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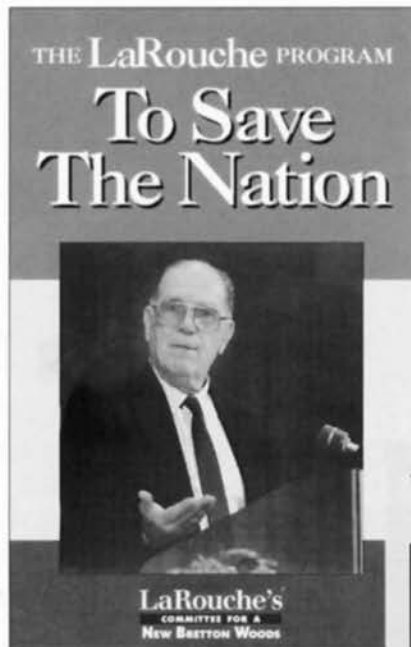
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at Stake in Arkansas and Peru**



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## From the Associate Editor

On page 57, you will find a chart reproduced from Al Gore's campaign website, which claims—in flagrant violation of Arkansas law and the votes of 53,000 Arkansas Democratic voters—that Gore won all 45 delegates from the state to the Democratic National Convention. The fact that Lyndon LaRouche took 22% of the vote, entitling him to between 6 and 10 delegates, is simply obliterated from history.

Imagine for a moment that instead of Gore and LaRouche, the contestants were Peru's Alberto Fujimori and Alejandro Toledo. Imagine that President Fujimori's website had published a chart which eliminated 53,000 votes for Toledo. What would Madeleine Albright's State Department do? Impose economic sanctions? Break off diplomatic relations? Bomb the Presidential Palace in Lima?

See *International* for the amazing story of Peru's fight for its national sovereignty; the growing backlash among its neighbors against the State Department dictates; the central role of LaRouche in Peru today; and the complaint filed by LaRouche's campaign committee with the Organization of American States, demanding action against the disenfranchisement of LaRouche's Arkansas voters.

As Gore's support plummets in the polls, it is clear that he cannot abide the thought of even *one* LaRouche delegate appearing at the Democratic Convention. Even one person, to stand up and say, "But the Emperor has no clothes!" is more than he could stand.

Our *Feature* continues the "Proceedings of the Historical Bad Schwalbach International Conference: The World on the Brink of the Great Financial Crash." This conference of the Schiller Institute and International Caucus of Labor Committees, in Bad Schwalbach, Germany, was of great historical significance, and a timely promontory on which to view the June-July period leading into the August Democratic Party convention. Lyndon LaRouche's May 26 keynote, "On the Subject of Strategic Method," was printed in last week's *EIR*. Helga Zepp-LaRouche's May 27 keynote, in this issue, "Only a New Classical Period Can Save Humanity from a Dark Age," develops two themes introduced in her husband's address: the clash of the Classical and Romantic mind-sets historically, and the need to revive Classical principles, to defeat the cultural degradation and "new violence" of the world today. We are rushing the other conference speeches into print as a matter of greatest urgency.

*Susan Welsh*

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## International



LaRouche campaign spokeswoman Debra Hanania-Freeman gives a press conference outside the Washington headquarters of the Organization of American States on May 31. She defended Peruvian President Fujimori from the assault on his nation's sovereignty, and called on the OAS to intervene to stop Al Gore's theft of Lyndon LaRouche's votes in Arkansas.

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## Oil and the Coming Financial Armageddon

by William Engdahl

Little more than eight weeks after a widely hailed Organization of Petroleum Exporting Countries (OPEC) agreement in late March to increase oil production, the price of benchmark West Texas Intermediate crude oil has again risen above \$30 per barrel. In January 1999, in comparison, oil sold for as low as \$10 per barrel.

Many explanations are being conjured up to account for the sudden rebound in oil prices, from explosions in Nigerian oil pipelines, to loss of Russian and Iraqi export supply, to the temporary shutdown for repairs of a major oil platform in the Ekofisk Field in the North Sea.

Other explanations range from extraordinarily strong demand in Asia and North America amid record low stock inventory, to new U.S. environmental laws to take effect in the Summer, to seasonal buildup of gasoline stocks, as the Summer holiday season begins in G-7 countries.

While each and all of the above are factually correct as influences on commodity prices, they all miss the more crucial underlying process under way in world oil markets. To understand this better, go back to the “oil shock” of 1973, and trace the cartelization of energy production since that time.

### 1973: The Real Story

Beginning October 1973, when world oil prices soared by 400% over several weeks in the wake of Henry Kissinger’s Mideast “shuttle diplomacy,” a concerted world media campaign pointed the finger of blame for the devastating oil shock at the OPEC countries.

Then-Saudi Oil Minister Sheikh Zaki Yamani became the target of Western media attention. He was portrayed as the most powerful man in the world, because of his alleged ability to determine world oil prices, and blamed for the ensuing worldwide economic recession.

Subsequent investigation, most prominently by *EIR*, re-

vealed a quite different background to the devastating “Oil Shock” of 1973-74. Far from being a conspiracy of greedy Arab oil sheikhs, the 400% rise in prices for petroleum, the world’s most important energy source, was planned well in advance of the October 1973 “Yom Kippur” War, the ostensible trigger of the oil shock.

The price shock was laid out in detail during a secret meeting of the Bilderberg Group in May 1973 at Saltsjöbaden, Sweden. That meeting included the heads of the major British, U.S., and French oil multinationals, then dubbed the Seven Sisters. It included the leading banking voices of the City of London, and key NATO member politicians. Kissinger was among the select invited guests. That meeting planned, down to the exact amount, the 400% oil price rise of six months later, and discussed how the oil multinationals’ allied bankers would use it for what Kissinger liked to call “recycling petrodollars.”

That recycling of the sudden embarrassment of riches in OPEC, was carried out in the form of City of London Eurodollar loans to Third World debtor nations forced to borrow to finance their huge new oil import costs. It was the origin of what in the 1980s became known as the “Third World debt crisis.”

For the Seven Sisters, the 1973-74 oil shock was conveniently timed. The Sisters had invested billions of dollars—amounts never before seen in the history of oil exploration—in the construction of large offshore oil platforms and of oil infrastructure in the new fields of the North Sea and Prudhoe Bay, Alaska, where physical difficulties were extreme. Before the 1973 price increase, the Seven Sisters faced financial disaster and unpayable debts to their bankers. Their bankers, in turn, were the same bankers who recycled the OPEC petrodollars after 1973.

Similarly, today, it would be wise to look deeper than at



*Lines at the gas pump in the 1970s. Then, as now, the reason for soaring oil prices had nothing to do with OPEC production, but rather with the political and financial manipulations of the City of London and its Wall Street confederates in crime.*

the struggling OPEC producers, to find the culprits behind the 300% oil price rise since March 1999. In recent remarks, U.S. Democratic Presidential pre-candidate Lyndon LaRouche suggested a far more fruitful investigative track that would lead to the current role of the handful of giant private British, U.S., and French oil conglomerates in manipulating world oil prices for their own special purposes.

Here we should look to two aspects of the present condition of the major British, American, and French oil multinationals: first, their heavy levels of debt; second, their need to invest huge sums in the untapped oil Super Giant fields in the Caspian Sea.

### **The New Oil Cartel**

Over the past two years, the world's major private oil companies have gone through a process of mergers and cartelization unprecedented since the 1911 U.S. Supreme Court break-up of John D. Rockefeller's Standard Oil Trust.

In late 1998, during the worst days of the global financial collapse which broke out in Asia, when world oil prices were falling toward new lows of \$10 per barrel, British Petroleum (BP) made a bold move. It bought out the large former Rockefeller company, AMOCO—Standard Oil of Indiana. BP had already taken control of SOHIO—Standard of Ohio. The new giant, BP-Amoco, was briefly, on paper, the world's largest oil multinational, surpassing Exxon and Royal Dutch Shell.

Soon, however, Exxon and Mobil, the two largest U.S.-based members of the former Seven Sisters, carried out an \$80 billion merger, creating the world's largest oil giant, and replacing General Motors as the largest company in the Fortune-500 for 1998.

Then, even before it had regulatory approval from U.S. and European authorities, BP-Amoco announced in April 1999 that it was buying the large U.S. oil company ARCO, which has a major share of Alaskan oil production, as well as important leases in the Caspian Sea and North Sea. Two months before, the U.S. government dropped its objections to the BP takeover of Arco.

In July 1999, the French private oil company Total, which only two weeks before had purchased control of the Belgian Fina Oil to create TotalFina, announced its takeover of former French state oil giant Elf Aquitaine, to create the world's fourth-largest private oil giant, TotalFina-Elf.

As of today, these four—BP-Amoco, Exxon-Mobil, Royal Dutch Shell, TotalFina-Elf—dominate the world energy market to an unprecedented degree. These four giant oil multinationals fully dominate the ten largest world oil refiners in terms of capacity, along with the two smaller refiners, Texaco and Chevron.

This process of cartelization—which, suspiciously, was unchallenged by the U.S. Justice Department's Anti-Trust division, which was at the same time fiercely attacking Microsoft—has driven a reduction of oil and oil-product inventories to “just-in-time” levels, making oil-product prices subject to supply shocks as never before. This has been one factor driving U.S. gasoline prices to \$1.50-2 per gallon in recent weeks. Far from losing money, the newly cartelized oil giants are making huge profits at the expense of the consumer.

The cartelization goes even further. In Europe, BP-Amoco gas stations are jointly owned with Mobil, now part of Exxon-Mobil. Chevron owns Gulf Oil, and Texaco now owns Getty Oil.

The cost of these mergers, at the time the largest corporate mergers in history, was immense. The total long-term debt of the combined Exxon-Mobil Group as of December 1999, was \$8.4 billion. Long- and short-term debt of the TotalFina-Elf Group was \$25.8 billion. The amount of BP-Amoco-Arco's debt is not public data at present, but it is estimated to be at least similar in size, if not larger. However, in a filing with the U.S. Securities and Exchange Commission written in July 1999, a time when oil prices were at the \$10 per barrel lows, BP-Amoco wrote, "In July 1999 we announced a new set of targets taking us through to the end of 2001. . . . We cannot, and do not, rely on oil prices maintaining their current levels."

Indeed, no sooner were the giant oil mergers consolidated, than the oil price began a steady 12- to 15-month rise from \$10 per barrel, to today's \$30. That 300% price rise gave the giant oil groups a huge cash windfall to reduce debt and consolidate their grip on the world's untapped oil fields. The first-quarter earnings per share of BP-Amoco in 2000 rose 300% over the same period a year ago, in parallel with the oil price rise during that time. The gross earnings of TotalFina-Elf for the first quarter rose 70%.

### Controlling Future Supply

In most of the world's giant oil exploration areas, such as the Caspian Basin in Central Asia, the same giant companies are locked in consortia or complex risk-sharing joint ventures such as the Azerbaijan International Oil Consortium, which is now dominated by BP-Amoco-Arco. Exxon-Mobil and Chevron, in turn, dominate Kazakstan's Tenghiz onshore field, and Kazak offshore developments.

In early May this year, an oil discovery from a test well in the Kazak offshore Kashagan field was reported in the *Washington Post*. According to the report, which cited oil industry officials and U.S. government sources, the discovery "could surpass the size of the North Sea fields," containing possibly as much as 50 billion barrels of oil. The North Sea fields held some 17 billion barrels of crude oil. The world's largest oil field to date, Ghawar field in Saudi Arabia, contains some 70 billion barrels.

The major impediment to developing these various Azeri and Kazak fields to date has been the large costs of building long-distance pipelines capable of delivering the oil to major world markets. The Clinton Administration has lobbied strongly in recent months for construction of a pipeline from Baku, Azerbaijan, through Georgia, to the Mediterranean Turkish port of Ceyhan. Construction of that 1,080 mile pipeline alone would cost at least \$2.4 billion, perhaps much more. The 300% oil price increase of the past 12 months clearly helps finance the costs of these major new fields in the remote regions of the Caucasus.

These developments potentially could also shift the global geopolitical center of oil politics from the Middle East, northward into the volatile region between Russia, Central Asia, and China, giving the handful of oil giants which control those

assets enormous future power and economic leverage over the entire Eurasian land-mass. Worth noting in this connection, is that Britain's elite Oxford University on June 10 will hold the inaugural conference of the Mackinder Forum, sponsored by Britain's elite Sandhurst Military Academy (see "New Geopolitical Offensive To Be Launched at Oxford," *EIR*, June 2).

