed the later arguments of America's Declaration of Independence:

Lastly, if our patent be taken from us, (whereby we suppose we may claim interest in his Majesty's favour and protection), the common people here will conceive that his Majesty hath cast them off, and that hereby they are freed from their allegiance and subjection, and thereupon will be ready to confederate themselves under a new government, for their necessary safety and subsistence.

To posterity, John Winthrop left a vision which guided generations of his successors during the century-and-a-half struggle, from the founding of Massachusetts Bay to the British surrender at Yorktown, to establish the United States. Winthrop himself enlarged that prospect in 1643 by creating the New England Confederation, which elected him its first president. Its Articles of Confederation were cited by Benjamin Franklin during the American Revolution, in explaining the Articles of Confederation of the United States to the French government.

John Winthrop, Jr. proceeded to unite the various Connecticut colonies into one; and, as its governor, negotiated a royal charter for it in 1662, with much the same self-governing powers as his father had secured for Massachusetts. The great statesman and philosopher Increase Mather continued the fight in Massachusetts, and denounced Charles II's 1683 demand for "alterations" of the Bay Charter as

"inconsistent with the main end of their fathers' coming to New England." Cotton Mather, Increase's son, led the Andros Rebellion in 1689, an armed but bloodless coup which clapt royal governor Edmund Andros and his henchmen into jail. Boston's patriots proclaimed the independence of New England, with a sovereign judicial system, powers of trade and coinage, and a new system of credit for productive economic improvements.

The effort failed, but was not forgotten—any more than was the date on which Charles II finally revoked and voided the original Massachusetts charter. That infamous day—Oct. 23, 1684—is given as the birthday of "Poor Richard, an American Prince, without Subjects," by Benjamin Franklin, in the very first issue of Poor Richard's Almanack, in 1733.

Cotton Mather's own contributions to realizing John Winthrop's vision are exemplified by his *Essays to Do Good*, the organizing manual he published in 1710 for developing a republican citizenry:

It is an invaluable *honor*, to do *good*; it is an incomparable *pleasure*. A man must look upon himself as *dignified* and *gratified* by God, when an *opportunity* to do (good) is put into his hands. He must embrace it with *rapture*, as enabling him to answer the great End of his being.

America's mission remained clearly defined. "Government is called, the ordinance of God," Mather wrote. Thus, "it should vigorously pursue those noble and blessed ends for which it is ordained: the good of mankind."

Benjamin Franklin wrote in 1784 to Cotton's son Samuel—who had read the Declaration of Independence from his pulpit in 1776—that *Essays to Do Good* had "an influence on my conduct though life; for I have always set a greater value on the character of a doer of good, than on any other kind of reputation; and if I have been, as you seem to think, a useful citizen, the public owes the advantage of it to that book."

And so the republican nation-state known as the United States was established, on these principles, by these men and others who followed them. In 1807, John Adams wrote to Benjamin Rush, a fellow signer of the Declaration, "I have always laughed at the affectation of representing American Independence as a novel idea, as a modern discovery, as a late invention. The idea of it as a possible thing, as a probable event, nay, as a necessary and unavoidable measure, in case Great Britain should assume an unconstitutional authority over us, has been familiar to Americans from the first settlement of the country, and was as well understood by Gov. Winthrop . . . as by Gov. Samuel Adams."

Editor's note: The more elaborated story of the early history of the American republic can be found in H. Graham Lowry, How the Nation Was Won, America's Untold Story (Washington, D.C.: Executive Intelligence Review, 1987).

# John Quincy Adams and the Community of Principle

by Nancy Spannaus

John Quincy Adams, the son of Founding Father John Adams, and the intellectual heir of Benjamin Franklin, played a pivotal role in defining the foreign policy of the young United States. His concept for that policy flowed directly from his belief that the United States of America was founded upon principles which were derived from the Christian religion, and that the United States should preserve and extend those principles, without any compromise with imperial or colonial powers, and without becoming an imperial power itself.

During his tenure as Secretary of State, under the Monroe administrations, Adams produced an abundance of memoranda and speeches which defined his view of American foreign policy, especially around the period of the Adams-Onis Treaty of 1818, and the formulation of the Monroe Doctrine (1823). The events around preparing these two documents show that Adams was fully committed to creating a continental republic based on anti-colonial principles, and that he based his idea of international alliances upon the concept of a *community of principle* with fellow sovereign republics.

According to Samuel Flagg Bemis, a leading twentieth-century historian, Adams's diplomatic history defines him as a, if not the, leading protagonist of what became known later as "Manifest Destiny." But while the specific coiners of that phrase, notably John O'Sullivan of New York, used it to justify merely a land grab, including President James Polk's war with Mexico (1846-48), Adams and his faction insisted that the westward expansion of the United States not result in the spread of slavery, or conquest of other lands, but rather the extension of republicanism as expressed in the Declaration of Independence. Adams opposed the Mexican war, and was prepared to dump his continental aspirations, if necessary, if it meant the expansion of slavery.

#### A continental republic

From his entry into politics at a very young age, John Quincy Adams advocated the expansion of the United States

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<sup>1.</sup> See "An Oration Delivered Before the Inhabitants of the Town of Newburyport on the Sixty-First Anniversary of the Declaration of Independence," reprinted in part in *The New Federalist*, Vol. 13, No. 32.

<sup>2.</sup> See Frederick Merk, Manifest Destiny and Mission in American History (New York: Alfred A. Knopf, 1963).



John Quincy Adams, who served the United States in many official capacities, including as President and U.S. Representative. Adams worked to ensure that the United States became a continental republic, based on the principles of anti-colonialism and the tenets of the Declaration of Independence.

to dominate the North American continent. He supported the Louisiana Purchase, for example, as a move in this direction—as did Alexander Hamilton. One major underpinning of his reasoning was that allowing any of the European powers to maintain a foothold in North America—Spain, France, Russia, or Great Britain — would tend to lead to constant wars, and toward balkanization of the continent.

In a letter to his mother in 1811, right before the War of 1812, Adams wrote the following: "If that Party [Federalist] are not effectually put down in Massachusetts, as completely as they already are in New York, and Pennsylvania, and all the southern and western states, the Union is gone. Instead of a nation coextensive with the North American continent. destined by God and nature to be the most populous and most powerful people ever combined under one social compact, we shall have an endless multitude of little insignificant clans and tribes at eternal war with one another for a rock, or a fish pond, the sport and fable of European masters and oppressors."3

During the War of 1812, and thereafter, there was no lack

of evidence that the European imperial powers might want to take advantage of the young, and militarily weak, United States. Spain, at that time, controlled Florida and Cuba. Mexico, which had declared independence in 1813, reached well up into what is now the southwestern United States. Both Russia and Great Britain had claims on the West Coast, and, of course, Great Britain had control over Canada. There was also considerable rivalry between these powers, and various efforts were made by Russia and Great Britain, in particular, to get alliances with the United States for various purposes the kind of alliances which George Washington would correctly have called "entangling."

In this context, Adams considered it critical to negotiate expansion of the boundaries of the United States all the way to the Pacific Ocean, thus establishing a foothold for the U.S. becoming a continental republic. The vehicle which he used was his negotiations with Spain over the years 1818 and 1819.

While the detonator for the negotiations was the threat to American lives in Spanish-occupied Florida, the final treaty, called the Adams-Onis Treaty of 1819, not only resulted in the cession of Florida to the United States, but it established the claim of the United States to the continent, from the Atlantic to the Pacific, from the 42nd to 49th parallel. Why did the Spanish do this? According to Bemis, it was because that monarchy, being hard-pressed by the British Empire, wanted a free hand to turn its attention to South America, where its former colonies were making rapid moves toward independence.

#### **Community of Principle**

Through the course of the negotiations with the Spanish, the Russians, and the British in the period, Secretary of State Adams was walking a tightrope. On the one hand, he and President Monroe were committed to firm support for emerging republics, in the name of the principles of self-determination, independence, and human liberty. By March 1822, in fact, the United States had recognized the new republics of Chile, the United Provinces of the Rio de la Plata (today Argentina), Peru, Colombia, and Mexico. On the other hand, Adams held firm to Washington's principle of refusing to enter military, or positive, alliances with any of the imperial powers, or even with their former colonies.

What came first with Adams, was the maintenance of the American System of republican liberty, as it was defined by the principles laid out in the Declaration of Independence. Any nation which did not abide by such principles, could not be part of a "community of principle" with the United States. Adams even told a Spanish diplomat in 1820 that he considered the United States to be the only example of the American System. "There is no community of interests or of principles between North and South America," he said.

Meanwhile, Britain, of all places, was putting pressure on the United States to unite with it, allegedly in support of liberation movements against Spain, France, and Russia. In

<sup>3.</sup> Samuel Flagg Bemis, John Quincy Adams and the Foundation of American Foreign Policy (New York: Alfred A. Knopf, 1950).

response, Adams gave a Fourth of July speech in 1821, in which he outlined two basic principles of America's relations with all other nations and peoples: first, the anti-colonial principle, and second, the anti-entanglement principle. It was in this speech that Adams asserted that, from the moral and physical nature of man, "colonial establishments cannot fulfill the great objects of governments in the just purposes of civil society."

He described the American revolution's universal significance thus. "In a conflict [of] seven years, the history of the war by which you maintained that Declaration, became the history of the civilized world. . . . It was the first solemn declaration by a nation of the only legitimate foundation of civil government. It was the cornerstone of a new fabric, destined to cover the surface of the globe. It demolished at a stroke, the lawfulness of all governments founded upon conquest. It swept away all the rubbish of accumulated centuries of servitude. From the day of this Declaration, the people of North America were no longer the fragment of a distant empire, imploring justice and mercy from an inexorable master in another hemisphere. [Dr. Mahathir, you have a friend here!]....They were a *nation*, asserting as of right, and maintaining by war, its own existence. A nation was born in a day. ... It stands, and must for ever stand, alone, a beacon on the summit of the mountain, to which all the inhabitants of the earth may turn their eyes for a genial and saving light . . . a light of salvation and redemption to the oppressed."

Adams said that colonial establishments "are incompatible with the essential character of our institutions," and concluded, "that great colonial establishments are engines of wrong, and that in the progress of social improvement it will be the duty of the human family to abolish them, as they are now endeavoring to abolish the slave trade." The message was not missed by the Russian imperial minister, who reported it to have been "a virulent diatribe against England."

The British under Prime Minister George Canning, however, did not give up. Although Britain had not recognized the new republics of South America, and the United States had, Canning approached the U.S. Ambassador to England with a proposal for an alliance on the question of South America. While others in the cabinet, and former Presidents Jefferson and Madison, were inclined to accept, especially because the United States did not have the military capability to defend its position against recolonization, Adams was adamant, that the United States should not accept, and act as a "cockboat in the wake of a British man-of-war."

But there were principled reasons as well. Despite apparent tactical agreement on the issue of South America, "Britain and America... would not be bound by any permanent community of principle," Adams said. In other words, the nation of the Declaration of Independence, and the British Empire,

did not share objectives, and thus could not make such an alliance.

But Adams did outline a positive policy toward South America, which Bemis summarizes as 1) upholding the republican principle against monarchy; 2) support of the American System of separation from the monarchical system of Europe; 3) a positive view toward the idea of an inter-American Congress; and 4) treaties of commerce and amity should be forged on the basis of the "most-favored-nation" principle.

In a memorandum to Richard C. Anderson, U.S. Minister to Colombia, in 1823, Adams put it eloquently: "The emancipation of the South American continent opens to the whole race of man prospects of futurity, in which this union will be called in the discharge of its duties to itself and to unnumbered ages of posterity to take a conspicuous and leading part. It invokes all that is precious in hope and all that is desirable in existence to the countless millions of our fellow creatures, which in the progressive revolutions of time this hemisphere is destined to rear and to maintain. That the fabric of our social connections with our southern neighbors may rise in the lapse of years with a grandeur and harmony of proportions corresponding with the magnificence of the means, placed by providence in our power and in that of our descendants, its foundations must be laid in principles of politics and of morals new and distasteful to the thrones and dominations of the elder world, but coextensive with the surface of the globe and lasting as the changes of time."

#### **The Monroe Doctrine**

Thus, on Dec. 2, 1823, President Monroe, feeling impelled to take action in the face of possible European moves to reconquer the infant South American republics, issued his Monroe Doctrine. It was composed of three principal elements, all of which had been shaped by John Quincy Adams:

- 1. Non-colonization: "The American Continents, by the free and independent condition which they have assumed and maintained, are henceforth not to be considered as subjects for future colonization by any European power."
- 2. Abstention: The United States will not involve itself in European affairs unrelated to its interests: "It is only when our rights are invaded, or seriously menaced, that we resent injuries, or make preparations for our defense."
- 3. Hands off: "We could not view any interposition for the purpose of oppressing them, or controlling in any other manner, their destiny, by any European power, in any other light, than as the manifestation of an unfriendly disposition towards the United States."

As Bemis points out, the Monroe Doctrine was the other side of the Manifest Destiny policy of extending the republican principle throughout the continent. If imperialism was not to be allowed, that only left peaceful expansion, or cooperation, by or between sovereign republics. And Adams was clear that he did not see expansion by conquest, even of Canada.

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Cited by Anton Chaitkin in a speech delivered to the Schiller Institute Labor Day Conference, 1998.

The Monroe Doctrine was honored by those Presidents who clung to the American System. Presidents Abraham Lincoln, James Garfield, and Franklin Delano Roosevelt were the most notable ones to rise to this standard—not to mention John Quincy Adams's Presidency (1824-28). During the rest of the nineteenth century, the "American System" Presidents also pursued the spread of economic development projects internationally, as an indispensable spur to building republican nations.

But the breaches of these principles became increasingly numerous—from the Mexican-American War, to the Spanish-American War, to the (Teddy) Roosevelt corollary to the Doctrine (calling for intervention to collect debt), to the invasions of Mexico under Woodrow Wilson's administration. In 1982, when the United States supported Great Britain's war against Argentina in the Malvinas, the violation of the Monroe Doctrine was complete.

That said, the John Quincy Adams approach to foreign policy remains the standard that must be readopted today.

# Secretary Blaine and Manifest Destiny

by Anton Chaitkin

America's mission, to uplift mankind, was described by the statesman James G. Blaine in an 1892 volume commemorating the 400th anniversary of Christopher Columbus's great achievement. Blaine, then Secretary of State under President Benjamin Harrison, wrote:

"The distinctive trait of modern times is that the achievement of the highest is brought down to the service of the lowliest, and thus the impress of value is stamped upon the individual human being.

"The development of the modern world is towards all men, and not towards one man. To build up the marvels of Antiquity the few led, the many followed; the few ruled, the many were driven. The toiler was not considered. He was a beast of burden. He was used and he was sacrificed. He had no voice in affairs. He was built into the walls of cities, his blood outlined the boundary of nations, his labor wrought the luxury of kings, but himself had no civic existence. As a man to be considered or consulted, a man whose happiness or health or wish was to be taken into the account, he was not.

"Through the turbulent centuries the individual man has forged to the front. He is still in the heat of struggle, but he has tasted power, he has tested his strength, he knows that the world is his....

"After the long trance of the Dark Ages, when poetry and art and learning and thought were reawakened by the light touch of Antiquity, and faced the sun of a new day whose meridian we have not yet reached, there awoke . . . a giant ... - 'Triumphant Democracy.'... No man knew of its coming. But the world all unconscious was presently astir with preparation of the paths for its victorious feet. The Renaissance, the revival of painting, of art, of letters, is a revival . . . of the old. But the reawakened mind was not to be content with following the paths of the ancients. . . . New paths were struck out, of which the ancient never dreamed, in which the modern world has no rival, whose [scientific and technological] miracles eclipse the mysteries of the past only to unfold greater mysteries in the future; whose end lies even now beyond the utmost stretch of imagination. And every shining path leads to the fireside of the humblest home, to the weal of the smallest child, to the health and the happiness, the purity and the strength, of Triumphant Democracy."1

The national power to accomplish this mission grew astonishingly after the Civil War, when the policies of the martyred Abraham Lincoln were applied by a population and government freed of wartime burdens. An ardent Lincoln apostle, James Blaine helped shape the country's greatest achievements as a Congressman (1863-76), House Speaker (1869-76), Senator (1876-81), Secretary of State (1881 and 1889-92), Presidential candidate, and party leader.

#### Blaine and the Whigs

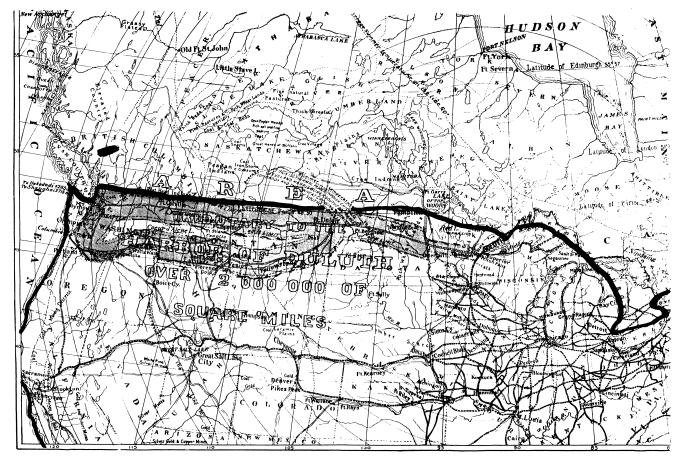
Blaine is perhaps best known to posterity as the foreignpolicy successor to Henry Clay and John Quincy Adams, in that he aided South and Central America to resist Britishdirected military and financial aggression, and fostered mutually beneficial economic development. President Theodore Roosevelt reversed Blaine's hemispheric policy; President Franklin Roosevelt revived it.

To introduce the perspective of that era's American "Manifest Destiny," let us look at a huge Federal government-sponsored railroad project, the Northern Pacific, for which Blaine was the political manager. As will be seen, this and other transcontinental railway lines had immediate global implications, and were the economic pivot upon which the United States was turned into the world's biggest economy.

