

# National News

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## HMO Slashes Patient Care to Save Stocks

On news of falling profits, shares in Magellan Health Services, Inc. dropped to \$2.0625 as of the market close on May 12, down from as high as \$32 per share two years ago, the *Washington Post* reported on May 16. A health maintenance organization (HMO), Magellan attributed the collapse to losses related to the "specialty" health division, dealing with chronic conditions such as cancer and heart disease. As a result, Magellan said it fired half of its 400 "specialty" employees, and, if that sector of the company doesn't break even by the end of fiscal 2000, the company will "take whatever steps are necessary to mitigate or eliminate such losses." By the afternoon of the day on which this austerity decision was reported, the stock recovered by about 14% to \$2.3750.

The company says that "investor confidence" had been shaken by current Justice Department investigations into Medicare and Medicaid fraud at Charter Behavioral Health Systems, psychiatric hospitals owned jointly by Magellan and George W. Bush's business partner Richard Rainwater. The Rainwater team looted Charter, which has now filed for bankruptcy. The state of Maryland also fined Magellan \$300,000 for failing to pay claims in a timely fashion and other violations.

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## Judge Warns FBI on LaRouche Case

U.S. District Court Judge Thomas Griesa warned the FBI in a court hearing on May 16, not to hide evidence from the plaintiffs in the case of *LaRouche v. Freeh*. The lawsuit against the FBI, which has been ongoing for 25 years, alleges that the FBI conducted illegal "national security" investigations of Lyndon H. LaRouche, Jr. and the National Caucus of Labor Committees (NCLC), the philosophical organization which he founded in the 1960s.

"I want to make it very clear to the

government," Griesa said. "You should make sure the plaintiffs have what they're entitled to, even if it is bad for the government. If something surfaces at trial, that should have been turned over, it will be very bad for the government, as far as this Court is concerned."

Griesa's comments came at the end of a long conference on the FBI's continued stonewalling on discovery in the case. In March, attorneys for LaRouche had served the FBI with 64 requests for documents that likely contain evidence of FBI wrongdoing. The FBI refused to produce anything. At the May 16 hearing, Judge Griesa said that he did not want the plaintiffs to go to trial without all the evidence they were entitled to; but, he refused to compel the FBI to respond to the entire request. Instead, he asked LaRouche's attorneys to narrow the request to specific documents and to specific redactions.

The judge made it clear, that the case is going to go forward on Aug. 7. At the trial, attorneys for LaRouche and the NCLC will present evidence showing the FBI's sordid history of targeting LaRouche and his associates, which formed the basis for the media demonization of LaRouche from the early 1970s onward. Also at issue will be the FBI's efforts to conceal their illegal operations, which continue to this very day.

The politically motivated operations at issue in this trial were outlined by LaRouche in "He's a Bad Guy, But We Can't Say Why," *EIR*, March 10, 2000.

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## DOJ, FEMA Conduct Counterterrorism Exercise

U.S. agencies conducted a massive live exercise in counterterrorism for ten days in Portsmouth, New Hampshire and Denver, Colorado during the second half of May. The operation was run by the Department of Justice (DOJ) and the Federal Office of Emergency Management (FEMA), at a cost of \$3.5 million. The exercise was mandated by Congress.

A separate counterterrorism test also started on May 20 in Washington, D.C. and adjacent Prince George's County, Maryland. Thousands of people participated in

the exercise, called TOPOFF (for Top Officials), including Attorney General Janet Reno, Secretary of Health and Human Services Donna Shalala, and local mayors, police, hospital personnel, fire departments, ambulance and emergency workers, and volunteer actors playing the role of injured and dead civilians.

The scenarios were designed as separate chemical and biological warfare attacks. State and local officials knew that this was a drill, not a real attack, but were not informed of the scope of the exercise. DOJ spokesman Gina Talamona said, "The goal of the exercise was to assess the nation's crisis and consequence management capacity under extraordinarily stressful conditions." A New Hampshire official with the Office of Emergency Management said that no one involved in the exercise "was surprised, that's not the critical part."

In Portsmouth, the exercise began when a fake chemical bomb detonated at the start of a "make-believe charity foot race." In Denver, the police responded to a death in a fake hotel, and found the victim had symptoms of an anthrax bio-warfare attack.

Measures were used to prevent panic among the population, including that police did not use sirens. A Clinton Administration official was quoted by the press, that the intent was, "to make sure that this does not turn into the War of the Worlds." He was referring to the famous 1938 incident, when radio listeners thought that actor Orson Welles's "news report" introduction to a radio play about alien invasion, was an actual attack.

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## Clinton Emphasizes AIDS Security Threat

President Clinton reiterated that AIDS and other pandemic diseases represent a grave moral and national security threat for the United States. Speaking before graduates of the Coast Guard Academy in New London, Connecticut on May 17, he outlined America's prime national security concerns, including terrorism and missile defense.