According to participants, the intent is to revive the theories of the late father of British geopolitics, Sir Halford Mackinder, who, in a 1904 essay, "The Geographical Pivot of History," argued that control of the Eurasian Heartland, as he called it, which includes the Caspian Sea region, would determine control of the planet. One participant in the founding of the Mackinder Forum noted off the record recently, that "the fulcrum of power is, and will be for coming decades, the Caspian, the Aegean, and eastern Mediterranean into the Balkans. What defines that is the combination of the vast oil and gas reserves and how those energy resources must be gotten out."

### The Financial Collapse

The actions of the British, French, and U.S. oil giants to consolidate their grip on global energy supplies is taking place with an anxious eye to the looming systemic financial disintegration. At the highest levels, the oil executives and their bankers know the clock is ticking, even if they cannot time the day of collapse—nor can anyone.

At a business conference in Kuala Lumpur, the capital of Malaysia, on May 29, Mark Moody-Stuart, chairman of Royal Dutch Shell Group, predicted that the present \$30 per barrel oil price would soon fall to "between \$13 to \$17." Oil analysts expect the oil price rise of the past year to be significantly wiped out by 2001.

Given the fact that the mergers give this tiny group of companies more control over global production, shipping, and refining than ever before in history—a cartel more powerful than OPEC could ever be—a fruitful avenue of investigation would be to examine the extent to which illegal manipulation of supplies and of prices by the oil cartel is driving prices sky-high. That, in order that the companies can pay down their debt as rapidly as possible, and insulate themselves from the looming collapse of the global financial system—which most likely will spread from a meltdown of the U.S. Nasdaq stock market bubble.

According to informed OPEC accounts, the latest price rise above \$30 per barrel is also being fuelled by speculators using oil derivatives. The same banks which had lent to finance the recent oil mergers would be the most plausible sources for artificially pushing prices higher and allowing the windfall to be used for rapid debt payoff.

LaRouche recently noted that, were he President, he would move swiftly to break the economic power of this Anglo-American-led oil cartel by circumventing the power of the private companies and establishing a government purchasing agency to buy U.S. oil supplies directly, bankrupting the oil giants and the major banks behind their power.



# Economic Instability Wracks Southeast Europe, UN Report Shows

by Rainer Apel

The first economic survey for the year 2000, which the United Nations Economic Commission for Europe (ECE) published for its 55th session in Geneva on May 3, is worth noting, not for its general approach, which pays uncritical tribute to the line put out by the International Monetary Fund (IMF) and the banking experts of the hyperinflationary IMF system. Europe in general, the ECE report claims, is experiencing the “highest expansion since the early 1990s,” and the Asian and Russian crises of 1997 and 1998 have either been overcome, or are in the process of being overcome, in most parts of the world economy. The ECE report is worth covering, because in its introduction, it says that there are “downside risks” that should not be neglected: “The possibility of a crash in overvalued equity prices in the United States is a serious risk to the current outlook, and there are uncertainties over the course of oil prices and of monetary policy in the EMU [European Monetary Union].” The report notes, “In particular, much of the region of southeastern Europe is still beset by severe structural problems and the consequences of several armed conflicts, which have made the process of transition to a market economy much more difficult than in central Europe.”

## Closer to Reality

The report then gets closer to the reality of the situation: “The fact is that for the past decade, these countries, the poorest in Europe, have continued to fall further behind both western and central Europe rather than catch up. The slight improvements in the short-run outlook for many of them in 2000 will do little to alter this situation, which poses a constant, if unpredictable, threat to economic and political stability in the European region as a whole.”

If one is familiar with *EIR* coverage, which has kept an unfiltered, independent, and accurate view of the situation in the Balkans, the quotes from the ECE report will sound all too familiar.

Alerted to the fact that there are “downside risks” that threaten global economic stability and that Europe as a whole may be destabilized by the economic situation in the Balkans, the reader of the ECE report is well advised to concentrate on those sections that exclusively deal with the economic disaster in Europe’s southeastern region.

The ECE report notes, first of all, that many of the “transition economies remain highly vulnerable to external shocks,

such as the Asian and Russian crises of 1997-1998, or the Kosovo conflict of 1999.” The report then emphasizes that whereas the general impact of the Kosovo War on the Balkans economies has been not as catastrophic as originally feared, all of these economies have moved from modest GDP growth in 1998 into recession. Therefore, “the improvement forecast for 2000 is largely a recovery from this recession rather than the first signs of sustained economic growth. The macroeconomic situation in most of these countries is still relatively fragile. In general, the main success has been in reducing inflation, in several cases to very low rates; but current account deficits have been large and persistent, with a consequent build-up of foreign debt, unemployment rates average nearly 17%, much higher than in central Europe.”

## Another Shock Is Occurring

Whereas all of the southeast European economies still suffer from the backwardness of the pre-1990 communist regimes and from the shock effects of the initial phase of free-market reforms, they have received an additional shock from the Balkans wars from 1991 on. And, the ECE report warns, in critical remarks on the Western, particularly western European approach, yet another shock is now occurring, with the promises of post-Kosovo War reconstruction (“Stability Pact”) aid not being met.

“First, there is a large gap between promises to provide assistance and its actual disbursement—this delays action and creates disillusion in the region. Secondly, there is poor coordination between the 29 countries and international organizations belonging to the Stability Pact—resources are widely dispersed and inadequately coordinated both between donors and with national programs. Thirdly, there is also a confusion of conceptual frameworks and approaches, and it is by no means obvious that the essential differences between the trio of problems—development, transition, and postwar reconstruction—are clearly recognized. There is also a tendency for donors to promote separate projects without placing them within a broader program of development; and sometimes, projects reflect more the interests of their promoters than those of the recipient countries.”

This charge by the ECE, that Western aid promises lack seriousness, and that Western programs lack a development perspective for the Balkans overall, echoes the complaints



*Devastation from the 1999 war against Yugoslavia: the Ostruznica railway bridge and a Jugopetrol fuel depot in Belgrade, May 1999. The UN's Economic Commission for Europe reports that the continuing effects of the war are being felt not only in Serbia, but in neighboring countries also. As for Western aid, there has been "a large gap between promises to provide assistance and its actual disbursement."*

made constantly by all leading representatives of the Balkans nations themselves. It is good that an institution outside the Balkans countries, like the ECE, has confirmed that the Western economic approach to southeastern Europe is, at best, a mess. But, in reality, the Western approach is an outright disaster.

### **Balkans Nations Must Act**

The authors of the ECE report here take the revolutionary step, of calling on "individual countries in southeast Europe to draw up their own programs for transition and development, which would accurately reflect their specific problems and preferences." The authors state that this "is one of the lessons which this survey has previously drawn from the highly successful Marshall Plan of the late 1940s. These national programs would then be discussed in a regional framework to improve coordination, and to encourage cooperation wherever there are international public goods, economies of scale, and other externalities to be found."

The report thereby states that if there is anything good to emerge from the discussion about the future of the Balkans, it will, as things stand today, necessarily have to come from the initiatives of the Balkans nations themselves. Only then, once national development programs have been drafted, would a development project affecting all of the region have a chance of being successful, because only then would the regional development perspective be based on the genuine interests of the nations that take part in this project.

What the ECE report implies here, is almost diametrically opposed to the approach taken so far by the European Union and other Western institutions, and it is regrettable that its authors, who obviously do have ideas about what should be done, do not elaborate more on the matter. But, the few re-

marks made in the ECE report on general policies, indicate that were there a well-conceived and well-meaning development perspective for the Balkans, one would be able to find experts useful for the project even among otherwise largely discredited institutions like the United Nations.

### **Economic Catastrophe**

In its overview on the national economies of southeastern Europe, the ECE report gives a sobering insight for those who are either uninformed about this region, or have illusions as to what the real situation there is. There may be fewer doubts about the report respecting the situation in Serbia, Montenegro, and Kosovo, whose infrastructure was severely damaged during the 11 weeks of NATO air strikes last year. For example, in 1999, for Serbia and Montenegro alone, there was a "collapse of GDP by some 20% and of industrial output by some 23%," which "amounts to a severe worsening of an economic situation which was already in a precarious state" before the Kosovo War, the report says. "It is clear that the war has left deep scars on the Yugoslav economy: The enormous damage to the economic infrastructure and production facilities as a result of the bombing will result in a downward shift in aggregate output, which will be difficult to overcome even in the medium term."

But also, neighboring countries to Serbia and Montenegro, such as Macedonia and Albania, suffered from the Kosovo conflict, the ECE report observes. In Macedonia especially, industrial output fell sharply in the first half of 1999, as the country's main trade routes to the west, notably the Danube River, were blocked by the wreckage of bridges destroyed by NATO bombing. And the "improvement" in consumer goods consumption, which the official statistics note for Albania, is mostly related to dramatically increased ex-

penses to supply the several hundred thousand refugees who had poured in from neighboring Kosovo. Macedonia and Albania will continue to be affected most directly by the Kosovo conflict, the report warns.

### The Case of Bosnia-Herzegovina

Most revealing about Western policy in the Balkans, however, is the situation in Bosnia-Herzegovina, which has been administered by the United Nations and the SFOR troops provided by NATO and Russia, since the end of the Bosnian-Serbian war and the signing of the Dayton Accords in 1995. "Data on the economic situation in Bosnia and Herzegovina are still fragmentary and it is difficult to assess current economic performance," the ECE report states, adding that contrary to the usual reports about "post-Dayton recovery," all the "indications are that this country is only kept running thanks to the continuing injection of official aid; if this were to be discontinued, the economic implications may be disastrous."

Against the background of ongoing discussions at the European Commission to reduce Western aid to Bosnia-Herzegovina, the ECE warning of cuts in aid are more than appropriate. Moreover, the disaster in Bosnia-Herzegovina almost five years after the end of the war with Serbia, is the handwriting on the wall for the rest of the Balkans countries that are still hoping for some Western reconstruction aid, one year after the end of the Kosovo War. If what the rest of the Balkans can expect is no better than what Bosnia-Herzegovina has endured since 1995, it is of no use—that is clear.

### The Results of IMF Advice

It is also interesting to read what the ECE writes about those Balkans economies which the West usually says are "more advanced," further on the road to the "free market," than the others. Croatia, for example, has been loyal to Western IMF economic experts, and has cancelled numerous public infrastructure projects in order to balance its budget and consolidate its foreign debt. Construction sector employment fell sharply in 1999, contributing to the dramatic, almost doubling of national unemployment, toward more than 20% at the end of the year. The fiscal austerity program of the new Croatian government, which came in a few months ago, will lead to "a further increase in unemployment which was already nearly 13% in the first half of 1999," the ECE report says.

For Romania, another favorite of Western free-market advocates, the ECE notes that "the Romanian economy has been in the grip of a profound crisis for several years; deep-rooted economic problems, coupled with incoherent policies, have resulted in poor economic performance and political instability. Although the feared default on foreign debt was avoided in 1999, the deep recession continued for a third consecutive year, leading to a cumulative decline of GDP by some 14% since 1996, and of industrial output by some 30%."

Sharply increased energy costs contributed to an increase of consumer prices in Romania by some 55%, the report notes.

In Bulgaria, also a country which Western free-market advocates say is doing quite well, the ECE report observes a "weak recovery in household consumption" in the first half of 1999, and an "improvement in real wages for the second consecutive year. However, real wages in Bulgaria had collapsed more than 50% between 1993 and 1997, and in 1999, they were still only about one-fifth of their level in 1997, and more than one-third below their level in 1993." This goes together with a national unemployment rate of 16%. The ECE report notes that in the Bulgarian case, "the general discontent with living standards and job insecurity were reflected in the setback suffered by the ruling party in the October and the government reshuffle in late December."

The "general discontent" and political instability observed by the ECE in Bulgaria, is something that exists throughout the region, and governments have been reshuffled in almost all other countries there in recent weeks and months. The western European governments, however, are meanwhile entering their 12th month of discussion about a "Stability Pact"—which the ECE report rightly characterized as not deserving of the name. Without a profound change of policy, the Balkans will remain an economic, political, and security powder keg for the foreseeable future.

## 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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# 'Shareholder Value,' the Bigger Crime, Untouched in Columbia/HCA Settlement

by Richard Freeman

On May 19, Columbia/HCA, the largest U.S. for-profit hospital chain, announced that it has reached a tentative \$745 million settlement to conclude one part of a U.S. Justice Department multi-year, multi-state investigation into Columbia/HCA's practices of widespread fraud and outright thievery. The settlement is a record for a health-care fraud case, and Columbia/HCA will likely have to pay still more to settle other parts of the case. The settlement indicates that the Justice Department did go after a major criminal enterprise.

However, the settlement also shows the cold reality, that the Justice Department did not go after the top leader of the Columbia/HCA malfeasance: financier Richard Rainwater of Fort Worth, Texas. Rainwater founded Columbia/HCA, and instituted the accounting and financial machinery that demanded the illegal practices and ferocious looting. But Rainwater was also, during this time, the close friend, business partner, and money-bags of George W. Bush, helping make Bush Governor of Texas, and is now playing a big role in Bush's Presidential campaign. Using the office of Governor of Texas, Bush helped run protection for Rainwater's Columbia/HCA. It would appear that the Justice Department, or at least part of its permanent apparatus, does not want to go after Rainwater.