The Northern Pacific (NP) was to stretch 2,000 miles, from Lake Superior to Puget Sound. It was the first single railroad to link the Pacific Ocean with the water system of the Atlantic (through the Great Lakes and the Erie Canal or the St. Lawrence River). The NP construction created its two terminus cities, Duluth, Minnesota and Tacoma, Washington.

Its objects were to bring in waves of European immigrants, to transform the Far Northwest with coal mining and wheat farming; to make possible the transport of soldiers and military supplies; to help in annexing British Canada's west-

<sup>1.</sup> James G. Blaine, "Progress and Development of the Western World," Book I of *Columbus and Columbia: A Pictorial History of the Man and the Nation* (Philadelphia: Historical Publishing Co., 1892).



A Northern Pacific publicity map, showing the entire northwestern United States as a "Tributary to the Harbor of Duluth." At left are shipping distances to Asian ports, where link-ups were planned to new Asian railroads.

ern territories to the United States (for economics, and security—Indian raids were still then sponsored by British forces across the northern border); to increase U.S. government revenue; and to promote world civilization generally.

The Federal government gave enormous land grants to a Federally chartered private railroad company. Plots of land from these grants would then be sold by the railroad company to settlers, and in anticipation of such sales, the company could secure construction credit advances from an array of sources without having the political endorsement of British or Wall Street bankers.

The NP was the second U.S. national railroad. The first had been President Lincoln's Union Pacific-Central Pacific (UP), from Nebraska to San Francisco.

Lincoln signed the original Northern Pacific bill on July 2, 1864, but track-laying did not actually begin until after the UP was completed in 1869, when Gen. Ulysses S. Grant became President.

The government assigned construction management to Philadelphia banker Jay Cooke, the Federal government's private banker (no national or central bank existed then). Cooke was in a position similar to that of the old Bank of New York, which Alexander Hamilton had controlled and used to counter British finance.

Gen. William T. Sherman had previously led the Army forces guarding and supervising the Union Pacific construction. Sherman, now U.S. Army Commanding General, assigned troops under Gen. David Stanley and Col. George Custer to protect Northern Pacific engineering teams.

In 1870, a bill went to Congress that was to increase the land grants up to an area equal to the states of Ohio and Indiana combined.

James Blaine, then Speaker of the House, was the Congressional manager of the new Northern Pacific bill. Blaine's relationship to the NP's builders, and to the military, helps explain how politics worked in that era.

James Gillespie Blaine was born Jan. 31, 1830, in West Brownsville, Pennsylvania. (As an adult he would move from Pennsylvania to Maine, to become Maine's most famous statesman.)

Around 1840-41, at age 10 or 11, Blaine was sent to Ohio for a few years to live with his uncle, Thomas Ewing, who became U.S. Treasury Secretary in 1841. Ewing, together with Sen. Henry Clay, led the Whig Party, the predecessor

to Lincoln's Republicans. The Ewing household seemed a permanent mini-convention of the country's nationalist political leaders, the protectionists, opponents of the British Empire's free-trade doctrine. In young James's presence, these men strategized over the Whig banking, protectionist tariff, and government-backed infrastructure programs which Lincoln and his successors would later fight to implement.

One member of that household, William Tecumseh Sherman, graduated from West Point about that time. As a little boy, Sherman had been adopted by Blaine's uncle Thomas Ewing; Sherman was called "Cump" by Blaine and the other Ewing youngsters. In 1850, Sherman married his step-sister, Ellen Ewing, Blaine's cousin. Sherman, as an Army commander, was to have the most intimate political and social relations with Blaine; he lived near him in Washington and often worked in Blaine's home.

#### Railroads, the national development fulcrum

British spokesmen and British allies in U.S. public life furiously objected, but the final Northern Pacific bill passed Congress, pushed through by House Speaker Blaine, and President Grant signed it on May 30, 1870.

The bill stipulated that the railroad could use only American iron and steel, made from American iron ores. These provisions typify the role which railroads and westward settlement were designed to play in sharply upgrading U.S. industrial capability and world influence.

America's population doubled between 1860 and 1890, going from 31,443,321 to 63,069,756. With new settlers pouring in, the population of the Midwestern, Mountain, and Pacific states accounted for almost *one-half of the national increase*, growing from 9,096,716 to 22,410,417.

To move the settlers and their goods. U.S. railroads added 79,592 track-miles from 1865 through 1882, growing from 35,085 total miles to 114,677. The demand for rails fuelled the growth of the new American steel industry: fully modern mills—investments protected by 90 or 100% tariffs against competition from imported British steel<sup>2</sup>—suddenly sprang into being in the 1860s and 1870s.

Most of the explosive growth came from railroad orders. American production of steel rails started from zero in 1865, growing to 1.3 million tons in 1882, while overall steel production grew from only 14,000 tons to 1.7 million tons. Rails alone accounted for 44.2% of total steel output in 1870, and 76.2% of the total by 1881.

The most prominent of Jay Cooke's fellow Northern Pacific stock subscribers were the leaders of the Pennsylvania Railroad (PR), a corporate group whose projects included

Andrew Carnegie's steel mills, the greatest machine works, Thomas Edison's invention organization, and Mexico's national railway construction.

This Philadelphia industrial and political grouping was the surviving heart of the old Whig machine which had brought Blaine into politics. He was on the closest terms with Pennsylvania Railroad president Thomas Scott. Northern Pacific manager Jay Cooke was the PR's banker, and Blaine's friend and personal banker.<sup>3</sup>

Another shareholder in the Northern Pacific project was Baron Friedrich Gerolt, the Prussian, and later the German, ambassador to the United States. Baron Gerolt had spoken enthusiastically about the "thousands and tens of thousands of our emigrants . . . [who] arrive annually to establish a new home and to unite their capacities with American industry and enterprise in developing the unbounded resources and promoting the welfare of new and rising states."

Germany, Russia, and then-independent Hawaii, were among those countries well represented at the American nationalists' 1876 Centennial Exposition in Philadelphia. Germans allied to Henry Carey soon afterwards prevailed upon Chancellor Otto von Bismarck to adopt American-style protectionism and the most vigorous state-sponsored industrial projects. Tsar Alexander II simultaneously engaged Philadelphia planners for Russian industrialization.

President Grant directed U.S. legations abroad to encourage emigration to America. The immigrants were welcomed at the New York wharves by Northern Pacific reception teams, including translators, and were housed in Northern Pacific-owned hostels in several cities, until arrangements were completed for them out West.

Japanese Prince Iwakura and 29 other Japanese officials stayed at Jay Cooke's house in 1872 (and were hosted by Speaker Blaine and others in Washington) while preparing a treaty with the United States and a loan of \$15 million for Japanese development. Cooke was negotiating with Japan for Asian connections with the Northern Pacific system. A global belt of railways, canals, and shipping operations was envisioned, to vastly enhance the economy and power of the sovereign nations. Japan had just commenced a new government (the Meiji Restoration) inspired by Henry Carey's students, and U.S. engineers, agronomists, geologists, and protectionist economists were accelerating Japanese industrialization.

As Secretary of State in 1881, Blaine helped clear the path to Asia for this U.S. policy. Blaine laid down a tough policy of interdicting British plans for a protectorate and coolielabor base in Hawaii. He instructed U.S. diplomats that the

<sup>2.</sup> The average of the tariffs on *all* dutiable goods had jumped from the old free trade level of 18.84% in 1861, to 36.19% in 1862, to 47.56% in 1865, and stayed above 40% for the next 50 years. These and other statistics are from Guetter and McKinley, *Statistical Table Relating to the Economic Growth of the United States* (Philadelphia: McKinley Publishing Co., 1924).

<sup>3.</sup> When the Philadelphia partners wanted to make their protégé Edison famous, Blaine staged Edison's demonstration of his new phonograph in the home of Blaine's political aide and niece, Mary Abigail Dodge.

<sup>4.</sup> The Northern Pacific created a terminus city on the Missouri River and named it "Bismarck" in honor of the German Chancellor. Bismarck is now the capital of North Dakota.

islands were the "key to the maritime dominion of the United States," and that the Hawaii-U.S. 1875 reciprocity treaty had made them "practically members of an American Zollverein in an outlying district of the state of California." Blaine maintained warm relations with the American Whig nationalists, many of them his friends from Maine, who were in Hawaii shaping its transformation into America's bridge to the Orient.

#### Real politics after the Civil War

To maintain the momentum of nation-building at home and abroad, the nationalists had to fend off attacks from the British Empire's friends in the oligarchy of New York, Boston, and the Southern states. That combination kept up a continuous fire against all railroad builders, under the pretext of corruption scandals. As a top American strategist, Blaine was a particular target of venom from "reformers," Northern aristocrats, and those other racists, the Southern Democrats. Although Blaine had flaws, as do all professional politicians, he was never personally corrupt. The issue was always whether the U.S. would build and lead a world of sovereign republics to end oligarchism.

The political problem then posed by the South is poorly understood today. Under the leadership of Grant and Blaine, the Force Acts were passed (1870-75) to correct outrages that threatened to undo the Union victory. Constitutional amendments had given the freed slaves full citizenship rights, but the former slaveowners were forcing blacks back into de facto slavery, using state laws called Black Codes, and Ku Klux Klan terror. While Southern blacks were prevented from voting, Southern representation in Congress was calculated on the total Southern population, white and black, thereby giving each white Southerner twice the voting power a Northerner had in Congress.

Blaine took an unequivocal stance against the attacks on the civil rights of the freed slaves, which, he argued, were attempts to reimpose slavery, and were totally unacceptable.<sup>6</sup>

#### War with Britain over South American freedom

Taking office in 1881, the administration of James Garfield, with Blaine as Secretary of State, fought to destroy the political power of the British-allied Wall Street financiers; worked for Russian industrialization, and sought a Russian-American military alliance against Britain; abetted Irish revolution; and aided South American nations to overcome Britain's neo-colonial oppression and wars. *EIR* has previously presented an outline of this too-brief combat, which ended with Garfield's assassination in his first year as President (see Anton Chaitkin, "President Garfield's Total War on the British/Wall Street Axis," *EIR*, Oct. 8, 1999).

Under the succeeding Chester Arthur Presidency, Blaine continued aid to the Peruvian nationalists, who resisted a British-organized invasion covertly run through Chilean forces (the War of the Pacific). And he prevailed upon President Arthur to issue an invitation, which Blaine had authored, to the independent nations of the Western Hemisphere to attend a Peace Congress that would inaugurate war prevention and economic cooperation among the American sister republics.

Blaine was soon forced to resign. His place was taken by Frederick T. Frelinghuysen, stooge of Democratic Party boss August Belmont (U.S. representative of the British Rothschilds) and law partner of Belmont's son Perry. Frelinghuysen *rescinded* the invitations to the sister republics, on the grounds that European powers were not invited and might be offended! He also cancelled Blaine's work in Peru, giving free rein to the invaders to dismember Peru and halt that country's ambitious industrialization plans.

But Blaine was again Secretary of State in 1889. He successfully convened the Pan-American Congress, setting the stage for FDR's "Good Neighbor" policy 44 years later.

Blaine let the world know that America was in a global contest with the British Empire over the fate of civilization. After he was forced out of office by Garfield's assassination in 1881, Blaine defended his South American policy against Britain's criminal covert tactics, at inquisitorial hearings called by Perry Belmont, then a Congressman. Blaine testified:

"The Chilean government has put up by advertisement 1,000,000 tons of guano, which I suppose is worth \$60,000,000 in Liverpool and they pledge themselves in the advertisement to pay one-half of it into the Bank of England for the benefit of the English bondholders who put up the job of this war on Peru. It was a put-up job; that is all there was to it; it was loot and booty. It had not as much excuse in this as Hastings and Clive had in India, and England sweeps it all in. . . . The iron-clads that destroyed the Peruvian navy were furnished by England. . . . It is a perfect mistake to speak of this as a Chilean war on Peru. It is an English war on Peru, with Chile as the instrument, and I take the responsibility of that assertion. Chile would never have gone into this war one inch but for her backing by English capital, and there was never anything played out so boldly in the world as when they came to divide the loot and the spoils."

The understanding that U.S. Manifest Destiny meant a war against British imperialism and looting, is a lasting legacy of patriot James G. Blaine.

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<sup>5.</sup> Correspondence in the 1894 *United States Foreign Relations* volume on diplomatic relations with Hawaii, quoted in David Saville Muzzey, *James G. Blaine: A Political Idol of Other Days* (Port Washington, N.Y.: Kennicat Press, 1963), p. 204.

<sup>6.</sup> See James G. Blaine, "Ought the Negro To Be Disfranchised?" in *Political Discussion: Legislative, Diplomatic, and Popular;* 1856-1886 (Norwich, Conn.: The Henry Bill Publishing Co., 1887).

<sup>7.</sup> Quoted in the article on William Russell Grace, *Dictionary of American Biography* (New York: Charles Scribner's Sons, 1931).

### **EXI**International

# New Russian security doctrine reflects major policy shifts

by Jonathan Tennenbaum

On Jan. 10, Russian acting President Vladimir Putin signed an order (Ukase No. 24) setting forth a new "National Security Conception for the Russian Federation." The toughly worded text not only reaffirms the "nuclear first use" policy, which *EIR* has reported on several occasions, but it also contains extraordinary formulations—scarcely reported on in the Western press—linking national security with the *indispensable role of the state in reviving the real economy*, stressing, especially, support for "science-intensive products" and the necessity to revive "research into strategically key areas of scientific and technological development." The document furthermore hints at possible dirigistic measures for currency control and reorganization of the Russian financial and credit system.

While encompassing significant changes vis-à-vis the earlier, 1997 version, including the extended role given to nuclear weapons, the new national security document is clearly consistent with an entire array of strategic policy shifts which have been in progress for over a year, and which were most recently reflected again in the joint Russian-Chinese policy declaration issued at the time of then-President Boris Yeltsin's visit to Beijing last December (see *EIR*, Dec. 24, 1999). For this and other reasons, the new document should *not*, in our view, be seen as an emphemeral product of ongoing power struggles on the Russian political scene, nor simply as a personal policy of acting President Putin. Rather, the new doc-

Attempts to ignore Russian interests constitute a danger to world stability, the document declares. "In spite of the complex international situation and internal difficulties, Russia, with its considerable economic, scientific, technological,

relations continues to be very great." Among the threats to Russia's national security, the document repeatedly empha-

sizes "the problem of terrorism, which has a transnational

character. . . . International terrorism has launched an open

campaign to destabilize the situation in Russia."

trine embodies an overriding *institutional response* to the existential threat to Russia, posed by the combination of economic collapse and the "Brzezinskian" geopolitical insanity coming from the British-American-Commonwealth (BAC) faction in the West. The decided toughening of the Russian stand, reflected in the document, underscores the warnings of Democratic Presidential pre-candidate Lyndon LaRouche: that the ascendancy of either Al Gore or George W. Bush to the U.S. Presidency would put us on the road to World War III.

#### Military-strategic elements

The new ukase begins its broad review of Russia's national security issues, by stressing "dynamic transformations" of the world situation, involving a conflict between attempts of Russia and other nations to form a multipolar system of economic, political, and scientific and technological cooperation, on the one side, and the attempt to impose a "domination of international relations by advanced Western nations under the leadership of the U.S.A." on the other. The latter countries are attempting to enforce "unilateral decisions on key world problems, based especially on military force, and breaking with the basic norms of international law." Furthermore, "a number of countries" are trying "to weaken the position of Russia in the political, economic, military, and other spheres." As a result, "the importance of military force in international

<sup>1.</sup> See, for example, Jonathan Tennenbaum, "Russia, Pressed to the Wall, Moots Use of Nuclear Weapons," *EIR*, Sept. 17, 1999; Rachel Douglas, "Russian 'Doctrine': The Posture of a Big Military Power, Under Attack," *EIR*, Oct. 29, 1999.

<sup>2.</sup> The quotations contained in this article were translated from the Russian text of the Ukase, which was reproduced in *Nezavisimoye Voennoye Oboz-reniye (Independent Military Review)* on Jan. 14. The emphasis is that of the author.

and military potential, and *unique strategic position in the Eurasian continent*, continues to play an important role in international processes."

To meet the strategic challenges, major efforts must be made to improve the situation in the Armed Forces, security forces, and domestic and foreign intelligence structures. The document points to a "critically low level of operational and combat preparedness of the Russian Armed Forces . . . and unacceptable cuts in the procurement of modern weapons and specialized military equipment" which must now be reversed.

Nuclear weapons are indispensable to Russia's national security, the document emphasizes. "The Russian Federation must have nuclear forces capable of inflicting guaranteed massive damage against any aggressor state or coalition of states under any given conditions." Later it is stated that Russia is prepared "to use all forces and means at its disposal, including *nuclear weapons*, in the event of a need to repulse armed aggression, if all other measures for resolving the crisis have been exhausted or have proven ineffective."

The ukase also affirms that use of military force within the territory of Russia could be authorized, "only in strict adherence to the Constitution and Federal Law," in case of "threats to the lives of citizens, threats to the territorial integrity, and also threats of the use of force to overturn the constitutional order."

The new doctrine furthermore recognizes "the necessity of a Russian military presence in some strategically important regions of the world. Stationing of limited contingents (military bases, naval forces), based on agreements and on the principle of partnership, should permit Russia to fulfill its obligations and to contribute to creating a stable balance of forces in these regions, while giving Russia the capability to react to crisis situations in their early stages, and to contribute to realizing the nation's foreign policy goals."

Russia's national security, the document emphasizes, embraces not only the area of military defense per se, but also economics and "the defense of Russia's cultural and moral-spiritual heritage, its historical traditions and norms of public life." The document calls for a new government policy for "moral and spiritual education of the population," including "prohibition of the use of mass media air time for the broadcast of programs which promote violence and acts of degradation." Government policy should also include action "to counter the negative influence of foreign religious organizations and missionaries."