On the infectious disease crisis, the President said: "The world is also threat-

**THE ARKANSAS** Senate's President Pro Tempore, Jay Bradford, denounced the move to disbar President Clinton. "It's kind of like a continuation of the special prosecutor's effort," said Bradford. "It's an extreme right-wing group getting more out of the publicity of trying to get the President's law license. At the end of the day, he'll still retain his license."

**THE COLLEGE** of William and Mary, in Williamsburg, Virginia, announced on May 19 that Sir Henry Kissinger will succeed former British Prime Minister Lady Margaret Thatcher as chancellor of the college. Thatcher is now completing her seven-year term as chancellor.

**A LAWSUIT** led by the American Civil Liberties Union was filed in California on May 17, charging that schools which serve minority students lack bare essentials for education. The suit, on behalf of nearly 70 public school students at two dozen schools, alleges that schools have as many as half of their teachers without permanent credentials; textbook shortages are common; classrooms are often stifling hot; and some schools are so crowded, that children are assigned to the wrong grade, so that they can have a seat.

**NEW HAMPSHIRE'S** legislature on May 18 was the first in the nation to vote to abolish capital punishment since the U.S. Supreme Court allowed executions to resume in 1976. The bill would replace the death penalty with life in prison without parole. However, Gov. Jeanne Shaheen (D), a Gore supporter, has vowed to veto the bill, and there is probably not a sufficient majority to override her veto. Gore also supports the death penalty.

**GEORGE W. BUSH** wrote on May 19 that he supports continued expansion of NATO, in a letter to Lithuanian President Valdas Adamkus. Bush said that Russia should not be seen as an enemy, "but, Moscow must never be given a veto over NATO enlargement."

ened by physical infection like malaria, TB, and AIDS. Some people questioned me when our administration announced a couple of weeks ago that we considered the AIDS crisis a national security threat. But let me just give you a couple of examples.

"In Africa alone, there are 70% of all the world's AIDS cases. The fastest growing rate of AIDS is in India, which happens to be a nuclear power. In Africa, some countries are actually hiring two employees for every job, on the assumption that one of them is going to die from AIDS. In other African countries, 30% of the teachers and 40% of the soldiers have the virus. In addition, millions of people suffer from malaria; and about a third of the world has been exposed to TB, a disease that can reach our shores at the speed of jet travel.

"With malaria, people now discuss in common parlance, airport malaria—something people can get in any international airport in any country in the world, because we're all travelling around and bumping into people from other countries. These diseases can ruin economies and threaten the very survival of nations and societies. I think meeting this public health challenge is a moral imperative and a national security concern."

Citing his Executive Order of May 10 "to make AIDS drugs more affordable to people in poor countries" (see last week's *EIR*), he added, "I propose that we give a generous tax credit to our private pharmaceutical companies to give them an incentive to develop vaccines for things like AIDS, malaria, and TB, because the people who need it most can't afford to pay for it."

## U.S. Rebuked over 'Torture' in Prisons

The United Nations rebuked the United States on May 16, over charges which were brought to the international body on May 9 by Amnesty International, in a 45-page report which described specific cases that it said violated the United Nations Convention Against Torture.

After reviewing the Amnesty charges,

the UN Committee Against Torture expressed "its concern about the number of cases of police ill-treatment of civilians and ill-treatment in prisons. Much of this ill-treatment by police and prison guards seems to be based upon discrimination." The committee's ten independent experts urged the United States to abolish the use of electroshock stun belts and restraint chairs on uncooperative inmates, and also expressed concern about the "excessively harsh regime" in "supermax" prisons, including the use of chain gangs.

The Amnesty report says that "certain forms of torture or ill-treatment of men, women, and children by U.S. police or custody officials, as well as cruel, inhuman, and degrading prison conditions, are fast becoming institutionalized across the country." Documented in the report are instances of prisoners being strapped into four-point restraint chairs for minor acts of non-compliance, who are then hooded and tortured, stripped naked, and left for hours in the chair in their own waste and shocked with stun guns or pepper sprayed while still in the chair.

The report also pointed to the ill-treatment of prisoners held in private facilities run by Corrections Corporation of America.

William F. Schulz, Amnesty's Executive Director, according to a press release issued by the group, said that "the UN Committee Against Torture should condemn this behavior, thereby telling the world that the U.S. must adhere to international law and accept the same minimum standards for its own conduct that it so often demands from other countries."

This was the first time that the United States was forced to formally reply to human rights violations charges before the United Nations. The U.S. was represented by Assistant Secretary of State Harold Hongju Koh, who said that the United States is trying to eliminate any such practices. The U.S. report, Koh told the committee, "makes clear our unequivocal and unambiguous condemnation of torture as a tool of governmental policy. . . . Although our commitment is unambiguous, our record is not perfect. Torture does not occur in the United States, except in aberrational situations and never as a matter of government policy. When it does occur, it constitutes a serious criminal offense."