It is also disappointing that the Justice Department failed to go after Columbia/HCA for an even bigger crime: its policy of "shareholder value," which fuelled the systematic destruction of the U.S. hospital system.

Columbia/HCA has shrugged off the monetary penalty: The \$745 million fine "can be easily paid," a Columbia/HCA spokesman asserted on May 30.

## Five Areas of Irregularity

The Justice Department investigation into Columbia/HCA, which started in 1996, involved five areas of irregularity: 1) diagnostic related group (DRG) coding; 2) home health-care issues; 3) overall cost reporting; 4) physician relationships; and 5) laboratory billings. The DOJ launched parallel criminal and civil investigations into each of these five areas. The tentative \$745 million settlement covers penalties

that Columbia/HCA would pay for the civil cases in areas 1, 2, and 5. The civil cases for areas 3 and 4 are still being worked on. As for the criminal side, no one issue has been resolved. A package agreement for the five areas must be worked out as a whole; that package must be in place by Sept. 30. The Justice Department may extend the time for a settlement until Dec. 31, but if an agreement has not been reached by then, all settlements are off, both civil and criminal. At that point, the government could take Columbia/HCA to court in a bruising trial that would air much dirty laundry.

The Justice Department case stems from highly irregular or illegal practices by Columbia/HCA in each area. For example, take the case of DRG billing: Columbia/HCA is the largest hospital biller of Medicare, the Federally sponsored program that pays hospital and some doctor costs for 37 million elderly and disabled in America. Medicare pays a fixed rate for treatment of roughly 470 coded illnesses. Rates vary sharply—the more severe the illness, the more Medicare pays.

Columbia/HCA used "upcoding," i.e., attached a more expensive billing code to a procedure that cost much less to perform, an illegal DRG billing. The Federal investigation probed Columbia's Cedars Medical Center in Miami, Florida. In 1992, the last year that Cedars Medical operated independently (Columbia bought it in 1993), of the total respiratory cases for which it billed Medicare, 31% were billed at the highest rate. A year later, after Columbia took over, 76% of the hospital's respiratory cases were billed at the highest rate. By 1995, some 93% of cases were billed at the top rate. It billed 355 cases of "complex respiratory infection" and only 28 cases of respiratory infection of the three lowest-paying diagnoses. Since the composition of the patient pool in this area of Miami had not changed much between 1992 and 1995, it is unlikely that there is a medical reason why the percentage of patients with complex respiratory infection should rise so dramatically. However, Medicare would pay a hospital roughly \$6,800 for a case of complex respiratory infection, but only \$3,150 for simple pneumonia. Columbia/HCA raked off the extra \$3,650 per patient from Medicare.

## What the Government Chose Not To Investigate

What the Justice Department chose not to investigate goes to the heart of why Columbia/HCA was established. In 1987, Rainwater, with his 35-year-old assistant Richard "Rick" Scott, formed the Columbia Hospital Corp. In 1988, Rainwater and Scott each anted up \$125,000 and formed a partnership with 110 doctors to buy two hospitals in El Paso, Texas. The deal was financed with a \$65 million loan from Citibank (a hallmark of Columbia takeovers is Wall Street financing). Columbia bought many hospitals, often shutting them down, in order to transfer that hospital's patients to other Columbia-owned hospitals. This increased the profitability at the hospitals that were left open, but left entire communities without hospitals.

On Feb. 10, 1994, Columbia undertook a \$7.6 billion merger with Hospital Corporation of America (HCA), owned by the Nashville, Tennessee-based Frist family, which had 97 hospitals in 21 states. With Wall Street backing, by 1996, Columbia/HCA owned 342 hospitals in 36 states (and a few in England and Switzerland), 130 surgery centers, and 200 home health-care agencies. It owned 30% of all hospitals in Florida, and 17% of all hospitals in Texas.

Columbia/HCA implemented a policy of "shareholder value," the Wall Street plan by which a company, or infrastructure, such as hospitals, are stripped of assets to the point they become non-functional, and the loot is used to prop up artificially inflated stock values, and as dividends and other payments to wealthy individuals and families. To do this, Rainwater insisted that all Columbia/HCA hospitals adopt an accounting mechanism called Earnings Before Depreciation, Interest, Taxes and Amortization (Ebdita), to measure cash flow before certain expenses. Rainwater and Scott demanded that for each hospital group, Ebdita increase by 5-50% per year. To achieve that, a hospital had three options: It could increase its patient flow, but that would require closing down competing hospitals. It could increase prices (or overbill for its services), but only if it could get away with it. Or, it could impose fierce budget-cutting. Columbia/HCA central management drove hospitals to carry out budget-cutting to meet Ebdita quotas. The whole Columbia/HCA system was steered by this policy.

The results were devastating. In 1995, at the Sunrise Medical Center in Las Vegas, Columbia/HCA headquarters demanded that Ebdita be increased by 50%. Staffing was cut by 7%; 15 nursing managers were fired, and registered nurses were cut back, to be replaced by licensed practical nurses, who have less training and earn much less. The Columbia/HCA vice president in charge of the operation stated, "That blew me away. I knew we would have to scrape, cheat, and lie and do everything in our power to get that [Ebdita] number to increase."

The pattern was the same at Columbia/HCA hospitals

across the country: Hospitals that were not sufficiently profitable, were closed, hospital divisions were shuttered, essential services were reduced, and so on.

Columbia/HCA placed America's more than 5,000 traditional not-for-profit hospitals in a pincer movement, forcing them to adopt shareholder-value policies. It could purchase supplies 20-30% cheaper; it was cutting staff and services to increase its profits; it was paying bonuses to have doctors refer the highest-paying patients to Columbia/HCA, and so on. With its amassed financial wealth, Columbia/HCA could steal patients from an independent hospital, or take over that hospital outright. At the same time, health maintenance organizations were putting limits on coverage for patient surgeries, the length of hospital stays, and post-operative rehabilitation. In the midst of this battlefield, in order to compete, the small or medium-sized independent hospital either adopted the budget-cutting, or went out of business (see "How Wall Street 'Shareholder Value' Destroyed America's Hospital System," *EIR*, April 7).

The DOJ investigation is too narrow: Its scope of investigation should go after the destruction of the U.S. hospital system. What about those who died or were seriously maimed because of Columbia/HCA shareholder-value policies? What about those who died, either because Columbia/HCA shut

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down its own hospital, or drove an independent hospital out of business? During 1985-97, there were 575 independent hospitals that shut down, permanently impairing the health infrastructure of America. And Columbia/HCA played a prime role.

### **George W. Bush and Richard Rainwater**

The May 19 *Wall Street Journal* reported, “While the government had originally raised the specter of indicting high-level executives, what transpired was the indictment of four mid-level managers in Tampa, Florida.” It would appear the DOJ had enough evidence to indict and prosecute Rainwater, but it appears that the DOJ will not do that. That is more than peculiar.

After Rainwater founded Columbia in 1987, he supervised its expansion. At one time, he and his wife, Darla Moore, held more than one-quarter of a billion dollars in stock in Columbia/HCA, and he drained a lot of money out of the company in earnings. The managers of the hospitals in the Columbia/HCA chain took orders from Rainwater and Scott. Columbia/HCA was one of the most centralized businesses in the United States. For example, with regard to the “upcoding” practice, which was at the center of the hundreds of millions of dollars of fraud that Columbia/HCA committed against Medicare, the March 27, 1997 *New York Times* reported: “At Columbia, employees responsible for billing Medicare recalled being presented with lists of focus [billing] codes.” These codes were the more lucrative ones that the employees were supposed to use, i.e., the practice came from the top. On a witness stand, if Rainwater could “not recall” authorizing the focus codes, there apparently are many employees who can detail how indeed he did authorize them.

Why wasn’t Rainwater indicted? Could it be that Rainwater, assigned by Wall Street the task of building up the personal fortune of George W. Bush, is protected? It was Rainwater who brought Bush into part ownership of the Texas Rangers baseball team, in which “Dubya” made more than \$14 million when he sold his stake. It was Rainwater who structured Bush’s investment into Rainwater’s Crescent Real Estate Equities, whose worth grew to up to \$1 million — while Bush was invested in Crescent, Crescent bought up and destroyed Charter Behavioral, the largest chain of private psychiatric hospitals in America. In turn, in 1995, it was Gov. George W. Bush who vetoed the Patients Protection Act, passed by the Texas state legislature. When provisions of the Act passed over his veto, Bush ordered the state Insurance Commissioner to make a notable exemption, to protect Columbia/HCA’s profits. Rainwater and Bush share the same shareholder-value ideology.

It would appear that a faction of the Justice Department fears that a vigorous prosecution of Rainwater and top levels of Columbia/HCA could shine light on the shareholder-value policy — which the oligarchy does not wish exposed.

## **HMOs Put American Children at Risk**

by Linda Everett

Children represent well over one-third of enrollees in managed health-care plans in the United States. Yet there is a growing body of evidence that managed-care policies are responsible for harming, maiming, or killing children, undermining the nation’s most advanced pediatric treatment protocols and its critical safety net of pediatric services.

Children’s hospitals annually provide inpatient care for half a million children suffering from sudden trauma, critical illness, or chronic illness and/or permanent disability, with major teaching hospitals also providing another huge component of total inpatient pediatric services. Both types of facilities have been hard hit by constricted payment rates by health maintenance organizations (HMOs), as well as by Federal and state budget cuts. The Federal Balanced Budget Act of 1997, for example, slashed Medicare and Medicaid payments to hospitals, including funding for treatment of disproportionately high numbers of indigent patients, and for the extra costs of training doctors.

The cuts are increasingly forcing general community hospitals to reduce the number of pediatric beds, among others, or to close their pediatrics units entirely, and shifting those patients to children’s hospitals. So, at the same time that there is a greater need for more highly specialized pediatric care, along with specialized outpatient medical staff and services, we are witnessing the most extreme pressures yet on these facilities, whose mission it is to never turn away a sick child (they are often filled to 100% capacity). This is a direct result of managed care’s parasitical policies.

We refer to “managed care” as essentially an insurer’s or HMO’s interference with a physician’s — or, a nation’s — ability to deliver medically necessary treatment. The strictest managed-care plans include the HMO capitated system, in which a flat rate is paid to a primary care doctor (the “gatekeeper”), per person per month, which is supposed to cover all medical care the person needs, with tight control over prescription drugs, and referrals for specialists or tests. If the cost of care exceeds the HMO’s limits, the doctor or hospital loses financially in any number of ways. Less strict managed-care plans may utilize an array of rules, restrictions, and preferred lists of doctors or hospitals to restrict care and costs. To make a profit, they (and the insurers behind them) must continually ratchet up the looting process, and compete for pools of patients or facilities to loot.

## ‘Institutional Negligence’

On May 18, the Illinois Supreme Court handed down a landmark decision that may change how HMOs deliver care. The decision, which overruled an appellate court, said that HMOs *may* be held liable for “institutional negligence.” The case highlights yet another deadly HMO cost-cutting policy: tightly restricting the number of doctors available, thereby making it impossible for all enrollees to get the care they need when they need it (*Jones v. Chicago HMO Ltd. of Illinois*, Docket No. 86830). On Jan. 18, 1991, Sheila Jones, the mother of a sick three-month-old infant, called her HMO primary physician about her daughter’s symptoms. Office staff told her to give Shawndale castor oil. When the doctor returned her call that night, he, too, ordered castor oil. Hours

later, when the child’s symptoms worsened, Jones took the infant to a hospital emergency room, where she was immediately admitted with a diagnosis of bacterial meningitis, secondary to an ear infection. A medical expert testified that the HMO had deviated from the standard of care: The symptoms involved required that a physician schedule an immediate appointment to see the infant or to arrange for immediate care.

According to court papers, Chicago HMO Ltd., a for-profit corporation, paid Dr. Robert A. Jordan, Jones’s doctor, a capitated rate of \$34.19 per month for each female patient under the age of two, regardless of whether he treated her or not. The HMO also utilized an incentive fund for Dr. Jordan. Inpatient hospital costs were paid from this fund, and 60% of any remaining balance of the fund at year’s end was then paid

## Children’s Hospital of Philadelphia Fights Back

Children’s Hospital of Philadelphia, which provides world-renown medical and surgical care to children from around the world, is a teaching hospital that functions principally as an intensive care facility, treating the very sickest children. (For instance, Children’s Hospital has separated the largest number of conjoined twins of any hospital in the United States. Polish twins, joined at the chest and hips, were separated earlier this year, and returned with their mother to Poland in February.) The hospital admits more than 15,000 patients and handles more than 600,000 emergency and other outpatient visits annually. Yet, this leader in research, with the second-largest research budget among America’s pediatric hospitals, is forced to spend considerable resources to defend itself against managed care’s looting practices, which hamper its critically needed specialist care.