## 'Serious miscalculations' in economic reforms are key to national security threat

The most novel and far-reaching feature of the security doctrine signed by Putin is the way it addresses the *link between national security and economics*, and puts forward priorities for *dirigistic state measures* to rebuild the economy. As this part of the new doctrine has been nearly entirely blacked out in Western press commentaries, it is worthwhile to quote here at length from some key passages:

"In the sphere of economics the [national security] threat is many-sided and determined above all by the major drop in the national product; the shrinkage of investment and investment activity, and of scientific and technological potentials; stagnation in the agricultural sector; growth of domestic and foreign debt; the over-predominance of raw materials and energy in the composition of exports, and the predominance of food and consumer goods—including crucial necessities of life—in imports."

In another place the document refers to "the consequences of the deep social crisis [which] include the sharp decline in the birth rate and in the mean life expectancy in the country."

Among the economic threats to the nation, the critical situation in the scientific-industrial complex is repeatedly emphasized, including "the decline of research into strategically important directions of scientific and technological development; the outflow of specialists and intellectual property out of the country, threatening Russia with the loss of its leading position in the world; the degradation of science-intensive sectors of production and increased technological dependency of Russia on foreign sources; loss of the defense capability of Russia."

The document continues by noting that "the negative processes in the economy are the *root cause* of the separatist tendencies among a number of the constituent territories of the Russian Federation. They lead to an *increase in political instability* and the weakening of the unified economic structure of Russia and its main components: the technological-productive and transportation nexuses, and the financial, banking, credit, and tax systems."

In remarkable contrast to the economic policy article published under Putin's name at the end of December (see EIR, Jan. 7, 2000), which put the blame for Russia's economic decline nearly exclusively on the failures of the Soviet system and neglected to mention the devastating effects of the International Monetary Fund "shock therapy," the new ukase points sharply to the national security consequences of "serious miscalculations" in the economic reforms and the "criminal structures" which extend into the government apparatus: "The threat of criminalization of the social relations that took shape in the process of reforming the socio-political system and economic activity, has become especially acute. Serious miscalculations, made in the initial stage of reforms in the economic, military, legal, and other areas of government activity; the weakening of the system of state regulation and control . . . [and] the decline of the moral-spiritual potential of society are fundamental factors, encouraging the growth of crime, especially in its organized form, as well as corruption." It is further noted that "terrorism and organized crime have grown in scale due to the change in forms of property, which has frequently been accompanied by conflicts, and to the intensification of power struggles on the basis of clan and ethnic interests."

"The consequences of these miscalculations are expressed in the weakening of legal control over the situation

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in the country and the involvement of certain elements of executive and legislative branches of government in criminal structures, the penetration of the latter into the sphere of management of the banking business, big industry, trade organizations, and goods-distribution networks. In this connection the struggle against organized crime has not only a legal, but also a political character."

The latter formulation, which had appeared earlier in statements attributed to the new President, is widely interpreted in Russia as an indication that Putin might be preparing to move against Boris Berezovsky and other "Russian oligarchs," who up to now were counted among his most influential supporters.

#### Dirigistic economic measures

Besides mooting a possible purge of corrupt "oligarch" influences in the government, the document strongly points to *dirigistic interventions* by the state, to halt the economic collapse and rebuild the productive base of the country. Here are some key excerpts:

"Under conditions of the liberalization of Russia's foreign trade and the sharpening of international competition in goods and services, it is indispensable to strengthen *protection of the interests of Russia's goods-producers*.

"Crucially important is to carry out a balanced financialcredit policy, aiming at gradually *reducing the dependency of Russia on foreign credit*....

"It is indispensable to strengthen the role of the state in regulating the activities of foreign banks, insurance and investment companies, and to introduce certain well-defined and justified limits on the granting to foreign companies of rights to exploit strategic natural resources, telecommunications, transport, and trade networks.

"Effective measures must be taken in the area of *currency* regulation and control, in order to create the conditions for ending foreign currency transactions in the domestic market and preventing the uncontrolled transfer of capital out of the country.

"Basic directions of government action in the domestic economy, for maintaining the national security of the Russian Federation, are:

"... Strengthening state regulation of the economy....

"Taking necessary steps to overcome the effects of the economic crisis, to preserve and develop the scientific and technological, and production potential....

"... Highest priority is the task of eliminating the structural deformation of the Russian economy, by guaranteeing the growth in output of *science-intensive products* and products involving a high degree of processing....

"It is very important to strengthen state support for investment and innovation, and to adopt measures to establish a stable bank system *corresponding to the interests of the real economy*, improving access of enterprises to long-term credits for financing capital investment."

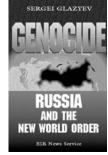
Finally, in the context of its repeated emphasis on science and technology, the document states: "The scientific-industrial complex plays an important role in realizing the national interests of Russia. The restructuration and conversion of the military-industrial complex must be carried out without damaging the development of new technologies and scientific and technological possibilities, the modernization of armaments . . . and the strengthening of the position of Russian producers on the world arms market." Also, specific measures should be taken "to stimulate the transmission of new military technologies into the civilian sector." The Russian government intends to take steps "to concentrate financial and material resources in high-priority directions of development of science and technology, giving support to leading scientific schools, accelerating the formation of scientific and technological groups and national technological bases."

The crucial question, is, of course, what the Putin government will actually do to carry out the economic policy intentions expressed in the document. If decisive action is really in the works, a major struggle will most certainly develop around it in the coming weeks and months.

But without doubt, the new national security doctrine reflects a firm policy consensus within Russian national institutions. It must be taken seriously.

# RUSSIA AND THE NEW WORLD ORDER

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# Speculation uncovered in Germany's scandals

by Rainer Apel

After several weeks of escalating scandal-mongering in Germany over illegal funding of political parties, the first prominent political casualties have occurred among the Christian Democrats (CDU): On Jan. 17, Manfred Kanther, a former Hesse state CDU party chairman and former Interior Minister in the cabinet of previous Chancellor Helmut Kohl, resigned his seat in Parliament. The next day, former Chancellor Kohl resigned as CDU honorary chair. More resignations are being called for, and more are certain to occur.

The week of Jan. 9-16 saw the scandals broaden dramatically: It began with ominous threats by Karlheinz Schreiber—a fugitive from German law, now in Canada—that he would soon spill secrets that could topple Germany's entire political class; it ended with the bombshell news that the Hesse state CDU had hidden up to 8 million deutschemarks from the German tax authorities, in secret bank accounts in Liechtenstein and Switzerland, and had transferred money from there back to Germany to fund CDU operations in Hesse. The Hesse scandal implicated several prominent Christian Democrats who knew of the secret accounts, among them Kanther. With the implication of Kanther, who exemplified the CDU policy of "restoring law and order," the Christian Democrats suffered a big blow to their reputation.

#### The Sayn-Wittgenstein scandal

An even bigger scandal is unravelling, and it has to do with the role of Hesse CDU party treasurer Prince Casimir zu Sayn-Wittgenstein, who held this post for 22 years, from 1976 to late 1998. Questions about the Hesse CDU financial situation, which did not appear sound on closer inspection, had been raised beginning in mid-November 1999. Sayn-Wittgenstein answered all questions with the "simple" explanation that three anonymous payments into the Hesse CDU bank account, in the range of several hundred thousand marks each, had come from donors who did not want their names made public. Then, coming under more pressure, Sayn-Wittgenstein claimed that the donations were "from German Jewish emigrés living abroad," for whom he had chosen a secret money transfer to Germany through Liechtenstein.

There were no such Jewish emigrés, but Sayn-Wittgenstein apparently calculated that in Germany, where the Jewish issue is so sensitive, nobody would dare ask for details. Concocting this story was, to put it mildly, very unwise, because when it was revealed on Jan. 14 that there was nothing to it, the affair caused considerable outrage among Jews (and others) about the degree of cynicism with which Sayn-Wittgenstein had tried to implicate them in a cover-up of a major scandal. This is the last thing that Germany needed, where great efforts are being made to rebuild a sizable Jewish community and establish ecumenical cooperation among Jews and Christians.

Sayn-Wittgenstein's cynicism on the Jewish issue is the more shocking, because he has prominent connections, including family ties, to German Jews. After he married the daughter of Richard Merton, whose Jewish father (with the same name) had founded the Frankfurt-based specialty metals firm Metallgesellschaft, Sayn-Wittgenstein joined the firm in 1954 and later became a member of its board for more than 20 years.

#### The 'black nobility' and Anglophilia

Sayn-Wittgenstein's cynicism may originate in his being a member of one of the important families of the "black nobility" in Germany, and in the specific oligarchical Anglophilia that goes along with it. This led him to join the World Wildlife Fund (WWF) of British Royal Consort Prince Philip, and to establish a German branch of the WWF in the 1970s. The WWF has played a significant role, along with the Club of Rome's operations in Germany, to inject the Christian Democrats with the same ecologist disease that has infected the Social Democrats. The main reason why the state of Hesse was the first in Germany, in 1982, to be governed by a coalition of the Social Democratic Party (SPD) and the anti-indus-



Former Chancellor Helmut Kohl, who was recently forced to resign his post as honorary chairman of the Christian Democratic Union. A British-American-Commonwealth oligarchical campaign is gearing up to destroy Germany's political system.

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trial Greens, was the fact that the CDU was unwilling to attack ecologism head-on, but only criticized its most extreme forms, such as anti-project protests and acts of sabotage.

Instead of fighting the ecologists and exposing the weak flanks of the SPD-Green government in Hesse, the CDU decided to be "pragmatic," and that pragmatism set the stage for the CDU leadership to allow its treasurer, Sayn-Wittgenstein, to secretly bring funds into the party from abroad, in the range of up to DM 8 million. This flew in the face of the stricter party-funding laws that were introduced in 1984.

#### **Seamy financial transactions**

But, such activity was also outside the bounds of strict financial-market regulations on speculative transactions. In an interview with the Sunday edition of the *Frankfurter Allgemeine Zeitung* on Jan. 16, Sayn-Wittgenstein himself revealed that the money which he placed in accounts with the Union Bank of Switzerland, had, among other things, also been used for speculative transactions on the Frankfurt Metallgesellschaft. By the end of 1999, during the 16 years in which the money had been deposited in UBS, it had quadrupled, to DM 32 million; DM 14 million had been transferred back to Germany, but, as of Jan. 14, when the scandal broke, DM 18 million was still with UBS.

Frankfurt stock market sources are wondering how Sayn-Wittgenstein was able to turn DM 8 million into DM 32 million; it could not have been done with normal investments, at normal profit margins. It could have been done only via highrisk operations—for example, deals involving junk bonds, derivatives, or, specifically, Russian GKO bonds (until the Moscow default crisis of August 1998).

The case of Sayn-Wittgenstein's special financial deals, from which the Hesse CDU has benefitted for so many years, takes one into the murky financial world of the tiny duchy of Liechtenstein, an enclave couched between Switzerland and Austria. It has 33,000 citizens, but twice as many bank accounts, many of them held by firms for which there is no material evidence of their existence, except for a post office box or a file administered by a trustee. Liechtenstein is to Europe, what certain Caribbean islands are to the Americas an offshore haven for shady operations, with its extremely lax investment and banking laws. There certainly was a good reason why Bruno Gehrig, the governor of the Swiss National Bank, who has ardently warned over the last two years about uncontrollable "cluster risks" related to highly speculative transactions, recently hinted at risks in the deregulated Liechtenstein market. Gehrig, naturally, has to consider broader risks, affecting banks and markets internationally.

Thus, the unravelling party-funding scandals in Germany, which have already provided leads into a number of other long-kept political secrets, may now also lead into some of the big secrets of the methods by which the global financial markets have managed to muddle through the explosive crisis over the last few years.

# Pope leads ecumenical effort as his enemies plot succession fight

by Claudio Celani

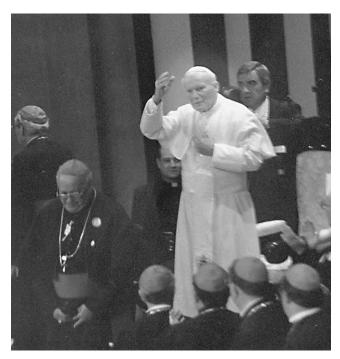
As Pope John Paul II initiates the Jubilee Year of the millennium, factions antipathetic to his policy have signalled the beginning of hostilities inside the Roman Catholic Church to determine a shift of policy for his successor. Karol Wojtyla, despite being 79 and sick, has made it clear that he intends to carry out his mission until the end—that is, leading the Roman Catholic Church into the new millennium. To this purpose, he has organized for this year the crowning of his Pontificate's ecumenical efforts, in a number of travels and highly significant meetings with leaders of the Christian, Jewish, and Muslim faiths—meetings which can represent important steps toward ecumenical unity among the religions, and thus strengthen the role of reason in world affairs.

Nevertheless, a notorious representative of the liberal opposition to the Pope, Bishop Karl Lehmann of Mainz, Germany, raised the issue of the Pope's resignation in an interview which was clearly designed to spark debate inside the Church. Lehmann is the chairman of the German Bishops Conference. A follower of Martin Heidegger, the existentialist philosopher who wrote scandalous apologias for the Nazis, Lehmann has well-known differences with the Pope's views on matters of theology and doctrine, which have kept him from being made a Cardinal. This means that Lehmann will not participate in the Conclave that will elect the next Pope.

Notwithstanding this, Lehmann opened hostilities on the issue by releasing statements in a Jan. 9 radio interview that were reported by the Italian press agency ANSA as follows: "I personally believe that the Pope must have the courage to state: I can no longer carry out my task in an adequate way." Subsequently, Lehmann corrected the ANSA report, saying that he had really said, "I personally believe the Holy Father able to confess courageously, 'I can no longer etc....'" Despite the correction, Lehmann's statement was generally interpreted as undue, and shameful, pressure on the Pope.

Immediately, Lehmann's interview provoked a chorus of reactions from the ranks of the Church. Especially Italians, who feel very close to the Pope, objected to Lehmann's ill-considered remarks. Bruno Vespa, a well-known commentator—and the only anchorman in history to have enjoyed a live phone call with the Pope on a TV show—wrote a commentary in which he suggested that perhaps Bishop Lehmann does not believe in the Holy Spirit. How else, Vespa asked, other than

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In March, Pope John Paul II will visit Israel, Jordan, and Palestine, in a trip conceived as an ecumenical effort for the unity of world religions—an effort whose implications are crucial to block the "clash of civilizations" scenario being promoted by British geopolitics.

the Holy Spirit, could one explain whence John Paul II has drawn the extraordinary energy he has shown, so far superior to what his unaided physical strength would allow?

The Pope himself indirectly answered Lehmann, commenting in a public appearance: "God always gives man the strength he needs to carry out what God demands from him."

#### The issue of the Papacy

But Lehmann's action must not be taken at face value. He is far from thinking that a Papal resignation is a realistic possibility. He and others well know that, in the Church as it is now constituted, to have a Pope resign is like having the rivers stream from the sea up to the mountain. In the history of the Church, only one Pope has resigned: Celestine V in 1294. His place was taken by the infamous Boniface VIII, of the Caetani family, whom Dante Alighieri in his *Commedia* placed among the simoniacs in the Inferno (by the way, Dante also castigated Celestine as the Pope "che fece il gran rifiuto"—"who made the great refusal," that is, left his post).

Lehmann has opened a new flank in the fight that will occur in the next Conclave, when the Cardinals will gather to elect the successor to John Paul II. In fact, Lehmann's target is the role of the Papacy, the highly centralized government of the Roman Catholic Church. By raising the issue of resignation, Lehmann is addressing a major complaint which he and others of his ilk share: that in cases where the Pope is too sick

to carry out his duties, the Roman Curia prevents him from resigning, and simply usurps his Papal power and runs the government itself.

Disguised as a seemingly legitimate question, the issue raised by Lehmann is part of an offensive by a definite faction in the Church that wants a decentralization in decision-making power, to be accomplished by delegating certain categories of decisions to committees of bishops, who would be sensitive to "local realities." Among the known representatives of this faction are Milan Archbishop Carlo Maria Martini, a Jesuit, and former San Francisco Bishop John Raphael Quinn, who has written a book on the subject, The Reform of the Papacy. Like Lehmann, however, neither Martini nor Quinn has a chance of being elected Pope. Martini is too much profiled as being on the "left," while Quinn, like Lehmann, is not a Cardinal and therefore will not be a member of the Conclave. It is clear that the candidate, or candidates, of this "conciliar" faction are still under wraps, and it is not to be excluded that this faction will put up a "conservative," in order to manipulate an assembly 90% of whom have been appointed by the current Pope, over the 22 years of his reign.

#### A visit to the Holy Land

While his enemies were opening the succession war, the Pope was astonishing the world with the announcement of his next trip. The Vatican made known on Jan. 11 that John Paul will travel to the Holy Land in the week of March 20-26. He will visit Israel, Jordan, and Palestine, and will meet all three heads of state. The Pope's trip is conceived as an ecumenical effort for the unity of world religions—an effort whose implications are crucial in the context of the "clash of civilizations" scenario being promoted by British geopolitics. The Pope will have public meetings with Jewish, Christian, and Muslim leaders in the Holy Land, events which will send a powerful message of unity and peace among these communities throughout the world.

In another impressive such ceremony on Jan. 16, the Pope led the largest ecumenical event in history: Leaders of 22 Christian churches and denominations joined him in opening the Holy Door of St. John Lateran cathedral. In the act of opening the door, the Pope was flanked by the leader of the Anglican Communion, Archbishop of Canterbury George Carey, and the Greek Orthodox leader Metropolitan Athanasios. Then, in a gesture of high symbolic meaning, the Pope took the Gospels from the hands of the Orthodox leader, showed the book to the crowd outside the basilica, and gave it to the Orthodox Coptic Metropolitan, Amba Bishoi, who showed it to the crowd inside. Then the Russian Orthodox Bishop Klin did the same eastwards, and the Lutheran Bishop Krause did the same westwards. Highly significant too was the choice of the readings: from the Letters of St. Paul, from the Russian theologian Vassilevic Florovsky, and from the German Lutheran Dietrich Bonhoeffer, theologian and martyr, one of the leaders of the Resistance against Hitler.

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## British Lord boosts Afghansi terrorists

On Jan. 13, Washington Independent Writers journalist Scott Thompson interviewed Lord Eric Avebury, who has been a leading patron of the "Afghansi" terrorist apparatus. The interview was made available to EIR.