Sixty-five percent of Children’s patients are enrolled in managed-care plans, two-thirds of these are in health maintenance organizations (HMOs) and preferred provider organizations (PPOs); one-third are in indemnity or commercial plans. The remaining 35% of patients are covered by medical assistance (Medicaid or Medicare), two-thirds of which are managed-care plans and one-third fee-for-service.

On May 9, Children’s Hospital filed for a preliminary injunction in Federal court to bar Independence Blue Cross (IBC), the region’s largest insurer, from illegal practices, including falsely telling its members that Children’s Hospital is part of its network. This is the second time in six months that the hospital has sought court intervention

against Blue Cross. The court upheld its actions against the insurer. IBC uses the hospital’s prestigious logo and name to lure in subscribers — although the hospital has not been part of IBC’s network since its contract ended in June 1999. The hospital continues to treat IBC patients, but is reimbursed at the lower 1996 rates! That is just one reason why IBC refused to negotiate a new contract with the hospital. Only after the hospital alerted large employers with self-insured plans to deal directly with Children’s Hospital, and to bypass IBC altogether, did the threat bring IBC scurrying to the negotiating table, where contract talks are now under way.

Here are some of the practices, by which IBC has been looting the hospital:

- “No pays”: IBC retroactively denies claims after the hospital has already provided treatment. In one case, a three-year-old girl with a dangerous blockage of ducts draining the liver and pancreas needed surgery and 41 days of treatment. IBC denied coverage for days 22 through 27 and 31 through 35 of the child’s hospitalization.

- “Slow pays”: IBC refuses to pay claims in a timely way (within 45 days) as required by state law, and refuses to pay 10% interest on late claims, also required by law. The hospital is then forced to negotiate and renegotiate through a labyrinth of IBC administration, before claims are honored.

- “Unilateral changes in contracts”: IBC cuts reimbursement rates for surgery and other procedures, without telling the hospital, and ignoring the terms of payments in existing contracts, causing the loss of several millions of dollars each year.

- IBC unilaterally terminated cash advance payments to the hospital five years ago, which significantly and adversely affected the hospital’s cash flow. These advances, negotiated in the contract, provide cash to the hospital, while it awaits the insurer’s final payment.

to Jordan. Chicago HMO's agreement says that patients with "urgent problems" must be provided same-day service, and that "emergency treatment shall be available on an immediate basis, seven days a week, 24 hours a day." It also requires that there be one full-time equivalent primary care physician for every 2,000 enrollees. The HMO told the court that it used Federal guidelines to determine that an HMO's physician is capable of handling a maximum of 3,500 patients — yet, the HMO had assigned to Jordan 4,527 patients. Jordan was also under contract to treat 1,200 enrollees with 20 other HMOs, and had his own practice of non-HMO patients. The court noted that the HMO was actively soliciting new members door-to-door, at the same time that it knew it lacked physicians who were willing to serve members in that largely African-American area of Chicago Heights — and despite its contract with the Department of Public Aid, which requires the HMO to have one full-time equivalent primary care physician for every 2,000 enrollees.

The court ruled that the HMO had a duty to its enrollees "to refrain from assigning an excessive number of patients to Jordan. It is thus reasonably foreseeable that assigning an excessive number of patients to a primary care physician could result in injury, as that care may not be provided . . . the likelihood of injury is great." Indeed, it was, for young Shawndale Jones. Today, at age nine, she is severely and permanently disabled, weighs just 45 pounds, and is unable to feed herself. The Supreme Court ruling means that the case will now go to trial.

As the Jones case demonstrates, even basic care is often lacking in HMOs that contract with state medical assistance programs; yet, states dramatically slashed their budgets by ordering even their most indigent and disabled populations to sign up with underfunded, experimental Medicaid managed-care plans, that have little or no Federal oversight or intervention. Medicaid is the state-Federal insurance program for indigent and disabled individuals.

A review of the impact of mandatory Medicaid managed-care plans on 20 children's hospitals, to assess the magnitude of problems involved, found that state laws meant to rein in egregious managed-care policies such as "no pays," "slow pays," and "carve-outs" are largely ineffective. There are some 180 children's hospitals and pediatric specialty care facilities in the country. All must now shift more resources from providing care to acutely ill children, to fighting with managed-care plans to get them to approve and pay for needed treatment. Some children's hospitals in Tennessee's mandatory managed-care Medicaid program received no payments for six months. When scores of such state plans went bankrupt or left the Medicaid program, they left children's hospitals, 45% of whose patients are covered by Medicaid, with hundreds of millions in unpaid bills.

A study by the National Association of Children's Hospitals and Related Institutions (NACHRI) reports that managed

care's financial incentives:

- subject fragile newborns to multiple referrals and transfers between hospitals — sometimes to other states—in the first critical hours of life;
- delay appropriate referral to specialist expert care at a neonatal intensive care unit (NICU) "until it's dangerously late";
- promote inappropriate early discharge from NICUs, risking readmission as a result of failure to thrive or life-threatening cardiopulmonary events or heart failure; and
- disregard the need to invest in comprehensive follow-up, such as 24-hour coverage of home ventilation, and home health visits by specially trained neonatology nurses.

Insurers and managed-care plans determine whether a treatment is "medically necessary," and the number of days needed for hospital care based on guidelines developed by actuarial firms such as Ernst & Young or Milliman & Robertson. The aim of such guidelines is to cut the insurer's or HMO's costs. The guidelines for the shortest length of hospital stay (LOS) ensure greatest profits for the insurer or HMO. It's a simple, genocidal, trade-off, of human life for dollars.

For instance, the guidelines allow two days hospitalization for an adult who undergoes amputation below the knee. That's a death sentence for a diabetic (diabetics are among the most frequent amputees), with no help at home and unlikely access to specialist nursing care in a rural area.

The guidelines have no basis in sound medical practice. A study published in the April 2000 journal *Pediatrics* was highly critical of the Seattle-based Milliman & Robertson's guidelines, which they compared to actual hospital stays in New York in 1995 for 16 childhood diseases. The study concluded that the more dangerous the disease, the more Milliman & Robertson strayed from established treatment practices, mainly because they recommend in-home, outpatient care and monitoring for diseases that involve prolonged antibiotic treatment, such as bacterial meningitis (as in the Jones case) and osteomyelitis.

Milliman & Robertson's target LOS for a child with bacterial meningitis is 3 days, with 10-14 days of in-home antibiotics and assessment of whether the child is still critically ill (13 days of hospital care is considered typical). A child stricken with osteomyelitis is allowed 3 days hospital care (11 to 12 is the norm). Other "recommended" hospital LOS goals allow 1 day for diabetic coma; 4 days for complicated appendectomy (11.7 is typical). Milliman & Robertson claims that pediatricians developed the LOS guidelines. In fact, two doctors who reviewed the data said, "They're dangerous, kids could die because of these guidelines" — and demanded that they be changed. Even Milliman & Robertson's definition of a day is arbitrary — it no longer means 24 hours, but "stages of recovery progress." These "guidelines" have no scientific basis.



Managed care's physician financial incentives and disincentives actively create barriers that deny or delay needed pediatric specialist care, critical interventions, and timely diagnostic testing, such as the Federally mandated Early Periodic Screening, Diagnosis and Treatment program (EPSDT). Yet, if children experience even a brief delay in such developmental screening, which detects emerging disabilities, chronic illnesses, or birth defects, they risk preventable life-long injury or death.

New York, New Jersey, and Maryland have found that Medicaid managed-care plans failed miserably in providing even basic childhood immunizations in a timely manner. As a State of Minnesota study emphasizes: "Children require comprehensive services to promote physical, emotional, and

intellectual growth. Unlike adults, for whom the goal of treatment is to return the patient to his/her pre-disorder condition, children need uninterrupted progress in their development. That is, at the end of treatment, children should not return to 'normal'; but, rather, arrive at a more advanced level of development." Some managed-care plans deny disabled children with complex health-care needs, basic tests that could prevent death. Children with spina bifida, for example, are denied basic urinary tests that could save them from renal failure and death.

If we give the managed-care system any credibility, we are subjecting tens of millions of our children to a *known* cause of injury or death. It's time to stop the epidemic of managed-care deaths.

## A Dangerous Place for Disabled Children

The U.S. General Accounting Office (GAO) reports that, since 40% of Medicaid payments go for the care of disabled people, states are quickly enrolling this "more costly population" into capitated managed-care organizations (MCOs), which deliver medical services for a fixed fee per person ("Medicaid Managed Care, Challenges in Implementing Safeguards for Children with Special Needs," March 2000). Medicaid is the Federal-state health care program for indigent families and elderly, blind, and disabled persons. But, managed care's focus on primary care, with strict control over the use of services, "raises concern for Medicaid's approximately 7 million disabled beneficiaries," who have serious physical or mental disabilities or chronic conditions requiring frequent access to specialized doctors and significant amounts of medical care or around-the-clock nursing care.

The Balanced Budget Act of 1997 (BBA) gave states the authority, after obtaining a Federal waiver, to require that disabled children enroll in Medicaid managed-care plans. But, as Dr. Kathy McGinley of the Consortium of Citizens for Disabilities (CCD) told *EIR*, "Managed care is still a dangerous place for people with high health care costs. Managed care, in an era of trying to save money, can only be threatening to people with disabilities." The CCD, a consortium of 100 national disability organizations, worked with Sen. Charles Grassley (R-Iowa) to include language in the BBA to require the Federal government to undertake a study about how managed care works for children with disabilities. The impetus for the study

was to keep all disabled people out of managed care.

The Health Care Financing Administration (HCFA), which oversees Medicare and Medicaid, published voluntary interim guidelines for the states that include a few generic patient protections, but not others. The GAO found that HCFA's guidelines do not provide education for health plans and doctors on the particular needs of children with disabilities—especially regarding developmental needs and adaptation of medical equipment. The real issue is, why are MCOs, completely inexperienced in the needs of disabled children, even allowed to contract with states to provide their care? The failings of HCFA's guidelines directly affect the survival of these children. They call for states to devise and monitor the application of a "medical necessity" definition (which HMOs determine as they choose), but it does not require a written definition reflecting the access to services required by Early Periodic Screening, Diagnosis, and Treatment (EPSDT—see accompanying article), which is infrequently spelled out in MCO contracts. MCOs are often ill-equipped to meet the wide-ranging EPSDT requirements. Nor does HCFA's medical necessity definition require MCOs to provide specific health services for children with chronic and disabling conditions in order for them to maintain a reasonable level of function, but which may not lead to a cure or significant improvements. HMOs are notorious for denying such treatment/therapy, claiming that a disabled child "won't ever walk" or "won't improve significantly."

In 1998, some 150 national advocacy organizations urged HCFA to incorporate 12 pages of new patient protections in its managed-care rules and to make those protections *mandatory*. But, no Federal or state rules, nor enforcement measures, can turn managed-care sharks in the middle of a feeding frenzy, into advocates committed to the welfare of the nation's most vulnerable population.

# Business Briefs

## Health

### Iraq's Child Mortality Rates Doubled in Decade

Childhood mortality rates have doubled in Iraq during the last decade, and UN sanctions are being blamed. According to Mohamed Ali, a researcher at the London School of Hygiene and Tropical Health, the increase in death rates, especially in southern and central Iraq, is due to decaying hospitals and health care, malnutrition, shortages of water and power, and increases in communicable diseases. Infant mortality in southern and central Iraq increased from 47 per 1,000 live births during 1984-89, to 108 per 1,000 in 1994-99. Children under the age of five are particularly vulnerable to disease, due to the unsanitary conditions.

The study was published in the British medical journal *The Lancet*. An editorial in the journal blames Saddam Hussein for these conditions, adding that the United Nations is a "secondary perpetrator" of them. It recommends the "courageous policy" of suspending, not abandoning, UN sanctions, "lest upcoming generations of Iraqis, out of resentment, suffering, and isolation, grow up to be as aggressive as their current leader."

## Trade

### Opportunity Awaits U.S. Businesses in China

U.S. business leaders are "salivating lately as they contemplate the massive profits they say await them" in China, the May 22 *China Daily* reported. The U.S. Chamber of Commerce claims that the United States will increase exports to China by \$13 billion in the next five years. The U.S. Department of Agriculture claims that agricultural exports will triple, up from \$1 billion to \$3 billion.

However, this is little enough, given that the U.S. trade deficit with China, its fourth-largest commercial partner, last year rose to \$56.9 billion. U.S. exports to China have grown slowly since 1988, from about \$5 billion then to just under \$20 billion last year.