Q: You were one of the Hereditary Peers who was elected to the House of Lords?

Avebury: Yes, I survived, yes.

Q: I was calling you once again to ask where things stood with the terrorism laws in Britain. I understand that Jack Straw, under pressure from Clinton, had changed the law.

**Avebury:** Yeah. He introduced new legislation to make it a criminal offense to conspire to commit acts of terrorism abroad.

**Q:** And, that passed? Avebury: Yes.

Q: So where do things stand for the people from repressive regimes?

Avebury: Well, that's a good question. And, that's precisely the objection to the legislation. If they're not doing anything unlawful in the United Kingdom, and, in fact, in a sense, they're aiding U.K. policy, because they're working against tyrannical regimes, that takes it down.

For instance, everybody hates the NIF [National Islamic Front | regime in Sudan, but, if you were an exiled Sudanese, and you were working for the SPLA [Sudanese People's Liberation Army] in Britain, then you might be committing a criminal offense. Now, when examples of this kind were given, what they said was: "Oh well, the Attorney General has to give his consent to any prosecution. And, so, the sort of cases you have in mind can easily be taken care of." But, what we say is that it's not reasonable to rely on the discretion of future Attorneys General, even if you think that the present one would be perfectly reasonable in making such a decision...

It's bad practice to have a law on the statutes, that allows that kind of discretion to people whom you can't even dream of now.

**Q:** Have there been any cases since that ruling? Avebury: Not as far as I'm aware. I don't think there's been any prosecutions at all.

**Q:** So, this Attorney General is exercising his discretion, as you put it?

**Avebury:** He seems to be. I mean, there haven't been any cases, where (what I think) proposals have been submitted to him by the Crown Prosecution Service, as they would have to.

Q: What about complaints from other countries, how are they being dealt with?

**Avebury:** Well, interestingly enough, we happened to have a debate on foreign affairs yesterday. And, one of the speakers, who was an old Sri Lanka hand, was talking about the Tamil Tigers [Liberation Tigers of Tamil Eelam

And he said, and everybody knows, that the LTT do have an office in London. It's not called the LTT. They happen to have it under a cover name. But, everybody knows who they are. And, he was complaining that the government doesn't take any action against these people. And, every so often, I get letters from Sri Lanka diplomats here, saying that the Tigers are operating openly; they're collecting money in Britain to finance their terrorist activities in Sri Lanka: "Why doesn't the government do something about it?"

Q: As far as I know, there are about a dozen countries that have complained about Britain harboring terrorism. I assume that using this discretion, none of these cases has ever been brought before the court?

Avebury: Egyptians are you talking about?

Q: Well, you have the Egyptians, the Saudis—

**Avebury:** I mean, there are restrictions. There's a man who lives here called al-Sirri, who is accused of either murdering or attempting to murder an Egyptian Prime Minister—I can't remember which it was. But, he's living here as an exile. And, in fact, I believe he's even gotten refugee status.

Q: What about Ahmad Omar Sheikh? Didn't your government back off on that? . . . The one who was released recently-

**Avebury:** Oh right, okay, yes, I know who you mean. The one who was released from the Indian prison as a result of the hijacking.

**Q:** Exactly.

**Avebury:** I wasn't aware that he was living in the U.K. There are people like that.

**Q:** I was told that he was a British citizen. As I was told, originally the British government welcomed him back—the Blair government—but then they started backpedaling. Do you know anything about his current status? Is that what you would expect under these new laws?

**Avebury:** I wouldn't actually expect that they would refuse to grant him residence....

**Q:** Dealing with this problem of "one man's terrorist is another man's freedom fighter": So, there has been a change in the law on the books, but so far, to date, the law has not been put into effect?

Avebury: Well, it has, but then, maybe they haven't quite been able to get the evidence, I think. In the past, I had taken up with Westminster, the question of the Tamil Tigers. And, while they don't do anything about the collection of money, which is used for the purchase of weapons, and they say it's an organization that's ostensibly engaged in welfare—you know, humanitarian operations—but, in fact, the money is diverted and sent over to some overseas country, into the purchase of weapons. It's quite difficult to police that. You know, I could go around and collect money and say that this is for the relief of suffering in Sri Lanka, and no one is to know, once the money has left the country, if it's being used for some entirely different purpose....

**Q:** And, it's thought that the Taliban, or others of their ilk, may be active in Chechnya—

**Avebury:** I know, I've seen that allegation. I'm not sure of it. And, in fact, somebody also mentioned that in the debate we had on foreign affairs. [Deputy Speaker of the House of Lords, Baroness] Caroline Cox says that that is the case—

**Q:** That they are spilling over?

**Avebury:** That there are Taliban involved in the struggle of the Chechens against Russia.

**Q:** That surprises me; what do you think her motive in saying that was?

**Avebury:** Well, I mean, she's very anti-fundamentalism. I mean, she claims to be pro-normal Islam, but she works closely with an organization called Christian Solidarity Worldwide. And so, they have a sort of Christian slant on everything they do. Although in some ways I admire her, because I think she does a very splendid [job] in places where there are difficult problems, like southern Sudan, Burma. But always, the victims are the Christians. Those are the ones whom she focusses on.

**Q:** Yes, that I've noticed that with her. So, what else did she have to say at the debate?

**Avebury:** She talked entirely on Chechnya, and she said that you should understand what the Russians are up against. This is a phenomenon which is triggered off by Islamic fundamentalism—

**Q:** Did she have the line that Osama bin Laden is loose in Chechnya?

**Avebury:** I'm not sure. I think she did mention bin Laden, yes. And, that's her angle. You know there are all fundamentalists involved in that struggle. But, of course, most of them are native Chechen fundamentalists. I mean, according to her,

they don't need much help from the foreigners, because there are plenty of fundamentalists in Chechnya. . . .

I think the North Caucasus, that is to say, particularly Chechnya and Dagestan, will end up being independent. But, I think also that other parts of the Russian Federation, like Tatarstan, for example, may well split off. You know, there's no particular logic —

**Q:** And, then there's the whole question of Siberia.

**Avebury:** Yes, absolutely. I mean, Siberia might as well be a foreign country anyway.

**Q:** Yes, it's so far from Moscow—some six time zones. And, there's very little that Moscow seems to be putting into it at the present time.

**Avebury:** Yes. I mean the writ of Moscow doesn't run there, and they've already got quite a separate identity in all of these regions. And, things like differences in their attitude to religions, for example. I mean that in some places, they're very hard on minority religions, and in others, they observe what is in the Russian Constitution about freedom of religion.

**Q:** Do any of these groups have offices in London at the present time?

**Avebury:** Islamic groups? Let me think. Not as such, I would say. I mean, there are people, for example—

**Q:** I had heard that there was recruiting going on in London for mercenaries and Muslim youth to be trained to fight in Chechnya against the Russians.

**Avebury:** It's possible. I haven't heard of it. I mean, there are groups, like, for example, the Yemenis, who were carried to prominence when some British citizens were charged with terrorist offenses in Yemen. And, it turned out that they had some close connections with a cleric in London, who has a reputation of being fairly extreme—

**Q:** What was that about?

Avebury: Well, the terrorists were accused of kidnapping some Western tourists. And, in the end, the Yemeni authorities sent troops to deal with it. And, there was a shoot-out, and some of the tourists were killed. The terrorists were arrested, and brought before the court. And, there was quite a lot of interest in the fact that these people were British citizens. These British citizens were tried in Yemen, and they had, as I say, this association with a fundamentalist cleric who operates in London. Now, it's not clear to me whether there's an organization there, or whether these are initiatives that are taken by a few individuals in a sort of random way. I mean, it's quite possible that the cleric would have incited them to go there and commit these terrorist acts. But, without having brought into existence some formal organization that, you know, undertook these operations,

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you could do it just as an ad hoc thing, couldn't you?

**Q:** Was there a *fatwa* issued?

Avebury: Well, there may have been, but it didn't appear. And, he's not been charged, this cleric. And, I suppose there wouldn't be enough evidence, for instance, to bring him to court under these conspiracy laws. And, that's one of the defects of the laws, they're very difficult to prove in court. Conspiracy is notoriously difficult to nail on somebody, because you've got to actually show that that person did meet with others.

**Q:** We have a somewhat different justice system. It seems fairly easy to prove conspiracy charges here.

**Avebury:** Well, you have to show under our legislation of conspiracy, that two or more people made decisions, which involved the commission of these acts. That's the basis of conspiracy. And, of course, if the meetings are clandestine and they don't keep records, then you'll never know, unless one of them gives it away. . . .

**Q:** So, I gather from what you've been saying that with the new laws, the conspiracy laws and so forth, there's been no effective change, but there is a Sword of Damocles—

**Avebury:** Yes, that's correct. That's the right way of putting

it, I think. I mean, it certainly caused some alarm amongst people that I know, who are engaged in very peaceful activities, because they weren't quite sure what the boundaries were

**Q:** So, it's a law on the books, but it's just held there in abeyance for action when someone—

**Avebury:** When they get the evidence.

**Q:** My sense is that it was President Bill Clinton who forced Britain to adopt that law?

**Avebury:** I don't think Jack Straw needed much encouragement to pass this kind of law.

**Q:** Well, heretofore, as far as I know, Labour had voted against that kind of law.

**Avebury:** Oh, yes, but Jack Straw has moved a long way to the right since he became Home Secretary.

**Q:** Do you mean matters like Operation Surety, and so forth?

Avebury: I mean, he's a changed man.

**Q:** So, he's triangulated successfully along the Third Way? **Avebury:** He certainly has.



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# Zapatista 'commanders' withdrawn from Chiapas

by Ruben Cota Meza

On Dec. 30, on the eve of the sixth anniversary of the armed uprising in Mexico of the self-dubbed Zapatista National Liberation Army (EZLN), commanded in Chiapas by "subcommander Marcos," it was announced that Dominican friar Raúl Vera López had been officially designated bishop of Saltillo, in the state of Coahuila. Up until then, Vera López had served as the coadjutor bishop of the San Cristóbal de las Casas diocese in Chiapas. With the naming of Vera López to a diocese in the arid northern region of Mexico, and with the announced retirement of San Cristóbal Bishop Samuel Ruiz to semi-arid Querétaro in the center of the country, the armed rebellion in Mexico's humid southeastern jungle region now finds itself without its religious commanders.

Separated from the immediate "battlefront," these Theology of Liberation bishops have only the Internet through which to continue to command their demoralized forces. The Vatican, by making the long-overdue decision to extirpate the cancer in Chiapas by dismantling the spiritual tyranny imposed by Ruiz over the Chiapas Indian population, is attempting to reinstate genuine Catholic doctrine in the area. Bishop Ruiz, however, has the backing of the international financial oligarchy, and of the British Crown in particular, in his separatist project in Chiapas, and they are not likely to take such a tactical defeat lying down.

#### Samuel Ruiz's failed coup

In 1996, the Vatican named Vera López as the coadjutor bishop to the schismatic Ruiz in the San Cristóbal de las Casas diocese in Chiapas, in the hope that he would attenuate the political consequences of Ruiz's grave theological deviations. The latter have fed, and continue to sustain, the armed conflict in the Chiapas region. Instead, Vera López ended up becoming one of Ruiz's "subcommanders." In an act of insolence as "supreme patriarch" of the "indigenous church"—Ruiz has spent the last 40 years building this—and in open defiance of the Pope, the only power in the Catholic Church entitled to name bishops in any diocese on the planet, Ruiz had "named" Vera López as his successor in the diocese. Arguing that the coadjutor bishop has the "right of succession," allegedly established by tradition, Ruiz tried to stage a coup against John Paul II himself.

Historian Jean Meyer, whose book A Man, A Diocese:

Don Samuel 1960-2000 was the product of a year-long investigation of Ruiz, told *Proceso* magazine that "parish by parish, community by community, Don Samuel gave very emotional speeches, presenting Don Raúl as his successor." "But Don Samuel," Meyer scolded the arrogant bishop, "you know that you have no guarantee that Raúl Vera will replace you. You are playing a very dangerous game."

"Because of my respect for him," Meyer said, "I never told Don Samuel he was making a mistake, since no prelate is guaranteed possession of the diocese he helps to run, especially because it's not private property that one can inherit." Apparently, Ruiz did consider the diocese his personal property, and "his" church, upon whose altars he tried to enshrine himself. But Ruiz, and with him Vera López, were unceremoniously removed from the pedestal on which they rested.

#### Leaving a minefield behind

Having suffered an important tactical defeat, and as knowledgeable as he is of the tactics of warfare, Ruiz is now trying to leave a minefield behind him. "I leave the diocese living through an irreversible process, and where a local, national, and international consciousness of the conflict has been raised. . . . What happened was that there was a gradual represssion, until people said 'enough.' " Speaking of his upcoming departure from the diocese, Ruiz argues that "the existence of international pressure [on Mexico] is wearing off." That's why government forces "try to make you believe that this is just a problem of an intransigent Indian group, or a group manipulated by one Guillén Vicente who poses as 'subcommander Marcos.' "But no, the Chiapas bishop says, boldly outlining his instructions, "this is an indigenous movement which, although cornered, doesn't surrender. It has grown . . . and [its members] prefer to die with dignity, than to continue dying of starvation."

Vera López, meanwhile, has adopted the use of military terminology to describe what he leaves behind. "I leave in Chiapas a persecuted church," he told the Italian Catholic newsweekly *Christian Family*. To the Mexican daily *El Universal*, he said that the situation in Chiapas has deteriorated further, and is a "time bomb" because "the solution applied is incorrect: [the government] wants to use force.... Instead of the Army [presence] being reduced, it increases. All this shows is that they don't want to arrive at peace with justice, but by once again imposing systems of domination.... There is irregular warfare, low-intensity warfare here ... running the paramilitaries; and to attack the insurgency they try to 'drown the fish,' and attack civil society, which is the social stratum sustaining it."

One of the arguments most often heard by many of the schismatic bishop's defenders is that the departure of Ruiz and Vera López from Chiapas "won't solve the problem." It can be assumed that there will be future provocations by the armed movement to "prove" the correctness of this assertion.

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# 'The Philosopher's Stone': Mozart's newly discovered opera

by David M. Shavin

### The Philosopher's Stone, or The Enchanted Isle

by Wolfgang Amadeus Mozart, Johann Baptist Henneberg, Benedikt Schack, Franz Xaver Gerl, and Emanuel Schikaneder A fairy-tale opera from 1790, rediscovered by David J. Buch Boston Baroque, Martin Pearlman, Telarc CD

The discovery of Mozart's significant role in the opera *The Philosopher's Stone* casts a whole new light on his famous opera *The Magic Flute*. This recording presents the long-lost half-sister. It is also something of a minor miracle that the opera, a product of the collaboration of five composers, is as delightful as it is.

In 1997, musicologist David Buch announced his discovery of an old score of the 1790 opera, *The Philosopher's Stone*, wherein a copyist had identified which of five composers, including Mozart, had composed which part. In 1998, the Boston Baroque, under Martin Pearlman, recorded the opera with period instruments. And in 1999, Telarc released the CD. The five composers stayed together as a team in producing, in 1791, Mozart's *The Magic Flute*—of which Mozart was the sole composer.

Two major questions arise: Why would Mozart work with a team of five composers? And what changes occurred in the "sequel," when Mozart assumed full control?

#### The 'Magic Flute' team

What was Mozart doing in joining this compositional team in 1790? Some background is needed. The other four composers were members of Emmanuel Schikaneder's acting troupe at the Theater auf der Weiden, in a working-class suburb of Vienna. Mozart and Schikaneder had significant connections to each other, and to a common republican project of educating and uplifting citizens.

Previous to Buch's discovery, it was assumed that Mozart had contributed to Schikaneder only one of the works in *The* 

Philosopher's Stone, the famous "Miau! Miau!" duet that opens the Finale of Act II. (This assumption had been based upon a known copy of this "cat duet" in Mozart's hand.) Since Mozart had contributed individual works to several operas by others, nothing much was made of this. Now, Buch has identified Mozart as the main composer of the Act II Finale, along with the Act II duet, "Nun, liebes Weibchen." Schikaneder, who is credited with two of the works in The Philosopher's Stone, was the creator of the comic figure Papageno, in The Magic Flute.

Further, the other three collaborators in *The Philosopher's* Stone also played major roles in *The Magic Flute* production the following year. Johann Baptist Henneberg, who has 10 of the 24 attributions in The Philosopher's Stone, including most of Act I, was the conductor for *The Magic Flute* (except when Mozart himself chose to conduct). Franz Xaver Gerl, who is identified as composing four works in The Philosopher's Stone, sang the bass role of Zarastro in The Magic Flute. Finally, Benedikt Schack, with five attributions in *The Philos*opher's Stone, was the tenor, Tamino, in The Magic Flute. How far Mozart's role extended in the compositions attributed to the others is not known. However, as Pearlman relates in the text included with the CD, evidently Mozart would arrive at Schack's residence and, in the few minutes of waiting for Schack to dress to go out, he would playfully compose music into Schack's unfinished opera scores.

#### The libretti, Schikaneder, and Wieland

Schikaneder created the libretti for both operas, drawing upon Christoph Martin Wieland's popular collection of tales, *Dschinnistan*, which had lately been published (between 1786 and 1789). However, Schikaneder's reliance on Wieland for material is the tip of the iceberg. He probably owed the direction of his whole life to Wieland. When Schikaneder was 15 years old, in 1766, Wieland's translation of 22 Shakespeare plays launched a revolution in German cultural life. The translation was published in Berlin by Friedrich Nicolai, who had been allied with the playwright Gotthold Ephraim Lessing, and his close collaborator, Moses Mendelssohn, since the mid-1750s, in efforts to build a German culture capable of

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sustaining a republic. The three had launched a cultural journal in the late 1750s, to wage war against the low-grade "soapopera" fare being peddled to the masses, and against highbrow, effete, and decadent fare, such as the influence of the French materialist and cynic, Voltaire, upon the king, Frederick the Great. The publication of Wieland's Shakespeare collection in German was followed the next year, 1767, by an explosion of cultural optimism from Nicolai's publication of Mendelssohn's *Phaedon*.

Schikaneder caught the acting bug no later than 1769, joining an acting troupe in 1773 to perform Shakespeare. When, in 1789, he assumed directorship of the Theater auf der Weiden, he put on at least four plays based upon Wieland within two years. Schikaneder created three of the plays, and a fourth, Oberon, was turned into a libretto by Karl Giesecke, another member of his troupe. Giesecke, also in the premiere cast of *The Magic Flute*, later became a famous professor of mineralogy, upon whom Goethe relied for unusual mineralogical samples. Giesecke had been educated, during the American Revolution, at Göttingen, a hotbed of Benjamin Franklin's collaborators in Europe. (Wieland's *Oberon* attracted another Franklin admirer, soon after Giesecke had turned it into a libretto: In 1799-1800, it was translated into English by the U.S. Ambassador to Prussia, John Quincy Adams.)

#### The larger 'Shakespeare' project

Mozart, six years younger than Schikaneder, shared in the benefits of the republican networks that launched the Wieland Shakespeare and the Mendelssohn *Phaedon*. Mozart's father Leopold obtained a set of Wieland's works (from a friend, Salomon Gessner) in 1766, immediately after they appeared in print. When his son, Wolfgang, at 21 years of age, performed for Wieland in Mannheim (December 1777), Wieland declared that meeting Mozart and hearing him play was "a real piece of good fortune." Discussions ensued around making the German language sing, and around breaking down the walls between language and music, but plans for collaboration on a *singspiel* weren't realized, as Mozart left for a timely project in Paris, involving Lafayette's circles and the American Revolution.

Meanwhile, Schikaneder's theater activities between 1769 and 1780 included all the new plays of Lessing, a couple by Goethe, and many Shakespeare plays—including his favorites, *Hamlet, Macbeth, Richard III*, and *King Lear*. He performed in many towns and cities, including Augsburg, Nuremberg, and Munich. In 1779, in the Slovenian town of Ljubljana, he led his troupe in a performance of a play, *Winter Quarters in America*. Though this reviewer is not familiar with the play, its title at least strongly suggests that Schikaneder and his audiences followed the American Revolution's developments, including the critical winter at Valley Forge, 1777-78.

In the autumn of 1780, Schikaneder met up with Mozart,



Wolfgang Amadeus Mozart, who collaborated with a team of five composers in The Philosopher's Stone. Mozart and others among the team were part of a common republican project of educating and uplifting citizens.

when he brought to Mozart's Salzburg, plays including *Hamlet*, and Lessing's *Emilia Galotti*. The Mozart family attended these plays. Schikaneder provided them with season passes, and he socialized frequently at Leopold Mozart's home. It was at that time that Mozart made his first known contribution (an aria) to one of Schikaneder's productions.

Meanwhile, Emperor Joseph II had established a German National Theater in Vienna in 1776, per discussions with Lessing. Intense political fighting surrounded the policy of bringing Shakespeare, Goethe, and Lessing to German subjects. Frederick the Great weighed in against such a loving fight for the hearts and minds of the population, with a 1780 pronouncement, "De la littérature allemande," intoning: "The rules of the theater are not arbitrary. They are in Aristotle's Poetics." And in Vienna, Joseph II's enemies attacked Lessing in 1780 as a paid propagandist for Jews. In the spring of 1781, Mozart was recruited to Vienna by the principals of the National Theater: von Sonnenfels, van Swieten, Count Cobenzl (the Court and State Chancellor), and G. Stephanie, the librettist for Mozart's first opera there, The Abduction from the Seraglio. He lived with friends of Moses Mendelssohn, the Arnsteins, who provided him with a copy of Mendelssohn's Phaedon.

Schikaneder visited Vienna in 1783, and there performed a very successful *Hamlet*. This very likely caught Emperor Joseph II's attention, as the play was politically sensitive in Vienna. On an earlier occasion (according to Mozart's letter to his father of Nov. 10, 1781), the Emperor was to have had *Hamlet* performed for the visit of Russia's Grand Duke Paul. However, the Shakespearean actor, Brockmann, told Joseph II that he could not go through with it, because the Grand Duke was, in real life, already playing the role! Joseph II appreciated Brockmann's insight and wit so much, that he awarded him 50 ducats on the spot.

In 1784, Schikaneder again impressed Joseph II with a version of Friedrich Schiller's *Cabals and Love* that the Emperor had seen in Pressburg; the Emperor then invited Schikaneder to revive German theater back in Vienna. Joseph II had come under intense pressure to cease such attempts to uplift his German-speaking subjects, after the tremendous success of Mozart's *The Abduction from the Seraglio* in the summer of 1782. (This pressure included spy charges, arrests, and banishments that summer, against Mozart's collaborators.)

Quite courageously, Schikaneder opened his first stay in Vienna, in November 1784, with the same Abduction! Shortly thereafter, in February 1785, his attempt to perform Beaumarchais' Marriage of Figaro as a German play, was prohibited by Count Pergen, the head of the secret police. Although Joseph II proceeded to promote him for the National Theater itself, Schikaneder was second to Brockmann, the lead actor there, and, from 1786 to 1789, Schikaneder left Vienna to tour his own troupe. Benedikt Schack joined the troupe when the tour reached Salzburg in 1786. In these years, Schikaneder added the new playwright Friedrich Schiller to his repertoire of Lessing, Goethe, and Shakespeare—although Schikaneder was known for introducing his own alterations into the plays.

In 1788, Johann Friedel, who had been in Schikaneder's troupe in Vienna in 1784-85, opened the Theater auf der Weiden with Schiller's Kabale und Liebe and Lessing's Emilia Galotti. When Friedel died in 1789, Schikaneder returned to Vienna, with Schack and Gerl in his troupe, to run the theater. Financial backing was secured from Joseph von Bauernfeld (whose son Eduard later became Franz Schubert's good friend). The July 1789 opening was The Two Antons by Schack and Gerl. Mozart enjoyed this opera, and later wrote his K. 613 Piano Variations based upon the most popular melody from this singspiel, "Ein Weib ist das herrlichste Ding auf der Welt" ("A woman is the most magnificent thing on earth"). So, Mozart was in some working relationship with this troupe when Schikaneder first arrived back in Vienna, and might well have seen other productions of that season, including Schiller's Don Carlos and the play based on Wieland's Oberon.

Mozart had attended the performances of Schikaneder's troupe earlier, in 1784-85, and undoubtedly welcomed the

plays and *singspiels* at the Theater auf der Weiden from 1788 to 1790. His renewed collaboration with Schikaneder on *The Philosopher's Stone* occurred in the late spring of 1790. Given the lifelong commitments of these men, it is scarcely surprising that Mozart would seize the opportunity to collaborate in bringing quality culture to the working-class audience of the Theater auf der Weiden. However, the way in which Mozart uniquely transformed the same basic array of talent and material into his 1791 opera *The Magic Flute*, puts into perspective his leadership role. Schikaneder's troupe never afterwards reached the heights of its political and artistic success of the fall of 1791, nor could it recover from the elimination of Mozart, nine successful weeks into the opera.

## Fall 1791: a turning point for the 'America' project

Mozart's *The Magic Flute* intervened into a highly charged Vienna. In France, Lafayette still had the last, best hope for carrying the American revolutionary fight for republicanism into Europe. The National Guard held out the opportunity of a Presidential role for Lafayette. France was just at the verge of crossing over into the Jacobin terror. In Vienna, the head of the secret police, Pergen, had been dismissed by Emperor Leopold—whose sister, Marie Antoinette, was under house arrest in Paris. In Prague, Mozart's opera *La Clemenza di Tito* was performed for festivities for the Emperor. Mozart was deeply involved in the strategic situation. In fact, in this period, which included the creation of *The Magic Flute*, he had confided to his wife, that he thought that he was being poisoned?

Would leaders of Europe choose to develop their lands by renouncing the "empire" model of enforced backwardness, and investing in educating, and raising the skill levels of, the populations? Or would oligarchical agents manipulate leaders and populations around simplistic "left" and "right" positions, where liberty was Jacobinism, and success was keeping others down? Simply stated, Mozart's The Magic Flute addressed the question of whether the source of the universal emotion of love in every human being, is also the basis for reason, for creative mentation, and hence for the scientific accomplishments necessary for development of one and all. Individuals either developed their emotions to be thinking citizens in a republic, or they would be ruled by their emotions as subjects, where survival meant making others into beggars. Mozart brought to this situation a unique leadership capability, which he put on stage. And the population of Vienna responded with excitement.

#### Mozart's transformation of 'The Philosopher's Stone'

In *The Philosopher's Stone* of 1790, love ensnares humans, and, if they follow it through its twists and turns, matters will turn out, magically, for the best. The philosopher's stone itself is the alchemical knowledge to conquer death, and

it was typical of Schikaneder to employ such a device; but it is not science. The audience viewing this opera finds their hearts touched; they laugh, they suffer, and they leave optimistic, as things have fortunately worked out. But, in *The Magic Flute*, the workings of love are not left to fortune. Mozart brings to bear his struggle to master his own genius, from his intense working through of Johann Sebastian Bach's contrapuntal science. In coming to know the non-magical workings of his own genius, he gained a unique insight into the love his Creator bore him, and all men. The power of love, and of mind, were fundamentally the same.

When the magic flute arrives onstage, and is presented to Tamino, it is not magical, but much more. Mozart reveals the love and power of his heart and mind in the signature trio, sung by Tamino and two guards ("Der, welcher wandelt diese Strasse," "He who travels this route"), coming in on top of the unmistakable C-minor "Adagio." This section powerfully refers to Mozart's scientific re-working of Bach, when he entered the cave of his own "natural" creative processes. Pamina, having conquered her own demons, reunites with Tamino at this point, and presents him with the magic flute. Armed with this newly discovered power, the couple bravely proceeds into the cave for their mortal trial. Beauty, and the sensual world can ensnare, but, followed with all our heart and mind, it affords mankind the power of creation. Mozart knew this, because he worked to discover such in the laboratory his Creator had provided him.

By contrast, *The Philosopher's Stone* comes close — without getting there. Certainly, the five collaborators in *The Philosopher's Stone* celebrated the power and optimism of music. One can learn a lot from what Mozart was working with in Schikaneder's troupe, before he transformed it. In *The Philosopher's Stone*, the flute plays a similar role, this time of a magical bird given to the people by the god Astromonte, which has the power to discover virtue. It sings only to the most pure, and so, its beauty can lead humans in the right direction. While magical, it is not *The Magic Flute*.

#### Charming, but not transfigurative

The music in *The Philosopher's Stone* is almost always charming, and occasionally poignant. Mozart's collaborators certainly benefitted from working with him, but they must also be given credit for whatever they brought to the task. When Schack introduces the bird who will sing to the most pure virgin, and four maidens get into a squabble over who will prove most pure, one is convinced that this is a case where Mozart was visiting Schack, and waiting for him to dress while he added to Schack's composition. (Surely, when the audience for *The Magic Flute* heard, in the opening scene, the three maidens quarrel over the handsome Tamino, they would have remembered the squabble of the four maidens from the previous season.) Schack's following chorus is handled most effectively—where, just after Astromonte's Genie has instructed the people to pursue virtue ("Tugend"), the benefi-

cent power of the god Astromonte is celebrated, and, in particular, the crowd revels in knowing that the ways of the god can be discerned by happily watching his messenger springing upwards, and soaring round the Sun. But hinting that humans can begin learning the ways of divinity by observing the heavenly motions, is the closest *The Philosopher's Stone* gets to what Mozart accomplishes in *The Magic Flute*.

Henneberg's aria for the heroine, Nadine ("A maiden who prates of love, And dares not all for her beloved, Never feels in her heart what she says, Her inmost feelings remain as cold as ice . . . ") is handled tenderly, and also effectively; but the role lacks the sublimeness of Mozart's Pamina. In response to Nadine, Schack's aria for the hero, Nadir, is guite heartfelt, and approaches some of Tamino's responses to Pamina. And Franz Xaver Gerl shows himself in the same league as the others with his aria for the hero, Nadir, in his plea to the gods for his Nadine. And what of Schikaneder's compositional skills? His aria for the heroine, Nadine ("My one and only ..."), even though a simple lament, uses the oboe and harp most sensitively. Especially noteworthy, is Schack's ominous, clanging chorus of the eight spirits of hell, as they forge a sword of death and revenge. (Here, the Papageno-figure, Lubano, upon hearing this unholy chorus from Hell, delivers the comic aside to the audience, "What a charming concert"!) As Schack's techniques sound hauntingly similar to passages from Mozart's *Requiem*, one is tempted again to ascribe this either to some direct collaboration with Mozart on this chorus, or at least, to happy inspiration from collaborative work.

Even the "unattributed" composer of the precious march of "Lilliputians" deserves praise. (The reference to Swift's *Gulliver's Travels* is explicit, with a shipwreck, and the reference to "the land of Lilliput!" ["das Lillibutische Land!"]) Coming right before Mozart's first identified contribution (the cat duet), it is more than tempting to attribute this delightful pastry of a march to Mozart himself—along with the (also unattributed) powerful aria of revenge that follows his duet.

However, despite many such passages that pleasantly surprised this reviewer (having been skeptical when I heard of this group effort), there is no transfigurative moment in *The* Philosopher's Stone. Instead, there is much joy at the fortunate turn of events. While the two texts, both drawn from Wieland, may be very similar, epistemologically, Mozart transformed the flute-bird of *The Philosopher's Stone*, using his own worked-out, scientific "magic," to craft the flute of The Magic Flute. Buch, Pearlman, and the Boston Baroque have provided a happiness, if only for putting into fresh relief the unique gift Mozart gave us. When you sing happy birthday for Mozart on Jan. 27, forget the silly ditty, and sing it the way Wolfgang Amadeus would enjoy it: Hear Mozart and friends working together in The Philosopher's Stone, then hear The Magic Flute for the first time all over again, and you'll know the happiness of Mozart's having been born. And your choice of song and toast for the occasion will probably also work out most happily.

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## **International Intelligence**

#### Patriotic former Colombia Defense Minister dies

Former Defense Minister Lloreda Caicedo, a highly respected member of Colombia's political elite, died on Jan. 13 from cancer, at age 57. Lloreda, an owner of the daily El País and a leader of the Conservative Party for years, had been appointed civilian defense minister by the new government of President Andrés Pastrana in 1998, but resigned his post in May 1999, in a public protest over Pastrana's appeasement policy toward the FARC/ELN narco-terrorists, who now control nearly half the country. More than a dozen of Colombia's top generals and 150 other ranking officers had planned to resign with Lloreda, but Pastrana managed to avert such a crisis at the last minute.

In a press conference at the time of his resignation, Lloreda said that 70% of the Colombian population opposed the demilitarized zone under FARC control, which he dubbed "almost a handover of territory." He added, "There are principles which cannot be negotiated.'

Lloreda had been fighting cancer for two years and, according to his surviving seven children, had fought fiercely to live, because he was convinced that he had a mission to carry out for his country, which he had not yet completed. According to El País general editor Diego Martínez, Lloreda had made a video shortly before his death, in which he expressed his vision for the country as a legacy for his fellow Colombians. Said Martínez, "Even in dying, he was concerned for the country he loved so much. He insisted that we should love Colombia, that we must stay here and never abandon it."

#### Australian hails FDR as century's greatest person

The president of the Australian Labor Party, Barry Jones, has "reluctantly" declared Franklin D. Roosevelt to be the greatest person of the 20th century, citing as the primary fact, that thanks to FDR, the 20th century became the "American Century." Jones,

writing in the Melbourne daily The Age on Dec. 23, weighed into the debate after an article by Gerard Henderson declaring Winston Churchill as the man of the 20th Century, and ridiculing President Clinton's nomination of FDR. Jones countered that "nobody ... has called it the 'British Century.' "He asserted: "Our world, like it or not, is largely Roosevelt's creation. He took a central role in . . . great issues. If he had faltered . . . outcomes could have been catastrophic."

Citing former Australian Prime Minister Paul Keating's assertion that the United States had produced three leaders "who were unquestionably great-George Washington, Abraham Lincoln, and Franklin Delano Roosevelt," while Australia had produced none, Jones concluded: "Since the 18th century, the U.S. has been a great locomotive nation, operating on a global stage. It has passed through three climactic events, defining struggles—the American War of Independence, the U.S. Civil War, and a combination of the Great Depression and World War II - which changed not only national, but world history. In each of the three events, a major figure emerged who influenced and may have changed the outcome. That is the acid test of greatness."

#### 'Soros socialist' is Chile's new President

Ricardo Lagos, hailed as a "new" kind of socialist, won the Jan. 16 Presidential election with 51.3% of the vote, against 49% for right-wing opponent Joaquín Lavin. Thus, another free-market "leftist" takes power in South America, following last November's win in Argentina by the São Paulo Forum's Alianza candidate, Fernando de la Rúa. Lagos, who has dined with mega-speculator George Soros and had gone out of his way to assure foreign investors that they will find the "right climate" in Chile, favors more privatization (including of the state-run copper giant Codelco), arguing that the state should stay out of production.

Like his neighbor, de la Rúa, Lagos promises to resolve Chile's high unemployment and poverty, and spend more on health, education, and social programs-none of which is likely to happen. Chile's "miracle" economy is in deep recession, as a result of global financial disintegration, and now, foreign creditors want more austerity. Lagos has announced that his economic team will include New York University Prof. Andrés Velasco, and Nicolás Eyzaguirre, now an executive director at the International Monetary Fund.

The previous week's finding by British doctors that former Chilean dictator Gen. Augusto Pinochet is too ill to travel to Spain for trial on human rights violations, and may be going home to Chile, is said to have been a factor in Lagos's slim victory. Lagos has promised that, should Pinochet return—the decision is now in the hands of U.K. Home Secretary Jack Straw — Lagos will let justice run its course, and he will guarantee Pinochet a fair trial.

#### Blair government-backed study for legal drugs

The London *Economist*, in mid-January, hailed the conclusions of a British government-backed study calling for "Dutch style" legalization of stupefying drugs. The study was compiled by a committee of the Police Foundation, "an independent research body partly funded by the Home Office." The committee, "set up with the tacit encouragement of the government," is, "the most farreaching inquiry into drugs legislation for a quarter of a century."