"Do the math," said U.S. Chamber of

Commerce president Thomas Donohue. "Nearly 1.3 billion people live in China, 20% of the world's population. But their economy only produces 3% of the world's goods and services. They have only 7% of the arable land. This trade agreement [permanent normal trade relations, passed by the U.S. House of Representatives on May 24] opens that market to American businesses, workers, and farmers." The trade deal will slash Chinese tariffs on U.S. industrial and agricultural goods by 50% or more over five years.

High-tech industry is especially anxious to increase exports to China. The High-Tech Industry Coalition testified that China in 1998 was the world's 12th-largest market for electronics exports, at over \$3 billion. By 2003, the Coalition claims, China will be the third-largest outlet for personal computers after the United States and Japan, with more than a million Chinese citizens planning to buy a computer in the next two years, according to the International Data Corp. The Business Software Alliance is also salivating over the China market. Insurance wants to get its hand in, claiming that the Chinese insurance market is worth \$10 billion, and that China, with one of the highest individual savings rates in Asia, spends less on insurance than 28 U.S. states.

## Thailand

### IMF's Claims of Recovery Greeted with Bronx Cheer

In mid-May, International Monetary Fund (IMF) Thai representative Shogo Ishii and IMF Acting Director Stanley Fischer lavished praise on the Thai "recovery." Ishii said, "Thailand's graduation from the IMF support program marks another milestone in its economic development." Fischer said, "Recovery is under way and an ongoing reform strategy is in place to address weaknesses," calling the recovery "impressive." But compare such remarks to the following:

Bangkok Bank CEO Kosit Panpiemras, now head of the Thai-U.S. Business Council, and a former Finance Minister, said recently that the IMF-defined targets simply don't apply when poverty rates are so high. "In a

year where incomes in rural areas declined because of reduced prices, the policy focus would have to be adjusted, and poverty cannot be forgotten." The IMF claim that exports will sustain growth is also probably false, "given the anxiety over international financial markets and slow recovery in Japan." Attacking IMF support for the Central Bank's recent effort to reject government policy demands, Kosit said: "This is not the time to worry about independence [of the Central Bank], so much as about strengthening [ourselves] to react to external volatility," a reference to the Asian Monetary Fund-related ideas.

Thanong Khanthong, Thailand's leading economic journalist, with *The Nation*, said that while the IMF talks of recovery, "International money managers and investors have packed their bags and pulled out of Thailand en masse, triggering yet another crisis of confidence." Describing near-panic in the country, Thanong says that *new* non-performing loans now exceed the retiring of *old* non-performing loans, while the stock market has plunged by 30% and the currency is sliding again. He also points to the coming U.S. crash as the greatest danger.

The Thai Farmers Research Council released a report on the "remarkably fragile state" of the stock exchange. Morgan Stanley Capital International Index and the FTSE World Index have drastically reduced their grading of the Thai market, feeding the renewed flight of foreign capital.

Deputy Finance Minister Pisit Leeratham warned that the "debt crisis" was making recovery most unlikely.

## The Balkans

### Bulgaria Crippled by IMF Policies

International Monetary Fund (IMF) policies in Bulgaria have caused the worst level of unemployment in nine years, and have driven the economy below 1995 levels. The latest official labor market statistics reveal a national jobless rate of 19% for April, 30% more than the 13% reported for April 1999. It is the highest jobless rate since official sta-

tistics started being kept according to Western methods in 1991.

The main reason for the rise of unemployment is the decline in industrial output by 31.2% over the last three years, caused by widespread foreclosures. The biggest drops occurred in 1998 and 1999, of 12.7% and 12.5%, respectively, and in 1997, output dropped by 10%. As a percentage of the national economy, industrial production has fallen to 28.9%, whereas services have increased to 44.6%. Farming accounts for 26.5%. The economy has fallen way below its level of performance of 1995, the Institute of Social and Trade Union Studies said at a press conference in Sofia, on May 23.

Experts of the Confederation of Independent Trade Unions in Bulgaria, however, say that the real jobless rate is above 25%. Confederation president Zhelyazko Hristov charged that the IMF bears the main responsibility for the fact that Bulgaria, by implementing its recommendations, has fallen behind other central and eastern European economies.

## South Asia

### India, Iran To Develop Strategic, Economic Ties

The foreign ministers of India and Iran met on May 22, reviving efforts to improve strategic and economic cooperation between the two countries. In Tehran, a meeting of the Joint Business Commission drew 23 representatives from Indian companies and business associations. Mr. Khamoushi, the head of the Iranian Chamber of Commerce, has said that over 200 industrial corporations will be privatized in the country's second five-year plan, which would provide opportunities to the Indian investors who are eyeing the emerging Central Asia market. India is also talking to Iran about laying a natural gas pipeline from Iran to India through Pakistan.

To promote a long-term energy partnership, India and Iran have announced creation of a high-level forum to identify the best possible means of transporting the vast natural gas reserves of the Persian Gulf and Central Asia to the Subcontinent, *The Hindu* re-

ported on May 23. In announcing the decision, India's External Affairs Minister Jaswant Singh and his Iranian counterpart, Kamal Kharazmi, avoided for the moment whether Pakistan should be a part of a major strategic deal between India and the Islamic world.

Iranian natural gas can be conveyed by ship, sub-sea pipeline, or overland pipeline through Pakistan. The first two options raise project cost significantly, while India's security concerns constrain the choice of the third option.

The joint working group will be headed by the two foreign ministers, and will raise the ongoing regional discussions on natural gas pipelines to the political level. It could also accelerate long-pending decisions on big projects that could lead to enduring economic and political bonds between India and its petroleum-rich neighbors.

## Canada

### Budget Cuts Blamed for E. Coli Outbreak

Public Utilities Commission authorities in Ontario, Canada were aware of the presence of *E. coli* bacteria in the water supply of the community of Walkerton for a week, but failed to alert residents. More than 1,000 people have taken ill, and as of May 31, six people have died, four children at the London Health Sciences Center were in critical condition, and seven others were in the hospital's pediatric ward.

On May 26, it was reported that a private laboratory had detected coliform bacteria in Walkerton's wells on *five occasions* between January and May. GAP EnviroMicrobial Services informed the district office of the Environment Ministry in Owen Sound, but apparently there was no follow-up.

On May 28, demonstrators protested the Conservative government's budget cutbacks, which are being blamed for the failure to act. Meanwhile, the epidemic has spread to southwestern Ontario, including the towns of Windsor, London, and Kitchener. The area's medical officer for health said he expects the death toll to climb. "This epidemic is not over yet," he warned.

**INDIA'S** northeast provinces will request of Prime Minister Atal Behari Vajpayee at a meeting in June, that the 1,079 mile "Stilwell Road" linking India to China via Myanmar be reopened, Mukut Mithi, Chief Minister of Arunachal Pradesh, told Agence France Presse on May 26. "Our region would then have the potential to become the hub of business activities and the gateway to South Asian economic centers," Mithi said.

**SUDAN** has concluded two contracts with China for purchase of power engines and irrigation water pumps. China will provide Sudan with 40 electric power engines, each with a daily output of 1 megawatt, worth \$9 million, and 256 irrigation water pumps, valued at \$8 million, to boost agriculture.

**SOUTH AFRICA'S** electricity parastatal ESKOM plans to invest more than \$1 billion in Africa over the next five years, as part of the Thabo Mbeki government's vision of an African Renaissance, Public Enterprise Minister Jeff Radebe said on May 22. ESKOM Enterprises would invest \$445 million in West Africa, \$245 million in East Africa, \$24 million in Southern Africa, and \$86 million in Central and North Africa.

**MOZAMBIQUE'S** sugar industry is threatened by a pull-out of investors if the government yields to pressure from the International Monetary Fund to end protection for domestically produced sugar. In November 1999, an IMF team said that the protection should be slashed so that by 2002, it would be no more than 20% above the world price.

**PAPUA NEW GUINEA** Prime Minister Sir Mekere Morauta has announced plans to sack 7,000 public servants, one-quarter of all government workers, with a \$90 million World Bank loan that promotes "good governance." Also, "The loan will be used to strengthen the Privatization Commission and allow it to go ahead with the sale of all significant government assets," he said.

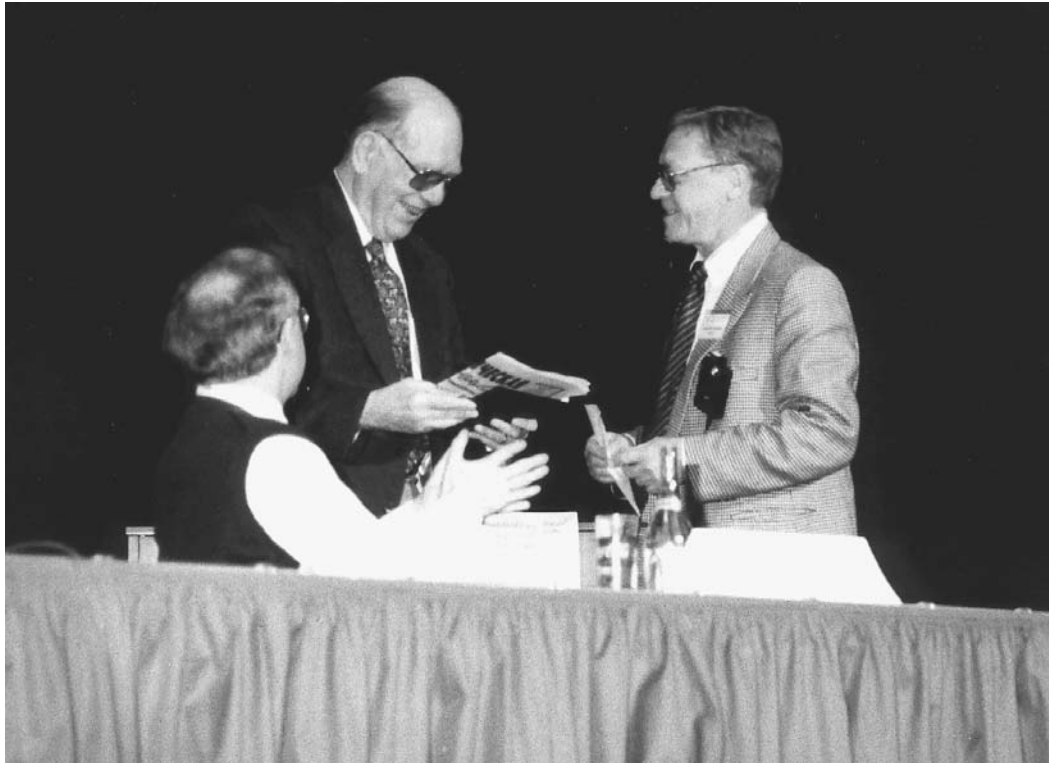
## Schiller Institute Organizes for a New, Just Economic Order

On Memorial Day weekend, high-level meetings were convened, by various organizations of the financial and political establishment, to try to paper over the cracks and fissures in the currently ruling institutions, from the Group of Seven central bankers gathering, to a conference of private banking institutions in Paris. At the same time, in Bad Schwalbach, Germany, another conference took place on May 26-28, organized by the International Caucus of Labor Committees (ICLC) and the Schiller Institute, which celebrated the imminent demise of the old order, represented by such institutions, and charted out the process by which a new, fundamentally different order will be brought into being, by the LaRouche movement internationally.

Delegations and guests from 40 nations attended the ICLC-Schiller Institute conference, dedicated to establishing a New Bretton Woods System.

As the old order dies, chaos and wars threaten humanity, said Muriel Mirak-Weissbach of the ICLC, in opening remarks, and yet the demise of the old order also offers “the unique, historic opportunity, to bring into being, at long last, a new, just world economic order, worthy of the dignity of the human being.” Characterizing the moment as revolutionary, she said that it required revolutionaries—“not gun-toting, sloganeering anarchists, but revolutionaries, who have mastered the subject of strategic method.” Thus, the subject of the conference.

Motion toward establishing a new world monetary system, had accelerated in the weeks prior to the conference, as leading economists, political figures, and institutions—many of them present in Bad Schwalbach—added their names to Lyndon LaRouche’s call for an Ad Hoc Committee for a New Bretton Woods. The political fight around these ideas, was nowhere more violent, than in the United States, where the forces of the Wall Street financial oligarchy, were resorting to outright fascist methods, in an effort to halt the Presidential primary campaign of Lyndon LaRouche, even at the cost of ripping up the Voting Rights Act of 1965. This, however, was proving vain, as the 22% vote for LaRouche in the Arkansas



*At the conference in Germany, Lyndon H. LaRouche, Jr. (center) is presented with a Russian-language book on his work, by author Aleksandr Chekalin (right), chief editor of the magazine Ekonomicheskaya Gazeta.*

Democratic Party primary election, on May 23, signalled a break in the otherwise rigged American election process. Amelia Boynton Robinson, historic leader of the civil rights movement, who pioneered voter registration in the South, addressed the conference on her experience, from the 1930s into her continuing fight today, in defense of the right to vote. Mrs. Robinson was campaigning in Europe, for the restoration of democracy in the United States, and had met with officials of the Organization for Security and Cooperation in Europe (OSCE), and others, in Warsaw, Berlin, and Rome, to discuss the “corrupt, venomous system, being used against the Voting Rights Act, and LaRouche” today.