The report demands the "decriminalization" of cannabis (marijuana and hashish) use. This, if implemented, "would inevitably be viewed as moving Britain towards the more liberal Dutch approach." Under its guidelines, the police would treat the sale of cannabis as they now treat brothels, which are allowed to "function under the guise of massage parlors."

The study calls for a revision in the legal definition of "hard" and "soft" drugs. The Economist reports: "At present Ecstasy, a derivative of amphetamine, is grouped with heroin among the most dangerous Class A drugs, subject to the heaviest penalties for misuse. But 500,000 people are widely estimated to use Ecstasy each weekend in clubs. The report recommends that it should be downgraded and treated like cannabis as a soft, relatively harmless drug."

# Iraq's Aziz on official visit to Malaysia

Iraqi Deputy Prime Minister Tariq Aziz and six associates spent three days in Kuala Lumpur, Malaysia on an official visit, according to the New Straits Times of Jan. 15. The two countries' representatives discussed working to achieve the lifting of UN sanctions against Iraq, as well as to improve bilateral trade and economic cooperation. During a 90-minute meeting with Malaysian Deputy Prime Minister Abdullah Badawi on Jan. 13, Aziz said that Iraq is still apprehensive about accepting the new UN Monitoring, Verification and Inspection Commission, not least because there are no indications that sanctions would eventually be lifted.

However, Aziz told Badawi that "if whatever is implemented does not adversely affect sovereignty and security, it [Iraq] has no problem in cooperating." Nonetheless, Iraq believes that the so-called inspection issue fails to fully consider Iraq's interests.

Badawi said at the end of the meeting that the Malaysia-Iraq Joint Commission will meet in Baghdad later this year, and he further pointed out that Malaysia is the third-largest provider of foodstuffs under the UN's Oil for Food program for Iraq, assistance which includes \$45 million in credits for purchases of palm oil for cooking.

# Former Bahrain security chief accused of crimes

The Secretary General of the opposition Islamic Front for the Liberation of Bahrain issued a statement on Jan. 12, calling on Britain to arrest former Bahrain security chief, British citizen Ian Henderson, for crimes against humanity committed during his more than three decades in office. Sheikh Muhammed Ali Mahfudh accused Henderson of sending into exile "more than 400

families and imprisoning more than 30,000 citizens." In London, Home Secretary Jack Straw said an investigation into the allegations against the 71-year-old former Army colonel is being conducted by the Organized Crime Group of the Metropolitan Police. Henderson told Britain's Channel 4 that the charges were "laughable." Although retired, he is still an adviser to Bahrain's Interior Ministry.

The Islamic Front, according to this report, was founded in Iran in 1976; the movement's leader, Hadi al-Mudarrasi, was deported to Iran in 1982, after 73 members were sentenced to prison for plotting against the Bahraini government.

# Sudan preparing peace talks with SPLA

The Sudanese government started preparations for peace talks with the Sudanese People's Liberation Army (SPLA), in meetings over the weekend of Jan. 15 in Nairobi, Kenya. A technical committee mediated by the Kenyans was to meet to discuss dates and other technicalities to restart talks with the rebel group, headed by John Garang, that continues to carry on a deadly civil war in the south. One major feature of the overall process has been the acceptance of the Egyptian-Libyan initiative, as part and parcel of the initiative by the Intergovernmental Authority on Development (IGAD).

Garang, however, continues to maneuver: The SPLA leader went to South Africa on Jan. 10, and met with President Thabo Mbeki, to ask him to become involved. Garang said that the SPLA wanted to combine the IGAD and Egyptian-Libyan initiative, and specified, "We are trying to create a mechanism whereby the IGAD initiative remains the primary initiative, and we bring the South African, the Nigerian, and the Egyptian initiatives together to assist the IGAD peace process." Garang said that it would be important to have South Africa actively involved, claiming the situation in Sudan is "a double system of apartheid based on race and based on religion," meaning "Arabism and Islamism to the exclusion of others."

# Briefly

**BENJAMIN NETANYAHU**, the former Israeli Prime Minister, is getting support from some Likud Central Committee members, who have organized an "Israeli Forum for Benjamin Netanyahu," to have him run for premier in the next elections, according to the Jan. 13 issue of the daily *Ha'aretz*. Netanyahu is being investigated for corruption during his 1996-99 term, and may be indicted.

TERRORISTS attacked the Swiss resort at Davos with fireworks on Jan. 16, where the World Economic Forum will hold its annual summit on Jan. 27-Feb. 1. The summit will host 40 heads of state, 300 other political figures, and international executives. Police suspect the same terrorists who attacked the World Trade Organization headquarters in Geneva in September, cutting its communications with the WTO summit in Seattle.

UGANDA released 72 Sudanese prisoners of war in mid-January, in accordance with the December agreement between President Yoweri Museveni and Sudan's President Gen. Omar Hasan al-Bashir. The agreement foresees the reestablishment of diplomatic ties, including the exchange of ambassadors by April.

ALGERIAN REBELS, mostly from the Islamic Salvation Army (AIS), surrendered their weapons to the government of President Abdelaziz Bouteflika on Jan. 15, and renounced further violence. Bouteflika had offered partial amnesty for all rebels, except those who had committed rape, murder, or bombings.

'ARKAN,' who headed a Serbian paramilitary outfit that carried out war crimes in Croatia, Bosnia, and Kosovo, was assassinated in the lobby of a downtown Belgrade hotel on Jan. 15. Zeljko "Arkan" Raznatovic allegedly had ties to organized crime, and was wanted for bank robberies in western Europe in the 1970s and '80s. He became wealthy after the 1991 breakup of Yugoslavia, by working the black markets, trading currency, oil, and weapons.

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### **ERNational**

# The fascist policies of 'Texas Chainsaw' Gov. George W. Bush

by Michele Steinberg

George "Dubya" Bush likes to tell people to "come on down" to Texas to see how he has run the "second-largest state in the U.S.A." He repeats over and over that his main qualification for the Presidency is his "leadership" in Texas, because "if Texas were a country, it would be the eleventh-largest economy in the world." But, there's something rotten in Texas, and after looking at Bush's record since becoming Governor in 1995, we see that that something is George W. Bush.

In the land of the hypothetical "world's eleventh-largest economy," you will find that Texas ranks 49th out of 50 in the United States for the number of children with health insurance; it ranks 47th in the maximum welfare payment—\$201 a month for a family of three; it ranks 47th in state government spending on public health; and it ranks dead last in state government spending per capita for its population (but *seventh* nationally in spending on prisons, which is included in the overall per-capita spending figure). You will learn that Texas ranks second in the United States in the number of households suffering from hunger—5% of the households overall in this large, apparently wealthy state.

Why haven't you heard about this? After numerous debates, against five rivals for the Republican Presidential nomination, it is remarkable that none of Bush's opponents have taken off the gloves and hit him with the real facts on poverty, misery, disease, and ignorance on the Bush plantation. One reason is obvious: All of the candidates—with the exception, briefly, of Sen. John McCain (R-Ariz.)—agreed with Bush that it's tolerable to have the Confederate flag flown over the South Carolina capitol, and *refused* to take a moral stand against the flying of the banner of slavery, secession, and current-day white supremacist groups.

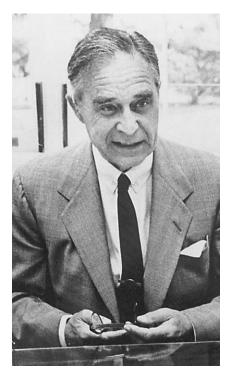
The "Confederate flag issue" is not a symbolic one. As

Democratic pre-candidate Lyndon LaRouche explained at a press conference in Concord, New Hampshire on Jan. 11, the stance of George "Jefferson Davis" Bush on the Confederate flag is an indicator of a fundamental question—the commitment to uphold the General Welfare clause of the U.S. Constitution. LaRouche explained that both Bush and Al Gore, whose cabal inside the Democratic Party tramples on civil rights and the 1965 Voting Rights Act, and has so far kept LaRouche off the ballot South Carolina for the March 9 primary, have a common racist outlook that threatens the very future of the United States.

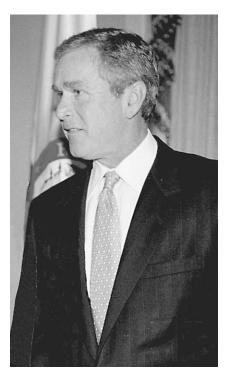
LaRouche said, "So . . . what we have today, which is relevant to the general nature of the campaign on both sides, is that the national campaign is now dominated by an issue between those who believe in the General Welfare, as in the FDR tradition, or the corresponding tradition, civil rights tradition, in the Republican Party, and those on the other side, which includes George W. Bush and Gore, who line up with the Wall Street crowd, who are trying to ram Gore's nomination through the Democratic convention . . . an alliance of the Gore people, in effect, with the Bush people, on this issue, to the effect that you have George W. 'Jefferson Davis' Bush on one side, and you have an Al 'August Belmont' Gore on the other side, as against those of us who represent, in both the Democratic Party and the Republican Party, the Lincoln tradition."

#### A family of fascists

Like his father, former President George H.W. Bush, "Dubya" will brook no criticism. Authors of books, articles, and Internet websites who criticize him have come under intense pressure and threats. Recall the incident in October







Three generations of the Bush family's service to British oligarchical interests: (Left to right) Prescott Bush, who played a role in putting Hitler into power; former President Sir George H.W. Bush; and Texas Gov. George W. Bush.

1999, when the book *Fortunate Son*, which included a report that "Dubya" had once done community service in Texas to expunge the record of an arrest for cocaine possession, was pulled from bookstores and the copies destroyed after the publisher, St. Martin's Press, came under massive pressure. The book had become a top-ten seller in the days before it was pulled, and has since been published by another company. However, despite the legendary Bush wrath, in the days running up to the onset of the GOP primaries, the truth must come out.

George "Dubya" Bush comes from the family that backed the top Nazis behind Adolf Hitler: Grandpa Prescott S. Bush's stake in the Union Banking Corp. was seized in 1942 under the Trading with the Enemy Act, because of the corporation's role in financing and profiting from Hitler's war effort.

His father, is "Sir George," knighted for his service to Queen Elizabeth II and the British monarchy. Sir George's acceptance of knighthood, and the noble title, blatantly violates Section 9, Article I of the U.S. Constitution of 1787 which says: "No Title of Nobility shall be granted by the United States: And no Person holding any Office of Profit or Trust under them, shall, without the Consent of the Congress, accept of any present, Emolument, Office, or Title of any kind whatever, from any King, Prince, or foreign State."

"Dubya's" mentor, Marvin Olasky—his guru on the issue of "compassionate conservatism"—puts forward the idea that

"today's poor in the United States are the victims and perpetuators of illegitimacy and abandonment, of family nonformation and malformation, alienation and loneliness, but they are not suffering from thirst, hunger, or nakedness, except by choice, by insanity or parental abuse." In other words, their poverty is their own fault.

Talk about "family malformation"! The Bush dynasty in Texas can be compared to the infamous screen depiction of the "Leatherface" family in the 1974 horror flick, "The Texas Chainsaw Massacre." That dysfunctional, cannibalistic family, led by Leatherface the elder, goaded the younger to chop up innocent victims so the family could eat them.

Gov. George W. Bush is a killer, too. He could be aptly called the "Texas Chainsaw Governor." He revels in the fact that he has killed more people under Texas capital punishment laws—114 in five years—than any other governor in the nation. He plans to execute 20 prisoners during election year 2000 (see article below).

After he refused to grant her clemency last year, Bush viciously parodied one of his victims, Karla Faye Tucker, in an interview with *Talk* magazine. Clemency in her case had been requested by hundreds of leaders around the world, including Pope John Paul II. Republican Presidential candidate Gary Bauer, one of Bush's rivals, deplored Bush's mockery of the woman he put to death.

But, Bush is killing even more people, especially children, with his economic and social policies are killing than he does

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with Texas's death row. Olasky, the "guru" of "compassionate conservatism," who travelled an odd ideological path from the Communist Party U.S.A. to the rigid orthodoxy of Austin's Redeemer Presbyterian Church, where he is an elder today, shaped Bush's belief that the poor have chosen to be that way.

#### Dubya's record of greed

The following report shows that Bush's Texas is a hell-hole, an embarrassment to any real leader; and the conditions in Texas should be a warning to the American people to mobilize to stop the Texas Chainsaw Governor while there's still time.

In Bush's Texas, the philosophy is clear: money first, last, and always. For Bush, like his fellow Conservative Revolution fascists (and fellow Texans) Sen. Phil Gramm and Rep. Tom DeLay, the "balanced budget" tool can kill as efficiently as the gas chamber. In numerous cases since 1995, Bush acted to *block* efforts to improve conditions for the impoverished, Hispanic minorities, and the sick and disabled:

- In 1999, Bush tried—unsuccessfully—to prevent 200,000 poor Texas children from qualifying to receive desperately needed medical coverage provided under the Children's Health Insurance Program (CHIPs), a supplemental program enacted to compensate for the murderous policies embodied in the Federal 1996 Welfare Reform bill.
- In 1995, Bush vetoed a Patients Protection Act in Texas that would have required health maintenance organizations (HMOs) to let their patients see doctors outside their own networks. The veto was of great benefit to Columbia/HCA, the largest for-profit hospital corporate chain in the U.S.A., which is owned by Bush's financial godfather, Richard Rainwater. Without Bush's veto, the bill, which enjoyed widespread popularity, would have cut into Columbia/HCA's profits.
- In 1995, Bush blocked the passage of legislation to provide a "border Marshall Plan" to improve conditions in the poverty-ridden, disease-plagued *colonias*, the 1,400 undeveloped tracts of land that were then home to 340,000 Texans (97.3% of them Hispanics) in the 40 counties along the border with Mexico.

Confronted with reality, Bush's reaction is to lash out, deny, and lie if necessary. In December 1999, when a U.S. Department of Agriculture report found that 5% of Texas households have suffered from hunger in the past two years, Bush fired back, "Where? You'd think the governor would have heard if there are pockets of hunger in Texas!"

The study, titled "Measuring Food Security in the United States," showed that Texas was second in the nation, behind only Oregon, in the number of people suffering from hunger. State Rep. Elliott Naishtat, a Democrat who chairs the House Committee on Human Services, said on Dec. 23, 1999 that he was "appalled" at the governor's comments, adding, "Could

TABLE 1
How Bush's Texas ranks among the 50 states

Policy	Ranking
Percentage of children without health insurance	1
Number of children without health insurance	2
Share of children kicked off national Medicaid rolls	1
between 1996-99 (14% of total)	
Number of people suffering from hunger	2
Number of children in poverty	2
Highest population percentage living in poverty	5
Per-capita spending by state government	50
(services, education, infrastructure, etc.)	
Percentage of population who have completed	49
high school	
Number of adults, age 25 and over, who have obtained	46
a high school diploma	
Size of welfare payment for eligible families	47
(only 45% of the official poverty rate)	
Per-capita funding for public health	48
Home ownership	44

Data from the U.S. Census Bureau, the U.S. Department of Education, other Federal and state agencies, and private organizations, including the Center for Public Policy Priorities, show that Gov. George W. Bush's Texas holds a near-record in poverty, lack of health insurance, and lack of public education.

it be the governor also doesn't know that Texas ranks at or near the bottom in every recognized national poverty-related category?"

#### Poverty, hunger, and early death

One out of every six citizens of Texas lives in poverty, according to figures compiled by the Center for Public Policy Priorities (CPPP) in its report "Working But Poor." The CPPP points out that "these rates are significantly above the national average."

In Texas, the gateway to the North American Free Trade Agreement (NAFTA) and the *maquiladoras* across the border in Mexico, it is the children who pay the highest price. As **Table 1** shows, the state ranks among the highest in child poverty. Although not the highest in infant mortality, the disparity between the infant mortality for black infants and white infants is very high.

Of all children and youth up to age 18 in the state, 26.9% (1,502,000) are poor. As of 1994-97, fully 24.5%, or 1,497,000, of all children and youth in Texas under age 19, lacked any medical insurance.

During Bush's watch, the rate of poverty among children under six years of age underwent a radical jump, from 24.4% in 1979-83, to 30.3% as of 1992-96, according to the Na-



Poverty in George W. Bush's Texas: A backyard in San Elizario. Along the border with Mexico, the incidence of hepatitis A, tuberculosis, and salmonella is many times higher than the national average.

tional Center for Children in Poverty. That is, in 1996, there were over 572,000 children under six living in poverty in Texas.

Since 1996, when the Conservative Revolution's "welfare reform" bill was signed into law by President Clinton under the influence of George W.'s political twin, Al Gore, the situation for the children of Texas has grown even worse.

In January 1999, the Urban Institute released a survey showing that Texas families report significantly greater problems obtaining daily necessities—ranging from adequate housing to affordable food—than the rest of the nation; and 17% of low-income parents lack confidence in their ability to get medical care for their children. According to 1998 data from the Children's Defense Fund, every 23 minutes a baby is born in Texas with low birthweight, and every four hours, an infant dies during its first year of life.

Bush and Gore, in fact, have been in intense competition over who is more capable of putting the screws to America's poor. While it was Gore, working with former White House Rasputin Dick Morris, who pushed through the end of Federally insured welfare protection for America's dependent children and mothers, Bush took the lead in implementing the plan.

According to *EIR*'s May 1999 review of the aftermath of the welfare reform law, Texas eliminated 302,786 people from the welfare rolls between August 1996 and September 1998. That number was second only to California, which has a much larger population. So brutal is Bush's treatment of poor families on welfare, that the U.S. Department of

Health and Human Services intervened against the Chainsaw Governor in 1997 to prevent implementation of a plan that would have put screening for welfare eligibility under the control of private corporations. In a practice reminiscent of those of HMOs, the privatized welfare screeners would have received a bonus for keeping the welfare rolls low.

#### Steal from the poor

By 1999, Democratic members of the Texas State Legislature, which by law meets *only every two years* for only three months, mobilized to stop Bush's murderous policies, by providing insurance to some 500,000 poor children in Texas, under the CHIPs, a Federal program set up to compensate for the damage done by the 1996 welfare "reform."

But, rich-kid Bush tried to block a move by the Legislature to set the income eligibility for insurance under CHIPs at \$33,400, which is twice the official poverty-level income for a family of four (*EIR*'s economic reports have proven that, in terms of survival of a family, the poverty line is set far too low).

Bush insisted the ceiling be set at 150% of the poverty level, because he wanted to make sure that the number of new recipients would be kept low. At the 150% of poverty level, a \$25,100 income for a family of four, 200,000 fewer people would be eligible for CHIPs coverage. Bush's actuaries had determined that many poor families would come forward, and qualify for *state* medical coverage, not Federal Medicaid insurance, and would then start eating into the Texas budget surplus. The Legislature held out, and an angry Bush report-

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#### It's all in the family

Judging from the Jan. 18-19 developments in Florida, where George "Dubya" Bush's brother, Jeb Bush, is governor, both racism and foul-mouthed outbursts are a family trait.

The Confederate flag fight in South Carolina was still raging—where 50,000 protesters gathered in Columbia on Martin Luther King Day, Jan. 17, to have the flag banned from flying over the state capitol—when, a day later, in Florida's capital, Tallahassee, Gov. Jeb Bush "let it fly" against African-American protesters—without knowing a TV camera was rolling.

Infuriated over a sit-in by two leading African-American state legislators at the office of Lt. Gov. Frank Brogan, Bush ordered his staff, "Get their asses outta here. . . . We're going to make their lives hell for this." The remarks were recorded by a video crew, and the film was aired the next morning, making the national news.

The sit-in began on the afternoon of Jan. 18, after two African-American state legislators, Rep. Tony Hill (D-Jacksonville) and Sen. Kendrick Meek (D-Miami), met with Bush, asking him to alter his "One Florida" program,

which eliminates affirmative action in the state college system. Bush refused. They then started their sit-in. Bush was livid.

The tape of Bush's outburst was aired on the 6 a.m. news on Jan. 19 by ABC affiliate WTXL, in Tallahassee. Soon after that, National Public Radio carried a spot on Bush's quotes. By mid-morning, 20 state legislators had joined the 200 people protesting. The governor's offices were closed and locked to anyone not having an appointment. Governor Bush, who was scheduled to deliver his budget for the state, insisted he would go ahead, regardless of the protesters.

Sen. Daryl Jones (D-Miami), head of the Black State Legislators caucus, is speaking out against Bush's arrogant actions preceding the sit-in.

Jeb Bush now claims that the order to "kick their asses out" applied to the reporters covering the sit-in, not to the elected state officials. He also put out a ridiculous statement apologizing to his mother for using "the A-word."

Lying double-talk and trying to rewrite the record is also a trait frequently observed in "Dubya" when he gets caught with his inherited "silver foot in his mouth."

Meanwhile, "Dubya's" wife Laura was touring South Carolina on Jan. 18-19, telling voters that the Confederate flag is "not a symbol of racism," and that she knows this, because she comes from Texas.

edly told Democratic Rep. Gen Maxey, who led the CHIPs fight in the State Legislature, "You crammed it down our throats."

This wasn't the first time that Bush pulled such a "save the rich" stunt, but, significantly, in the CHIPs fight, Bush lost. His behavior was a repeat of 1995, when he vetoed the Patients Protection Act, which had passed both the Texas Senate and House by overwhelming margins. The act would have given patients "rights" to simple things like choosing their own doctor, that is, against the collusion between HMOs, for-profit hospitals, and other so-called providers who profit most when they *do not* provide health care. Bush explained his veto in a memo that said that the bill would "unfairly impact some health care providers"—though not named, Bush was referring to Rainwater's Columbia/HCA.

This decision was corrupt. According to *The Buying of the President 2000*, a book released in January by the Center for Public Integrity, Bush was deriving more than 60% of his personal income from businesses in which he and Rainwater were partners when he became Governor, according to Bush's 1994 financial disclosure statement. Rainwater had also designed the deal that netted more than \$14 million for "Dubya" in the sale of the Texas Rangers baseball team.

Perhaps even more to the point is the fact that Rainwater's Columbia/HCA chain profits by looting hospitals, and imposing brutal austerity measures that cost lives. On Dec. 30, 1998, the U.S. Department of Justice joined in a lawsuit alleging that Columbia/HCA Healthcare Corp., the largest and most infamous health care provider in the nation, had been having defrauded the Medicare program and several other Federally funded health insurance programs for years.

The government's action came after a two-year investigation into the chain's bogus expense claims, and months after the government joined another suit that charged Columbia/HCA and a corporate cousin, Quorum Health Group, of defrauding Medicare for over 14 years for an estimated \$1 billion.

Columbia/HCA, which owned 300 hospitals in 32 states at the time the Justice Department joined the suit, skyrocketed to Wall Street prominence, becoming the world's largest, "most successful" for-profit hospital chain, by using strategies such as radically cutting the number of hospital medical staff and registered nurses—or buying up the competitor hospitals in a community, closing down some of them, and forcing patients to utilize the remaining hospitals.

Columbia/HCA's policy to maximize profits by ripping away hospital infrastructure is the antithesis of what this country mandated in the Hill-Burton Act of 1946, to ensure that every community had sufficient hospital beds. Now we find, through these lawsuits, that at least some of the money Columbia/HCA used to buy up (and close) health facilities was illegally gotten. While some of the lawsuits have ended, the investigations into Columbia/HCA's fraud continue.

Texas residents say that a similar story of protecting cronies could be told about the Bush family's links to the real estate bigwigs in the border area, who have an interest in keeping the notorious *colonias* as they are.

The Border Low Income Housing Coalition, a Texasbased organization, reports that conditions in Bush's *colonias* are among the poorest in the world.

According to the coalition, "A large majority of *colonias* have dirt roads, without even gravel surfaces, and have no surface drainage systems. Approximately half of Texas *colonia* residents do not have adequate water supplies. 51% of *colonia* residents use septic tanks, 36% use cesspools, 7% use outhouses, and 6% use other means to dispose of wastewater. Many *colonias* are constructed in flood plains, causing raw sewage to overflow into the yards when it rains. . . . Incidence of health problems is high. Flooding is common . . . making the existence of privies an additional health problem. Waterborne diseases are very common in *colonias* for this reason. The rate of TB in the colonias is 3.9% and hepatitis is 6.2%, well above the average for the rest of Texas.

"Education levels are quite low and school dropout rates are high. . . . Two-thirds of those over 18 years of age have not finished high school. Median annual income is estimated at \$7,000-11,000 per household. . . . Typical families consist of 5-6 people."

#### The future under 'Dubya'

To get a glimpse of a future under a Bush Presidency, just look at his proposed \$1.7 trillion "tax cut" over 10 years. It is simply a plan to steal from the poor and give to the rich. According to a December 1999 analysis by Citizens for Tax Justice and the Institute on Taxation and Economic Policy, based in Washington, Bush's tax policy is a sop to the very rich. The poorest people in America, those in the lowest 20% of the population, with an income of less than \$13,300 per family, will get an average tax cut of \$43 a year, amounting to only 0.6% of Bush's tax cut. In contrast, the top 10% of the income bracket, those with incomes of \$89,000 or more, would receive an average tax cut of \$8,362, amounting to 61.6% of Bush's tax cuts. But for the top 1%, with an income of \$301,000 or more, the average tax cut would be \$50,166 a year, 36.9% of Bush's plan.

Under George W. Bush and his oligarchic family, it's only the top 1% that count.

# The Bush family's death machine

by Marianna Wertz

As of Jan. 19, 2000, since he became Governor of Texas in 1995, George W. Bush, the "compassionate conservative," has overseen the execution of 114 Texas death-row inmates. According to the Death Penalty Information Center, this is nearly half of all the people (201) executed in Texas since the resumption of capital punishment in 1976. No other governor in America in recent times comes close to this number of executions, and Texas is way out ahead of every other state in the business of killing, accounting for one-third of all executions in the country since 1976 (see **Figure 1**).

In a pre-Christmas binge, four Texas inmates were killed in four days. One of the last executions of 1999 was that of David Long, who had to be flown to the execution chamber from a hospital in Galveston accompanied by medical personnel, where he had been placed on life support following a suicide attempt. Bush killed him anyway.

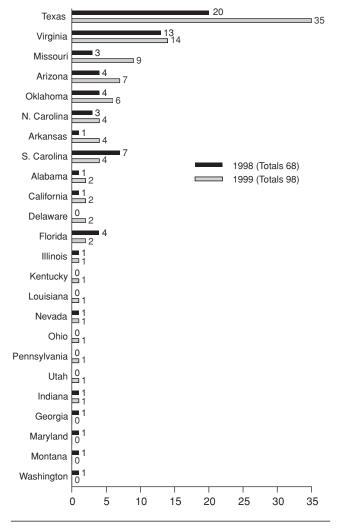
In January alone in Texas, there are seven executions scheduled, including Larry Robison, a paranoid-schizophrenic who killed his victims only after attempts to institutionalize him were rejected because of lack of medical insurance; and two men, Glen McGinnis, 26, and Anzel Jones, 21, both of whom were 17 when they committed their crimes, and both of whom are African-American. On Feb. 24, Toronto Patterson, 21, who was also 17 when he committed his crime, and is African-American, is scheduled to die.

The execution of those who were minors when they committed their crimes is banned by international treaty, but the United States took "exception" to this rule when it signed the treaty. The three American states where minors have been executed since 1997—Texas, Virginia, and Oklahoma—join Iran, Nigeria, Pakistan, Saudi Arabia, and Yemen in continuing to execute juvenile offenders.

The compassionate "Dubya" also refused to grant clemency to the first woman to be executed in Texas since the 1860s, Karla Faye Tucker, though she had been demonstrably rehabilitated while in prison. Bush subsequently mocked Tucker in an interview with *Talk* magazine, telling the reporter in a high-pitched, sarcastic tone that she had said, "Oh please, don't kill me." His refusal to grant Tucker clemency spurned requests by hundreds of world leaders,

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FIGURE 1 States with executions: 1998, 1999



Source: "The Death Penalty in 1999: Year End Report," Death Penalty Information Center

including Pope John Paul II, and by his GOP rival Gary Bauer, who said, "I think it is nothing short of unbelievable that the governor of a major state running for President thought it was acceptable to mock a woman he decided to put to death."

#### **Another bloody Bush**

On Jan. 7, George W. Bush's brother, Jeb, the Governor of Florida, pushed through legislation to speed up executions in his state, saying that the law was modelled on his brother's legislation in Texas, which cut the length of stay on death row by half. Jeb said, in Orwellian newspeak, that the Texas

TABLE 1 Use of the death penalty in 1999

Executions in 1999	98*
Executions since death penalty was reinstated in 1976	598
Deathrow population	3,625
Freed from death row and exonerated in 1999	8
Freed and exonerated since 1973	84
Leading execution states in 1999	
Texas	35
Virginia	14
Leading death row states	
California	551
Texas	458
Percent of total executions by region since 1976	
South	80%
Midwest	11%
West	8%
Northeast	0.5%

<sup>\*</sup>This was the most executions in a single year since the death penalty was reinstated in 1976.

Source: "The Death Penalty in 1999: Year End Report," Death Penalty Information Center.

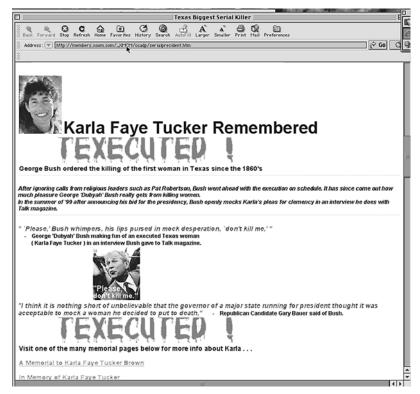
legislation has brought "a semblance of justice to this very complicated issue."

Before the Florida legislation passed, the American Bar Association issued a letter to Jeb Bush and the state legislature, expressing its concern that speeding up the pace of executions could jeopardize fairness, due process, and access to adequate legal representation for those who face execution. In 1997, the ABA called for a moratorium on executions until state and Federal jurisdictions could ensure that their policies and procedures guarantee fundamental constitutional rights and protect against execution of the innocent.

Since 1973, eighty-four people nationwide have been freed from death row after evidence of their innocence emerged. Eight people were freed in 1999 alone. For every seven executions since 1976, one other prisoner on death row has been found innocent.

In Florida, former state Chief Justice Gerald Kogan, a former prosecutor, spoke on Oct. 23, 1999 about Florida's record on innocence and the death penalty. "There is no question in my mind, and I can tell you this having seen the dynamics of our criminal justice system over the many years that I have been associated with it, prosecutor, defense attorney, trial judge, and Supreme Court Justice, that convinces me that we certainly have, in the past, executed those people who either didn't fit the criteria for execution in the State of Florida or who, in fact, were, factually, not guilty of the crime for which they have been executed."

Reflecting Jeb Bush's cynical view of the matter, his se-



From "The Serial President" website. Texas Gov. George W. Bush mocked the appeal for clemency by Karla Faye Tucker, a death-row inmate who had clearly reformed herself in prison, before putting her to death.

nior adviser, Brad Thomas, commented on speeding up executions, "What I hope is that we become more like Texas. Bring in the witnesses, put them on a gurney, and let's rock and roll."

A companion bill, also signed into law by Jeb Bush in January, makes lethal injection the primary method of execution. Since the only execution in Florida over which Jeb Bush has presided resulted in the inmate, Allen Lee Davis, bleeding profusely on the electric chair, Jeb was under pressure to allow this more "humane" form of state-sponsored killing.

In Florida, where 44 people have been executed since 1976, a 1991 study found that persons who killed whites were 3.4 times more likely to be sentenced to death than those who killed blacks. Nevertheless, the state legislature, while passing legislation to speed up the killing and make it more "humane," refused to pass an amendment allowing defendants to challenge the imposition of the death penalty if they could show racial disparity in its administration and the state could not explain the disparity.

Texas and Florida, with 458 and 393 inmates on death row, respectively, rank second and third in the nation behind California (551), while all other states, including many with larger populations, have fewer than 200, and most have fewer than 50.

#### Like father, like sons

The London *Times* recently compared the Bush brothers to the Earp brothers, who terrorized the American West with their six-shooters in the name of the law. But, the *Times* pointed out, George W. and Jeb between them "have overseen the deaths of more people than the Earps by a factor of about ten to one." The article concluded, "Under a Bush administration, the condemned can expect to die faster, younger, and less noticed. For some voters, that is a good reason to elect him. But as other American lawmen have found, to kill in the name of the law may bring popularity, but to do so with apparent enthusiasm can get you run out of town on a rail."

If George H.W. Bush weren't these boys' father, and Prescott Bush their grandfather, one might really wonder what kind of upbringing they had. But, knowing that Prescott Bush helped bring Adolf Hitler to power (see *George Bush, The Unauthorized Biography* (Washington, D.C.: Executive Intelligence Review, 1992), and that former President Bush presided over the flooding of this country's ghettos with crack cocaine during his Vice-Presidency, we have no doubt what kind of upbringing they had. It runs in the family—like father, like sons.

#### 'Finality' vs. innocence

A recent "Frontline" story by the Public Broadcasting Service reported on a Texas case, where the innocence of the inmate was proven through DNA testing, yet he was not allowed a new trial. The decision reflects the thinking in criminal justice circles under George "Dubya's" incumbency, and the current U.S. Supreme Court majority.

Judge Sharon Keller of the Texas Court of Criminal Appeals wrote the majority decision in the rape-murder case of Ray Criner (now serving 99 years in a Texas prison). The 5-4 majority found that, despite DNA evidence proving that Criner did not rape the girl, he has not proved his innocence, because he told three friends that he had had sexual relations with a girl on the night of the murder. Judge Keller called the DNA test "negative evidence," and claimed that he might have used a condom, and the victim might have had other sexual relations that night—none of which speculation was ever considered in court.

Judge Keller told PBS that, "at best, [Criner] established that he might be innocent. We can't give new trials to everyone who establishes, after conviction, that they might be innocent. We would have no finality in the criminal justice system, and finality is important."

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Judge Charles Baird, who dissented in the Criner case, saying that DNA evidence does prove innocence, told PBS that the Texas criminal appeal system "has broken down," and Criner is victim of that breakdown. "The courts have promoted finality over the substance of the claims," Baird said. "It's better that they be final, than that they be decided right. And of course I think that's wrong, when an individual's life or liberty hangs in the balance."

#### **Criminal justice in Texas**

By the time you are reading this article, Dubya will have killed Larry Robison, barring some unforeseen development. Robison, a paranoid-schizophrenic, is scheduled for execution on Jan. 21, four days before the Iowa caucuses. His story, told on the Death Penalty Information Center's website (www.essential.org/dpic/Robison.html) by his mother, Lois Robison, is a clear demonstration of how criminal justice in Texas has become just that — criminal justice.

Robison, one of eight children whose parents are school teachers, had never committed a crime before in his life. He was a model student and son, until he started acting strangely in his late teens.

Mrs. Robison writes: "Larry was first diagnosed as paranoid-schizophrenic at Huguley Hospital in Fort Worth, when

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he was 21 years old. Because our insurance no longer covered him, he was discharged. We were told to take him to John Peter Smith County Hospital where he was kept for 30 days and discharged because he was 'not violent,' and they 'needed the bed.' If he became violent, we were told, he could get the long-term treatment that everyone agreed he needed. The VA [Veterans Administration] doctors forgot to have Larry sign a release before he left, so we were unable to get medication for him. . . .

"The first and only violent act he was accused of was killing five people. We were horrified, and we thought he would finally be committed to a mental institution, probably for life. We were wrong. He was arrested, held a year without bail, not given a sanity hearing, and in spite of his medical history, found sane and sentenced to death. In the 16 years since Larry went to Death Row, he has seen a psychiatrist only twice—both times initiated by our family. He has never received any medication or mental health treatment in jail or prison. . . .