Presidential pre-candidate Lyndon LaRouche’s keynote, “On the Subject of Strategic Method,” laid out the nature of the global crisis and its strategic implications, and constituted the basis for the three days of discussion (the advance text of the speech was published in last week’s *EIR*). LaRouche identified the two opposing cultural forces, that of Classical Greece, and the oligarchical model, whose conflict has shaped the course of the last 2,500 years of history. From that historical standpoint, LaRouche developed the contrary axioms of the two worldviews and mind-sets, demonstrating the urgency of a return to the Classical conception of man: “The role of Classical culture in the life of the sovereign nation-state republic,” he said, “fosters the participation of the individual in all humanity, a result which tends to be made universal, through a community of such principle among a world composed of sovereign nation-state republics.”

Thus, “the promotion of the cognitive method for development and propagation of scientific and Classical culture, through institutions of education and economy, is the precondition for the continuation of civilized life on this planet today.”

Further elaborating this concept, in the form of a devastating critique of the culture of Romanticism, Helga Zepp-LaRouche presented how “Only a New Classical Period Can Save Humanity,” which we publish immediately below.

### **Cognition Versus Information**

How the cognitive method for the development of science and Classical culture, functions, was the centerpiece of two panels, dealing, respectively, with science and music. Dino de Paoli presented “How Ideas Change the Ordering of Space-Time,” through a refutation of the basic axioms of cybernetics and the post-industrial utopias. Taking the example of Norbert Wiener, and his book *Cybernetics*, De Paoli demonstrated the fallacy of his basic axioms, including that of “neg-entropy,” from the standpoint of LaRouche’s concept of anti-entropy. De Paoli utilized the examples of jokes and great works of pictorial art, to demonstrate the character of creative thinking, which, in opposition to the cybernetic view of the communication of “information,” presents a contradiction, which is transformed in a paradoxical ambiguity, through the creation of a higher order or geometry. It is this process of creative transformation, which is the meaning and “information” of the painting, he said.

Jonathan Tennenbaum addressed the same essential point, from a completely different standpoint, picking up on an idea of the ancient Chinese philosopher Confucius, who said he could determine the moral and political character of a nation, through examination of its music. In his speech on “Bach as a Follower of Kepler: The Polyphonic Character of Truthful Thinking,” Tennenbaum counterposed the music of Jean-Philippe Rameau, with that of Johann Sebastian Bach, to illustrate the issue of method in musical composition.

The “Bach Revolution” was the topic of the second, complementary panel on cognition versus information. The previous evening, pianist Günter Ludwig had presented a concert to the participants of the conference, which was articulated as a dialogue between Bach and other Classical composers, Josef Haydn and Franz Schubert. Anno Hellenbroich, music director of the Schiller Institute, introduced the session, by saying that the revolution in musical composition effected by Johann Sebastian Bach, reflected the principle stated by Gottfried Leibniz, that this was the “best of all possible worlds.” God’s plan, Leibniz stated, was such that there was “the greatest multiplicity in the framework of the greatest order.” Hellenbroich used musical examples from Bach’s *St. Matthew Passion*, and other works, to demonstrate how the composer used registral voice shifts to create lawful dissonances; and how the same thematic material was transformed through successive compositions.

A special guest, Prof. Yelena Vyazkova, from the Gnesin Academy of Music in Moscow, spoke on “The Riddles and the Meaning of J.S. Bach’s ‘The Art of the Fugue.’” Professor Vyazkova, who has dedicated 30 years to study of this fundamental work by Bach, had raised questions as to the ordering of the different parts (preludes and fugues), the meaning of the work as a whole, and the last, unfinished fugue. Arguing from internal evidence of the works, the musicologist showed what the lawful, harmonic ordering of the different pieces must be, and also presented reasons why she believed Bach left the last fugue unfinished, deliberately.

The final contribution on music was made by Ortrun Cramer, director of the Schiller Institute chorus, who showed “How Beethoven Studied Bach.” She documented how Beethoven came to know Bach’s compositions in Vienna, and frequented circles of Bach lovers, among the networks of Moses Mendelssohn as well as of his friend and mentor Archduke Rudolph. Turning to musical examples, she used a chorale from the *St. Matthew Passion*, and selections from Beethoven’s string quartets, to demonstrate the mastery of the principle of motivic thorough-composition.

## **Toward a New Bretton Woods**

The final session of the conference came back to the initial theme of the New Bretton Woods. Michael Liebig of *EIR* introduced the panel, with a review of the progress of the initiative, from the appeal to President Clinton in 1997, to

the constitution of an Ad Hoc Committee for a New Bretton Woods. Hartmut Cramer, of the Schiller Institute, explored the historical precedent for the concept, in the work of President Franklin Delano Roosevelt. Focussing particularly on 1932-33, Cramer showed how FDR succeeded in bringing the American population out of the misery of the Depression, through implementation of dirigistic methods, with the New Deal and the Tennessee Valley Authority. Cramer stressed that Roosevelt ended the depression by changing the physical basis of the economy, and in the process, created a powerful constituency of workers, farmers, entrepreneurs, and minorities.

Jacques Cheminade, former Presidential candidate from France, continued the discussion of the historical precedents, in his speech, “Franklin Delano Roosevelt and Jean Monnet: How the Battle Against British Imperial Methods Can Be Won.” Challenging a largely European audience, not to fall into the trap of cheap anti-Americanism, in the face of disastrous policies emerging from Washington, Cheminade said that it was their task to support the proponents of the American System of economics, inside and outside the United States, who are the heirs of the European Renaissance. Cheminade discussed Roosevelt’s work in his last terms, from 1937 until 1945, and showed how the French pro-industrialist banker Jean Monnet, was crucial in pushing FDR’s war mobilization. Following Roosevelt’s death, Monnet carried on his legacy in Europe, promoting economic reconstruction, as did Konrad Adenauer, Robert Schuman, and Charles de Gaulle, in their political conceptions of Europe.

It was altogether fitting, that in the course of the in-depth discussion process that unfolded over three days, LaRouche’s unique role as thinker, and political leader for the fight today, was celebrated. Dr. Bernard Zamaron, director of the Robert Schuman Center for Europe, commented that Schuman, de Gaulle, and Monnet succeeded, because they realized that they were “all in one boat,” adding that he believed, that the central question is one relating to God and humanity, a question, he said, which LaRouche had grasped. The Enrico Mattei Center for International Studies, which represents the political circles in Italy inspired by the tradition of the Italian industrialist and nation-builder, presented an award to LaRouche in recognition of his promotion of social development. The award had been announced in Pavia, in the presence of local religious and civic leaders, including the mayor. From the Czech Republic, Dr. Jozef Miklosko, who had served as the vice-premier of the first post-Communist government in Czechoslovakia, presented his friend LaRouche with a book he has just published, which contains a chapter on “the American Sakharov,” about LaRouche. Aleksandr Chekalin, editor-in-chief of the Russian newspaper *Ekonomicheskaya Gazeta*, also presented a new release, entitled *It Is Dark Just Before Dawn: Classical Considerations on the Eve of the Year 2000*, which lays out the thinking of LaRouche.

# Only a New Classical Period Can Save Humanity from a Dark Age

by Helga Zepp-LaRouche

*The following is the prepared text of the May 27 keynote speech to a conference of the Schiller Institute and International Caucus of Labor Committees in Bad Schwalbach, Germany. Subheads have been added.*

Lyndon LaRouche developed yesterday, as he has repeatedly done before, that only if the population returns to Classical thinking, can we avoid catastrophe. The first problem we have to deal with, is that the vast majority of the people is completely dominated by “popular opinion,” which is nothing else than the *vox populi* of ancient Rome, which essentially collapsed into a Dark Age, because the empire lost its fitness to survive, largely because of rotten values associated with the predatory mentality associated with the *vox populi*.

Today we are faced with exactly the same danger. Rome used “bread and circuses”; today, the population is brainwashed by mass entertainment. The fact that people in several European countries swallow this “Big Brother” program, modelled openly on George Orwell’s *1984*, adds insult to injury. Then, you have the unbelievable banality, perversion, and brutality of Hollywood movies, deadly video games, full of blood and Gore, and a population immersed in the fantasyland of “wellness” and the fun society.

In reality, we are de facto already in a new Dark Age. We are not only experiencing a global crisis, but an entire period of history, an epoch, is over, and only a huge shock and coordinated action for a new world economic order can prevent global chaos and a new fascism. And indeed, we should be quite alarmed at the fact, that apart from the danger of an uncontrolled collapse of the financial system, the threat of new fascist dictatorships is likely to arise in the same or actually much worse way, than occurred in the 1930s. This can take the form of “rebel leaders” fighting for “independence”; it can take the form of dictators implementing “liberal” economic policies; and, it can take the form of police-states with total surveillance of their citizens, privatized prisons for slave labor, and a mass elimination lives considered “unworthy to be lived,” through mass application of the death penalty, living wills, denial of health care, homelessness, etc.

This new fascism has many ingredients of the old fascisms, which are easily recognizable, but there are also new phenomena, which have not yet properly been conceptualized. It is necessary to do a clinical investigation of what is

wrong with the mind-set and the method of thinking, which has to be changed. As I will demonstrate, the present *vox populi* is much closer to clinical insanity, than people are willing to accept. One area, where it should be the easiest to see the identity of the old and new fascist policies, is the privatization of health care in the United States, in the so-called health maintenance organizations (HMOs), where accountants and managers dedicated to a “shareholder-value” society, and the mindless greed of speculators, decide who is a “useless eater” and what is an “unworthy life.”

This is the direction in which [Public Health Minister] Andrea Fischer, the most incompetent German cabinet minister of all time, is going, and this is the case with 50,000 involuntary euthanasia deaths per year in Holland.

And now it is obvious, beyond a shadow of a doubt, that what we have always insisted upon is true: that the International Monetary Fund, by forcing Third World countries to cut health and other social expenses, has practiced genocide on a large scale, for decades.

## The AIDS Threat to National Security

In January of this year, a CIA report was published, stating that the global AIDS pandemic represents a national security threat to the United States. Exactly what Mr. LaRouche said in 1985 (actually, in a general form, already in 1973, even before AIDS was discovered)! He then was denounced and prosecuted.

It is indeed a security threat, not only to the United States, but to the whole world! This one area shows clearly, that we are in a Dark Age. And, one year ago, there was a report by the World Health Organization, which said that there is evidence that the world has dangerously underestimated the threat of bacteria and viruses to national security and economic growth, and soon the world may miss the opportunity to protect people from this risk.

This report states, in an unprecedented tone of urgency, that the world has only a very short “window of opportunity” left to make dramatic progress in controlling the six leading killer diseases, and protecting the world against new diseases:

“The cost of failure will be high; increased drug resistance and the emergence of new bacteria and viruses could make the control of infectious diseases both scientifically and economically unlikely in the future.”



*Helga Zepp-LaRouche, founder of the Schiller Institute. The Romantic movement, she argues, was an oligarchical deployment to destroy Classical culture—and to drive people crazy. Its effects can still be seen today, in the degraded nature of Western popular culture.*

“It is in the best interest of all countries to support global initiatives to control infectious diseases. Any segment of society that ignores the spread of infections among its neighbors, does so at its own peril. When a country becomes a weak link in the chain of global surveillance and disease control, everyone is affected. . . .

“Smallpox provides a very striking example. If smallpox had not been eradicated in a few remaining countries in 1977, the world might still pay a heavy price today. Unforeseen was the imminent emergence of HIV/AIDS. Immunization with the smallpox vaccine—made from a live weakened virus—would now be *fatal* for many people, whose immune system is impaired by HIV.

“Just a few years’ delay and global eradication of smallpox may have become impossible without the discovery of a new vaccine. Had smallpox not been eradicated, at a cost then totalling \$300 million, it could be among the top six infectious killers in the world today. Without past concerted efforts to fight the disease, smallpox would still cause at least a million deaths per year, costing governments billions of dollars in health care costs. These lessons have been overlooked.

“The progress that the world can make today against infectious diseases may not be possible a decade from now. Increased drug resistance and the unforeseen emergence of new microbes could close the window of opportunity for controlling infectious diseases.”

This is almost an understatement. Multi-drug-resistant forms of diseases are already becoming untreatable in any country, at any price, once the options have been exhausted. It becomes increasingly difficult to develop new antibiotics and other drugs fast enough to replace those, that have become ineffective.

Has there been a crash program to develop new scien-

tific breakthroughs? No!

Has a society which fails to respond to an existential threat lost the moral fitness to survive? Yes!

## **A Culture of Violence**

Let’s look at another aspect of the new Dark Age. We have documented the accelerating use of child-soldiers, with the spread of wars around the globe, as well as child slave labor, child prostitution, the use of children as organ donors. Every day, 50,000 children die of hunger. In the so-called “advanced” sector, we experience the phenomenon of the “new violence.” Children are trained to become mass killers, though video games, modelled on flight simulations used by the military for the training of combat soldiers.

These video games (Pokémon is like an initiation drug) are resulting in an unbelievable brutalization of the minds of helpless children from the age of three on up. Four-

year-old children jump out of a sixth-floor window, because they believe they can fly like a figure in Pokémon. Six-year-old children shoot six-year-olds. The childhood of the children of the world is being stolen. They do not *have* a childhood.

The American Medical Association already in 1972 reported a direct link between violence in the media and the actual increase of killings around the world. Does a society, whose children do not have a childhood and where the idea of the sacredness of human life is unheard of, have a future? Then, there is what Lyn calls the generational crisis, where the eco-fascist ideas of the ’68 generation are now topped by the unbridled predator capitalists of the Internet firms, social darwinist millionaires of Generation X, who do not mind if their short-lived riches are built on accelerating racism and the marginalization of the poor. Whoever does not see that there is the danger of a new fascism, potentially much worse than that of Hitler, is blind and evil.

## **Self-Delusion: The Rise of Hitler**

It is most instructive to compare the present self-delusions, with the complete illusion and misjudgment at the time immediately before Hitler’s takeover. After the sensational election successes of the Nazis on Sept. 14, 1930, people were stunned, and looked for reasons for this success. It could really not be attributed to either the program or leadership of the NSDAP [Nazi Party]. Why should Hitler be something special, among the 400 groups of the Conservative Revolution? People were full of contempt for the “intellectual shallowness” of the Nazis.

The Berlin press characterized their tirades as most banal, hollow charlatanry, saying nothing, or else what other agitators for the Conservative Revolution had said already.



Then, after the major losses of the Nazis in the Reichstag [parliament] election of Nov. 6, 1932, and the crisis around Strasser in December 1932, the general assessment was, that the Nazis were only a passing phenomenon, which would break apart by their inner contradictions. This was ideologically motivated wishful thinking. All the information concerning the Nazis' intentions was there, but what was missing was the ability to conceptualize the new phenomena.

Still, on Jan. 15, 1933, Reichschancellor Kurt von Schleicher said: "Mr. Hitler does not represent a problem any more. His movement has ceased to be a political danger. The whole matter is resolved and a sorrow of the past."

Only a few took *Mein Kampf* and Hitler's speeches seriously. Different political groups had different ideological reasons for their misjudgment. The Communists, influenced by Georg Lukacs, believed that the "actual danger" would be the "social fascism of the Social Democracy," which would be much more efficient in implementing the "fascist dictatorship of the financial oligarchy."

The Social Democrats believed, that since they had survived Bismarck and Kaiser Wilhelm, nothing could be so hard. And even after Hitler's takeover, people raised no special alarm—a few voices excepted—and there was also no special outcry coming from abroad.

But Hitler was very clear about the utopia of a "globalization" of his power. The racism and the glorification of a supposed Germanic super-race were out in the open, and there was a total openness about the social darwinist intent to eliminate the "unfit" and "unworthy."

Where did this come from?

What was the significance of Joseph Goebbels's radio address of April 1, 1933, in which he declared: "Now we have eliminated the year 1789 from history!"

## Romanticism Against the Classical Idea

"The ideas of 1789"—that was the synonym for the enemy-image held by the Conservative Revolutionaries since the period of the American Revolution, of which the French Revolution was essentially a failed version, and since the time of German Classical culture, of the Weimar Classic.

One has to consider the entire evolution of ideas of the Conservative Revolution, which include the mythologies of the Romantic movement, as a fundamental counterattack against the German Classics, all the way through Nietzsche, Wagner, the "Romantic" protest movement of the *Jugendbewegung* [Youth Movement] before World War I, as an essentially uninterrupted tradition, and then consider, how the Romantic-initiated cultural pessimism of the World War I period was shaped though the terrible experience of that war. All this went into the "heroic nihilism" of the Conservative Revolutionaries such as Ernst Jünger, Oswald Spengler, Moeller van den Brück, and others, who shaped the ideological environment around the Nazis.

It is these ideas, which, in a new form, are at work at the present, which represent a mortal threat to human civilization.

The Romantic movement, as it appeared in Germany, was a conscious countermovement against the German Classics; it took slightly different forms in other European countries, and was a powerful assault against the very identity of that which is called "European culture."

It was with the emergence of Greek Classical thinking, from Homer, through the great tragedians, until finally with Plato, that the scientific knowledge was established, that the world is not governed by magic and demons, which man can only answer with superstition and manipulation, but rather that man is capable of formulating valid ideas about the physical universe, that the universe was lawfully organized by the *Logos*, and that the reflection of reason and truth is beauty. In this sense, European culture was a tremendous victory of man over the barbarism of the Mesopotamian, Babylonian, and other empires. It was the birth of human dignity and human rights.

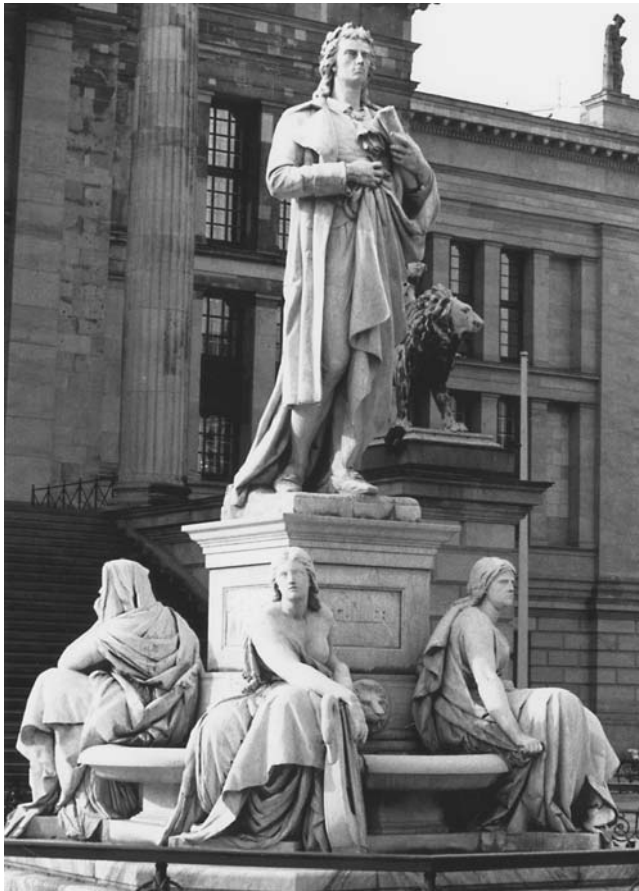
After Leibniz had revived the Platonic-Christian tradition after the Thirty Years' War, and developed its scientific method to a new level, and after especially Gotthold Lessing and Moses Mendelssohn had combatted the evil influence of the English and French Enlightenment, and in this way prepared the ground for the Weimar Classical period, the collaborator of especially Schiller, Goethe, Wilhelm von Humboldt, and their friends established the high ground in Classical culture up to that point.

Never was there a higher ideal of man, a more noble idea of man in his freedom, each individual capable of becoming a beautiful soul and a genius, than was celebrated by the works of these men. And never was the principle of Classical composition of works in drama, poetry, music, or sculpture brought to a higher level.

The historical moment when this occurred, was just after the success of the American Revolution, the establishment of the first true republican sovereign nation-state, the biggest defeat for the British Empire and the oligarchy of that time. And furthermore, it was the understanding, and not only of Presidents John Adams, John Quincy Adams, and James Monroe, that the concept of the sovereign nation-state, committed to the general welfare and the inalienable rights of all citizens, was supposed to be spread over the globe, so that sovereign nations could peacefully live together in a community of principle. These were the political ideas which inspired Schiller and all republican forces in Europe.

When the representatives of the Weimar Classic and the Classical composers, above all others Beethoven, crowned these noble ideas with songs and compositions, which established eternal and universal laws of art, and furthermore, when Wilhelm von Humboldt and the humanists of his time proceeded to make these principles the foundation of a general education system, the oligarchy was confronted with the biggest challenge ever: True republics, and Classical thinking in the general population, were spreading!

I am convinced, that the Romantics were not really romantics, but agents of the Holy Alliance and oligarchy of their



Statue of Friedrich Schiller in Berlin. Schiller's works represented the highest achievement of Classical culture, and he was in continual combat with the virus of Romanticism.

time. Oh, sure, they had their sincere romantic feelings—and what that means, we will see shortly—and their romantic fantasies, but if they were not agents from the beginning, a lot of them for sure were picked up as agents in the process. Friedrich Schlegel, for example, later worked openly for Metternich and Gentz. De la Motte Fouqué articulated the ideas of the Restoration and the racial superiority of the *Geburtsadel* [hereditary nobility] as the justification for feudal class society. And Johann Heinrich Voss was probably right, that Fritz von Stolberg was picked up by the oligarchy and reactionary elements in the Church.

In any case, one has to consider, that the Weimar Classic, and especially the works of Schiller, represented the highest level of reason, expressed the most profound Platonic ideas with poetic beauty, and the contributions of all of this challenged the population to the highest level of thought and consciousness. And the demand of the time was how to realize the great ideas of the American Revolution in Europe, how to build the greatest piece of art, to build “political freedom,” as Schiller said.

And what do the Romantics propose? They glorify exactly what was essentially a Dark Age; they present an historically

completely falsified image of the Middle Ages: knighthood, the emperors, misused Nordic mythologies, inexplicable mystical events, an infinite longing for death, the unrestrained living-out of psychological disorders, just to name a few elements of their irrational mix.

The poet Heinrich Heine asks in his essay “The Romantic School,” which is a sarcastic polemic against its proponents: Is it not very strange, that such an eerie curiosity motivates people to look into the graves of the past? This always happens in extraordinary periods, at the end of an epoch, or shortly before a catastrophe.

He concludes that the Romantics in Germany had quite a different purpose than those in France, and that the effect that they were able to have on the broad masses, threatened the freedom and the future of his Fatherland.

I will introduce you now to some of the key Romantics, some of their works and how they continue to be influential at the present, and contrast their way of thinking with Classical principles.

### The Schlegels vs. Schiller and Goethe

In the second half of the 1790s, when Schiller and Goethe had started the fruitful decade of their collaboration, a group of young poets and writers gathered in Jena, and in the beginning they were in contact with both Schiller and Goethe. August Wilhelm Schlegel, a student of Gottfried Bürger, whose poetic populism Schiller had criticized so sharply, collaborated for a short period with Schiller's publications *Almanach* and *Horen*. He married Caroline Böhmer, who later left him to marry F.W.J. von Schelling, the “philosopher of nature.” Soon August Wilhelm's brother Friedrich arrived with his lover and later wife, Dorothea Veit, a daughter of Moses Mendelssohn, who unfortunately did not walk in her father's footsteps.



August Wilhelm Schlegel

After a short period of contact, Schiller cut all ties to the Schlegels, because he absolutely could not stand the impertinent and overbearing behavior of the brothers, especially Friedrich. Friedrich had attacked Schiller in the publication of the royal director of the orchestra (Kapellmeister) in Berlin, Friedrich Reichardt. Schiller and Goethe started the “Xenien” fight, many episodes of which

were directed against the Romantic camp.

The Schlegels founded a direct counter-publication to the *Horen*, which only appeared from 1798 to 1800; it was called the *Athenäum*, and it became the flagship publication for their school. In it wrote also Schleiermacher, Novalis (Friedrich

Freiherr von Hardenberg), Fouqué's teacher A.L. Hülsen, and the sister of Ludwig Tieck, who, besides Novalis and the Schlegels, was one of four in the original core group. It was not least the intrigues of Caroline, whom Schiller called "Dame Lucifer," who organized the majority of the Romantics into an openly hostile position to Schiller. She challenged the two brothers to become "critical dictators of Germany."

Novalis, whose 15-year-old bride had died, was the first example of a "poet" writing out of an inflated fantasy and longing for death, where he wanted to follow his bride. His "Hymns to the Night" are the product of a morbid fascination with death.