"Approximately one-third of the people on Death Row are mentally impaired. There are more of them in jails and prisons in Texas than there are in mental hospitals.... The state of Texas is 49th in resources for the mentally ill and yet it is at the very top in prisons and executions."

#### Criminal disenfranchisement

Texas and Florida are distinguished for yet another aspect of *criminal* justice. They lead the nation in the number of people who have lost their right to vote as a result of the disenfranchisement of felons. According to The Sentencing Project's October 1998 report "Losing the Vote: The Impact of Felony Disenfranchisement Laws in the United States," felony disenfranchisement laws, first introduced from England at the founding of the American colonies, were redrafted and toughened by the former Confederate states following the Civil War, explicitly in order to reduce the number of black people who could vote.

Disenfranchisement begins with a racist justice system; criminal disenfranchisement laws then guarantee that those who are convicted will lose their right to vote. The effect on African-Americans is clear: 36% (1.4 million) of the total disenfranchised population in the United States are black men

Texas and Florida, under the Bush brothers, are *way out* in the lead in the total number of citizens disenfranchised. While most states have a total disenfranchisement in the range of 100-200,000, Florida has 647,000 disenfranchised voters (of whom 204,600 are black men), and Texas has 610,000 disenfranchised voters (of whom 156,600 are black men). In Florida, 31.2% of blacks are disenfranchised (the highest percentage in the nation), and 20.8% in Texas.

This nation barely survived one Bush Presidency. Another, as is clear from these statistics, would undoubtedly kill it.

\$15

and other prison writings Lyndon H. LaRouche, Jr.

## LaRouche campaign takes New England by storm

by Stu Rosenblatt

During a week-long campaign swing through New England on Jan. 11-14, Democratic Presidential pre-candidate Lyndon LaRouche initiated a strategic intervention into global policy-making. In the same arena, his opponents in the Presidential race, Al Gore, George W. Bush, Bill Bradley, and others, appeared like Lilliputians against the Promethean qualities demonstrated by LaRouche.

However, LaRouche's growing campaign — measured by ballot status, financial contributions, and the mobilization of an army of volunteers — did not go unnoticed by his increasingly hysterical enemies in the British-American-Commonwealth (BAC) establishment, which is deeply entrenched in New England.

The highly successful tour provoked a significant BAClash: One live Internet broadcast was sabotaged; press coverage, while widespread, was muted; key elements in the political and labor constituencies of the Democratic Party were strong-armed by the desperately thuggish Gore campaign; and one event was partially wrecked by accomplices of Gore and Bush. All to halt the powerful ideas of candidate LaRouche.

LaRouche's intervention came amidst an intense battle for the party nominations in New Hampshire. With Gore and Bradley locked in a close race, ironically, the population seems rather unmoved. A poll released by Harvard University revealed that over 71% of the voters are still uncommitted—up from 64% two months earlier—most likely because of the voluminous number of debates. The more people see the less they like. This was also reflected in the legislature, where perhaps a majority in both parties are undecided! Hence the arm-twisting by Gore, both in the labor movement and among politicians, and Gore's panic over the growing movement around LaRouche.

#### **Boston bookends and New Hampshire dialogue**

The week was begun and concluded in Boston, proud home to many of America's Founding Fathers, where LaRouche delivered two major policy addresses, presented to live audiences and broadcast simultaneously on the Internet.

The two speeches developed a single theme: What is America's mission, both foreign and domestic, in the world? In the opening speech, on Jan. 11, before more than 150 people, LaRouche elaborated on the theme of the onrushing financial crash, and the need to return to the policy matrix

successfully implemented in the post-war Bretton Woods system.

Using both 1944 footage from the welcoming speeches of the Bretton Woods conference at the Mount Washington Hotel, and photographs of Harry Dexter White and other American policymakers creating the new system, LaRouche challenged all the campaigns to adopt this theme. He concluded with a call to America to adopt a new mission: to bring urgently needed machine-tool and other exports to the vast majority of the world's citizens throughout Asia, who are now needlessly dying or suffering, for lack of the necessary advanced technology to ensure their development. This initiative will reinvigorate our own decrepit, post-industrial junkheap of a nation by providing the export markets, as did the Bretton Woods' Marshall Plan, some 50 years ago. This New Bretton Woods will provide the framework for cooperation among nations based on a community of principle, and economic recovery for the world.

### **An address to the Community Action Association**

Following the Boston Town Hall Meeting (the transcript of LaRouche's speech was in the Jan. 21 *EIR*), LaRouche addressed a gathering of civic and social activists in Nashua, New Hampshire, sponsored by the New England Community Action Association. More than 100 delegates listened with intense concentration for over an hour as LaRouche challenged them to reject the littleness of Gore and Bradley, and the lying inanity of their own, other-directed friends and neighbors.

The event was covered by Nashua television networks and the *Nashua Telegraph* newspaper, and was followed by a press conference in the state capital, Concord, the next day. Despite sophisticated Internet harassment, coming from well-placed enemies, LaRouche's message got out even in an otherwise nasty Associated Press wire story. Buried within the wire, AP noted: "His main issue is the economy and his fear of an 'international Pearl Harbor financial crisis.' He has proposed convening a world-wide monetary conference, modelled after the one at Bretton Woods in 1944 that created the international monetary conference to promote international monetary cooperation."

LaRouche held private meetings with members of the legislature in Concord, following a two-day blitz of the legislature by campaign activists. Additional coverage in the media also punctuated the trip, including in the *Portsmouth Herald* and the *Manchester Union Leader*.

The blitz concluded with a memorable speech delivered once again, in Boston, this time on the theme of America's true Manifest Destiny, which appears in this issue (see *Feature*).

Those supporters who attended this meeting, as those at the previous events, vowed to carry LaRouche's message of crisis and hope back into the rocky hills of New England.

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#### **Endorsements**

## 'LaRouche can lead U.S. toward prosperity'

#### **Europe**

**Ukraine—Prof. Vasyl Stolyarov,** doctor of economic sciences, chief scientist and section head at the Scientific Research Institute for Finance, issued this "Letter to American Voters" on Jan. 11, 2000:

Mankind is currently experiencing far from the best of times. The wrong choices of paths of development, accumulated during the last three decades, have resulted in a severe systemic crisis. The merciless flames of this crisis have enveloped not only the financial-economic sphere of people's activity, but also their spiritual life. Material production is steadily collapsing worldwide, while the ugly bubble of derivatives speculation has already assumed threatening proportions. Narcotics, the rock style in art, and the sex industry have become the most lucrative spheres of global business. Contemporary civilization finds itself on the brink of a deadly abyss.

We, representatives of the scientific circles of Ukraine, one of the largest nations in the world, are experiencing the pernicious impact of the global financial institutions, such as the International Monetary Fund and World Bank, most acutely. Currency speculation on a particularly large scale and the pursuit of superprofits at any cost, define the content and the purpose of their activity—even if the cost becomes the destruction of the very foundations of national economies, along with the material and spiritual impoverishment of whole peoples. Already during the first years of independence, we in Ukraine felt the full brunt of the pernicious pseudo-reforms, implemented under IMF dictates. All of today's newly fashionable economic theories fail to answer the question of what should be done in such a situation, how to get out of the profound systemic crisis, and what should be considered, in order to save mankind from the looming threat of extermination.

I was fortunate enough to meet a person, who himself had thought about these problems a lot, namely, the American scientist and political figure Lyndon LaRouche. In his books and articles, I found clear, scientifically substantiated proposals for a fundamental transformation of the existing financial and economic system, which would reshape it for the purpose of creating a new, truly just world order—an order focussed on the creative, constructive activity of each person. Lyndon LaRouche is a profound scientist, who operates freely with

fundamental knowledge in many branches of modern science. His incredible erudition, his encyclopaedic knowledge, as well as the genuine wisdom of his vast personal experience, combined with vivid enthusiasm and indomitable, energetic optimism, are attracting to him an ever greater number of supporters and co-thinkers in many countries.

It would be difficult to overstate the importance of Lyndon LaRouche's contribution to the theory of physical economy, and of his works concerning the philosophy of the development of modern society. Nowadays, when many bitter prophecies about the financial and economic situation, made by Lyndon LaRouche many years ago, are coming true, there are ever greater grounds for the hope, that the world community will finally face up to the danger and realize the severity of the situation. The ranks of Lyndon LaRouche's friends and co-thinkers, worldwide, are becoming more and more numerous and consolidated. A number of LaRouche's fundamental projects, such as the replacement of the completely bankrupt IMF-World Bank system with a new structure, modelled on the Bretton Woods monetary and financial system, and the revival of the Great Silk Route—the Eurasian Land-Bridge from Western Europe to Southeast Asia—and the construction of modern infrastructure in many underdeveloped countries, are attracting more and more interest from the governments of various countries. China, the world's largest nation, is creatively using LaRouche's proposals in the implementation of many large-scale infrastructure projects.

When I learned that Lyndon LaRouche was running for President of the United States, my first emotion was a feeling of joy, that now a great number of people, not only in the United States, but around the world—for this country continues to play the leading role in the world economy and politics—would get to know this outstanding individual, one of the greatest scientists and political figures of our time. I wish Lyndon LaRouche success in his race for the Presidency, and I believe that common sense must, ultimately, prevail over the mindless instincts, fostered in society by the financial oligarchy and certain politicians, who support that oligarchy. I have feelings of friendship for the great people of America, and sincerely wish them happiness and prosperity. Being confident of the great potential, inherited from the glorious times of the American nation and its founding fathers, I wish the Americans the decent leadership they deserve, and real wellbeing on the basis of physical production, spiritual development, and justice. I think that Lyndon LaRouche is the person who can lead the United States toward progress and prosperity for the American people and, consequently, for the Good of all mankind.

With best wishes for the Year 2000, which is so important for the near and the more distant future of the United States.

Dr. Stolyarov's letter has been co-signed by the following Ukrainian scientists:

Prof. Volodymyr Chernyak, doctor of economic sciences, Deputy Chairman of the Committee on Economic Policy, Supreme Rada (Parliament) of Ukraine

Prof. Viktor M. Fedosov, doctor of economic sciences, chief of the Department of Finance, Kiev Economic University Prof. Trofym T. Kovalchuk, Taras Shevchenko National University

Prof. Viktor S. Naidyonov, doctor of economic sciences, scientific consultant at DIKOM investment company

Mykola D. Rudenko, Ukrainian writer, dissident, and human rights activist, political prisoner in the former U.S.S.R., author of the book *The Energy of Progress. Essays on Physical Economy*, honorary chairman of the Sergei Podolinsky Science and Technology Society

Volodymyr O. Shevchuk, doctor of economic sciences, Kiev University of Commerce

Prof. Petro O. Stepanenko, doctor of economic sciences, Kiev Economic University

Prof. Mykola M. Yermashenko, doctor of economic sciences, section chief for finance and credit, staff of the Ukrainian National Security and Defense Council

**Italy — Aldo Brandirali,** City Council Member in Milan and chairman of the Movimento Popolo e Libertà, sent out the following to the Italian press on Jan. 13, from his office at the City Council:

In the year 2000, two events are taking place, which are both important in order to achieve a more just economic order: the Jubilee, on which occasion, the Holy Father has demanded that poorer countries be relieved of the debt which weighs heavily on their economies, preventing their lawful development; and the U.S. Presidential election, which this year becomes particularly important because of the presence of a candidate, Lyndon H. LaRouche, who proposes to reorganize the financial and credit system in order to promote economic development. As I stated last month at a conference organized by the Movimento Solidarietà at the Università Cattolica del Sacro Cuore in Milan, I endorse LaRouche's proposal for a "new Bretton Woods" and will introduce it as a motion at the City Council in Milan.

#### **Ibero-America**

**Mexico — Alfredo Mendoza,** tenor, Coordinator of the National School of Music's Academy of Singing, and Director of the Schola Cantorum de México, a world-renowned children's choir:

As a musical educator, singer, and director of choruses naturally interested in having society preserve and enrich the tradition which great composers and performers have bequeathed us, I see with concern the rapid deterioration which culture and education have suffered in the last decades, not only due to budget cuts, products of a criminal economic policy, but also due to a deliberate corruption of culture.

All this, added to the disasters of the wars, famines, and the predominant social policies in general, is only bringing about the accelerated destruction of civilization.

The great majority of business leaders, intellectuals, and politicians have already sufficiently demonstrated their inability to lead modern societies toward better conditions of life and a just world order.

Why is the path closed to those, such as Lyndon LaRouche, who have proposed programs of action to get out of the present economic, political, social, and cultural debacle? Few leaders in the world can equal the moral and intellectual stature of LaRouche, and those few are surely in agreement with his basic principles and his projects for material and cultural development, which offer viable solutions to the principal problems of the contemporary world.

Especially for the developing countries, the candidacy of LaRouche for the Presidency of the United States is reason for hope. For artists, scientists, and educators, his fraternal guidance is a powerful stimulus to take up the challenge of producing in a short time, a tangible cultural advance without which society would finally perish.

For that, I also, as other colleagues, decidedly support his candidacy for the Presidency of the United States.

# The Way Out of The Crisis





A 90-minute video of highlights from *EIR*'s April 21, 1999 seminar in Bonn, Germany.

Lyndon LaRouche was the keynote speaker, in a dialogue with distinguished international panelists: Wilhelm Hankel, professor of economics and a former banker from Germany; Stanislav Menshikov, a Russian economist and journalist; Schiller Institute founder Helga Zepp-LaRouche from Germany; Devendra Kaushik, professor of Central Asian Studies from India; Qian Jing, international affairs analyst from China; Natalya Vitrenko, economist and parliamentarian from Ukraine.



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#### **Editorial**

# American patriots must defend the German state!

Few Americans have yet taken notice of it, but that must change very quickly. Whether they know it or not, Germany's existence as a sovereign nation-state, is being rapidly destroyed, day by day, from late December 1999, through today. And whether Americans know it or not, the destruction of Germany is now a major strategic threat to the United States.

What began late last year with revelations of violations of German campaign-financing laws by former Chancellor Helmut Kohl, has now spread to involve an ever-growing number of politicians, most from Kohl's Christian Democratic (CDU) party, but some from the ruling Social Democrats (SPD). Formerly respected and other politicians are falling like ninepins, since most of those accused of "corruption" try to defend themselves by denouncing others. There have been many resignations, and at least one apparent suicide. The process by which every mass-based Italian political party was destroyed in the early 1990s, by corruption charges from British-dominated, so-called "Clean Hands" magistrates, is being repeated in Germany, but far more rapidly.

Why is Germany's collapse a strategic threat to the United States? Because the only exit from the world's present dead-end course into financial implosion and war, involves rebuilding the world's physical economy, centered in Eurasia, under a reformed international monetary system: Lyndon LaRouche's "New Bretton Woods" system. Doing this will require reactivating the machine-tool and high-technology potentials, not only of the United States, Japan, and Russia, but most importantly, of continental western Europe.

Germany is the heart of the physical economy of continental western Europe, as it has been since the time of Charlemagne. If the German economy and German state perform their historic role as a dynamo of high-technology export to the rest of the world, then continental western Europe functions. If Germany does not function in this way, western Europe does not function.

If Germany, and thus western Europe, continue to be prevented from exporting capital goods into Russia and other former Comecon states, what does this mean for world peace? Look at the leadership successions in Russia, from Brezhnev to Putin. The failure of U.S. policy throughout this entire period, is propelling Russia into an irratio-

nal, barbaric, "Third Rome" cultural matrix, as LaRouche has warned since 1983. If now the German state is castrated, and the door is closed forever on the prospect of mutual-interest economic development of Eurasia, then the world is set on the path into World War III. That war may not come tomorrow, but come it will. Because without a functioning Germany, we will have lost the possibility of war-avoidance through development of LaRouche's "Eurasian Land-Bridge," which China's government and others call the "New Silk Road."

Cui bono? Who was it who tried to prevent the unification of Germany into a peaceful economic giant in 1989? It was the British, with the aid of their co-thinkers around Presidents George Bush and François Mitterrand. Kohl began to reveal this in 1998, and Helga Zepp-LaRouche put the whole picture together for EIR readers and others that summer.

Who was it who wrote the 1983 party-funding laws, which Kohl and so many others are now accused of violating? It was the occupying powers, led by the British and their friends among American Anglophiles; the same ones who wrote the Italian party-funding laws, which made it impossible for any mass party to function in Italy without technical violations of those laws. They set the trap years in advance, and then they sprung it when they needed it.

What was it that immediately preceded the orchestrated launching of these scandals? Germany was pulling itself together in defense of its national sovereignty, against the imperial overreaching of the British-dominated European Union, as in the case of the threatened Holzmann bankruptcy, and the threatened takeover of Mannesmann by Britain's Vodafone.

And what are the British saying? The London *Times* wrote on Dec. 29, that "the entire Kohl legacy will come under the microscope. . . . Was German unification bought, for how much and to whose profit? And, if Herr Kohl's proudest historical legacy is found to have been tainted, it may be asked whether he also resorted to illicit means to secure his other grand dream, European political union." The London *Guardian* wrote Jan. 4 that the "criminal investigation of the reunification Chancellor" has begun, which may mean that Germany's Christian Democrats "follow Italy's Christian Democrats into shameful oblivion."

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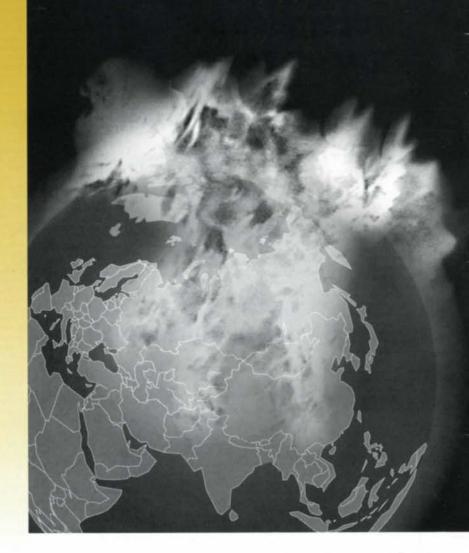
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