Another major document by Novalis, "Christianity and Europe," despite the fact that, on Goethe's advice, it was not published in the *Athenäum*, formulated for the first time the strange theory, according to which the Middle Ages was the time of a unified, powerful Europe, where the good emperor and respected, commanding priests would tame the wildest, most greedy tendencies. This wise head of the Church also curbed the dangerous development of knowledge—lest the people should become accustomed to despising everything great and miraculous, and regarding it as mere causal lawfulness.

Novalis's tract went too far for Goethe, who, after all, was steeped in the Greek Classics and 3,000 years of European civilization, and who had defended Kepler and attacked Newton.

August Wilhelm vacillated between his efforts to propitiate Goethe for his own purposes, and to join the attack on the Classics, but he was already in the process of accepting Romantic ideas. Friedrich completely went along with Novalis, and later converted to his own strange brand of Catholicism, on this basis. Schlegel never wrote poetry, but from 1801 to 1804 he read lectures in Berlin about the history of Romantic literature. Essentially, they attacked the Classics and praised all poets who followed neither the rules of the Greeks nor those of the French. Schlegel naturally glorified the German Middle Ages, the "Minnesänger" and the *Nibelungenlied*. He indeed



Friedrich Freiherr von Hardenburg (Novalis)



Friedrich Schlegel

managed to portray a rather sinister period in a glorious light. Unfortunately, he provided the theoretical foundations for the Romantics.

In the meantime, Caroline left him and married Schelling. August Wilhelm, for the next 16 years, lived with Madame de Staël, the daughter of French Finance Minister Necker, banned from France by Napoleon. Schiller was absolutely appalled by her, Goethe said, such that when she left Weimar, he felt as if he had survived a terrible disease.

With the help of August Wilhelm, she wrote a book, *About Germany*, on literary life in Germany, which is full of her and Schlegel's Romantic views. They had a very strange relationship, because, despite the fact that she had numerous affairs with other men, he signed a letter to her in 1805 with the words, "Your slave." When he tried to marry another woman after she died, this woman left him after the first night, and her parents got the marriage annulled, with the argument that it never was consummated; Heine reported about all of this with funny references to the missing parts of Osiris.

Friedrich Schlegel, who originally studied the ancient Classics and philosophy, in 1797 went to Berlin, where he waged polemics against especially German Classical literature, socializing with Johann Friedrich Reichardt, whose house became a center for followers of Romantic ideas. Friedrich wrote in his magazines *Deutschland* and *Lyseum*. He also wrote the unspeakable novel *Lucinde*, in which he praises man as "the serious beast," and hails the "godlike art of laziness," the right to be impertinent, and the pleasures of free love. August Wilhelm was the first to praise the power of the *Nibelungenlied*, which had been rediscovered by J.J. Bödmer in 1757, in his lectures. He insisted that it was comparable to Homer's *Iliad*—an idea that Schiller and Goethe completely rejected. They were disgusted by the whole Nordic mythology, whose gods were more incomprehensible ghosts, than godly figures.

Schiller, in particular, concluded that Nordic mythology was too closely tied to the particular time and national interest. Greek mythology, on the other hand, alone could address the eternal, timeless, and universal man.

How right Schiller would prove to be! This conscious effort by the Romantics to replace the reference point of ancient Greek ideas with the Nordic mythologies, would directly lead to the German catastrophe. In another location, Schiller worried about what all of these Romantic ideas would lead to.

Friedrich wrote a major treatise about northern poetry, while the main works of de la Motte Fouqué were devoted to the Nibelungen saga and the idea of the Nordic heroes. Josef Görres took up the Lohengrin story and made further investigations into the Siegfried saga. In 1826, the *Nibelungenhort* was performed on stage for the first time, and naturally Richard Wagner then used the mythologies as a reservoir for his operas, *Parzival*, *Lohengrin*, and *Tristan und Isolde*.

With the glorification of the Middle Ages by the Romantics, these mythologies were misused to become the mythical

notion of the *Volk*, and under the Nazis the *Nibelungenlied* became the anthem of the unconditional followers of the “Führer.”

The main novel by Novalis, *Heinrich von Ofterdingen*, starts with the following sentences: “The young man lay restless on his bed, and thought about the stranger and his tales. ‘It is not the idea of the treasures, which has awakened such an unspeakable longing within me,’ he said to himself; ‘I am distant from all thoughts of greed. ‘But I do long to catch a glimpse of the blue flower. I am obsessed by it, and I cannot compose or think of anything else. I have never felt this way before: It is as if I had seen it before in my dreams, or or I had slept my way into another world.’ ”

This motif of the “blue flower” became the metaphor for the Romantic. And what was it? This strange brew of the Edda, and the glorification of the powers to be.

There is another whole dimension to the Romantic writings. On one side, they are mostly very simple-minded,



Richard Wagner

written in an extremely simplistic style. As Heine writes about Tieck, he had “swallowed down so much from the popular books and poems of the Middle Ages, that he almost became a child again, and blossomed downward into that babbling simplicity, which Madame de Staël took so much trouble to admire.”

Concerning Tieck’s “Der blonde Eckhart” and “Der Runenberg,” Heine writes further:



Ludwig Tieck

“This poem is suffused with a mysterious inwardness, a special secret with nature, especially the plants and the realm of the stones. The reader feels as though he were in an enchanted forest.”

Let me tell you briefly the story of the “Fair Eckhart,” a knight who lives in the solitude of a wood, with his wife, Bertha. A visitor comes, Walter, who befriends Eckhart, and one night he urges Walter to listen to Bertha’s story of her childhood:

When she was eight years old, she was brutally beaten by her father; she runs away through mysterious woods and mountains, meets an old woman who takes her into her house. Bertha has to take care of the bird and the dog, and eventually

the woman tells her the secret: that the bird lays an egg every day, with a pearl or precious stone in it. She adds, that if Bertha does her duty, she will do well, if not, punishment will overtake her, sooner or later. When she is 14, Bertha decides to steal the bird and the pearls. She chains the dog in the house, knowing that he would have to die as a result. She sells the stones and keeps wandering, until she reaches the village of her parents, who, however, had died three years before. The bird starts to sing, and she strangles him. Then she marries the knight Eckhart.

This is the end of her story, and Walter comments: “I can imagine, how you fed little Strohmi.”

Eckhart becomes totally paranoid, that Walter would tell their secret. Bertha gets very sick. She is terrified: How could Walter know that “Strohmi” was the name of the dog? Eckhart goes out and shoots Walter dead. Bertha dies before Eckhart returns.

He befriends another knight, Hugo von Wolfsberg. Eckhart is paranoid, that his friend loves him only because he knows of his guilt. All of a sudden, Hugo’s face turns into that of Walter. Eckhart fears that he is going insane and runs away. He runs into the old woman, who says, “So, are you bringing me my bird, my dog? See, injustice finds its punishment. I was Walter, I was Hugo, and Bertha is your sister, whom her father, a knight, had given to foster parents to be raised.” Eckhart goes insane and dies.

Now, this is clearly the story of a child, beaten by a bipolar father, who develops a multiple personality disorder, combined with paranoid fits and schizophrenia.

As I will show, this fascination with insanity is a very characteristic feature of nearly all the Romantics.

In “Der Runenberg,” the hero, Christian, walks around in a strange mountainous landscape.

“He thoughtlessly pulled at an exposed root, and suddenly he was shocked to hear a muffled cry from below; the cry continued to reverberate underground, in plaintive tones, until it finally became mournfully lost in the distance. The sound pierced his heart to the core; it gripped him, as if he had unknowingly touched the wound that was inflicting so much pain on the dying body of nature, that she wished to perish from it. He jumped up, and wanted to flee, since he had heard awful things about the strange mandrake root, which, if ripped out, utters such blood-curdling sounds that it drives men mad with its screaming.”

Now, we finally know what’s wrong with Andrea Fischer — she tried to pull out mandrake roots! Not only Novalis talked with plants, so does Prince Charles!

In “Runenberg,” Christian, who otherwise gives a detailed clinical description of his own schizophrenic nightmares, says:

“No, I quite distinctly remember that it was a plant which first acquainted me with the full scope of the earth’s misfortunes; only since that time, have I understood the sighs and complaints which are discernible everywhere in nature, if one

takes the trouble to listen. In plants, herbs, flowers, it is only one great wound which stirs and moves: They are the corpse of earlier, magnificent stone-worlds, and they appear before our eyes in a state of horrible putrefaction.”

Here you have it! Now we finally know how the Greenies know that the forests are sick! All you need is a schizophrenic who longs for death, and the woods will tell him!

## The Romantics Live Out Insanity

Tieck was not the only one, in whom this insanity and indulgence in nature were connected. Heine said about Novalis and E.T.A. Hoffmann, that the similarity between them was, that their poetry was actually a sickness. Heine wrote:

“Hoffmann saw ghosts everywhere, but life itself rejected him as a pathetic spook. He felt as if he himself had become a ghost, and all of nature was, for him, a misshapen mirror, one in which he only could see, distorted a thousandfold, his own funeral bier; and his works are nothing other than a terrifying, 20-volume-long cry of fear.”

Hoffmann only dealt with the “night-side of Nature,” talking about the devil, graves, insanity.

But not only Heine recognized that the Romantics were living out insanity; so did Goethe, who said to Eckermann, that the Classical is the healthy mind, while the Romantic is the insane one.

The interesting aspect is, that this insanity had a method. Some contemporary authors admit, that modern psychiatry has its roots in E.T.A. Hoffmann!

So writes Arnold Hauser, in his *The Philosophy of Art History*: “Psychoanalysis is itself a kind of Romanticism; it is unthinkable without the Romantic frame of mind and the Romantic inheritance. Freud’s real spiritual ancestors are among the Romantics, and the presupposition of a psychoanalytical approach to mental phenomena are among the fundamental implications of the Romantic outlook on life. Psychoanalysis regards, as did Romanticism, the unconscious as origin, if not a higher, at least of a more genuine, more perennial form of truth.”

Its principle of “free association,” which is not only the foundation of the theory, but also its criterion of spontaneous mental functioning, is a variant of the “inner voice” of Romanticism. The very idea of convertibility of mental energies and attitudes, on which the whole structure of the psychoanalytical doctrine, with its reaction formations, defense mechanisms, rationalizations, and sublimations, is based, is unthinkable without the experience of Romantic frustrations and a constant of compensations, in a period that Freud himself has described as that of “Man’s discontent with civilization.”

Hoffmann clearly was afraid of going crazy himself; in any case, he was in contact with some of the leading doctors of his time, Adalbert Friedrich Marcus and Friedrich Speyer; he visited insane asylums, read the relevant psychiatric literature, and occupied himself with literature about mesmerism (hypnosis) and somnambulism. He used these subjects as

literary material.

In the tale “Der Sandmann,” the student Nathaniel has a pair of spectacles, with which he can see two different kinds of realities. Perception through these spectacles sets a fantastic inner life in motion, which lets him see the other world in a completely different way than everybody else. Insanity sets in; the schizophrenic can’t get these two views together.

In “Prizessin Brombilla,” he describes a chronic dualism; in “Die Serapionsbrüder,” he describes the world of a crazy person, who lives in his own mental world, which is logical in itself, and, as long as he is not disturbed, he lives a closed off, but happy life.

It is exactly that approach — that one should not try to cure the mentally ill, but let them live a human life, where they are in peace with their disease — which was later taken by R.D. Laing in his book *The Divided Self*, and his “anti-psychiatry” institution at Kinsley Hall. R.D. Laing was the expert of the British Tavistock Institute in psychomimetic drugs, by studying psychotic states within people and then trying to imitate them with synthetic drugs. He was part of the circle of the Bertrand Russell-H.G. Wells, whose program was on how to induce insanity into the population as a matter of control. The experiments with the Heidelberg Patients’ Collective, out of which part of the so-called first generation of the Baader-Meinhof Gang was recruited, were part of this, as were the experiments with LSD on U.S. campuses, the infamous MK-Ultra project.

## An Earlier Oligarchical Project?

Was the Romantic school an earlier, similar approach by the oligarchy, to drive the population insane?

It is noteworthy, that Goethe quotes the report in the English *The Foreign Quarterly Review*, which describes Hoffmann’s sickness as a fact:

“They [Hoffmann’s works] have barely as much apparent content, as would at all events be granted to the insanities of a lunatic; they are the feverish dreams of a sick and impressionable brain: Even if these dreams might often excite us with their amazing feats or surprise us with their oddity, we could never give them more than momentary recognition. Truly, Hoffmann’s inspirations often resemble fantasies which are produced by an excessive use of opium, and which more require the assistance of a medical doctor, than of a literary critic.”

The English author advises as a treatment for Hoffmann, the then-customary bleeding, laxatives, and emetics.

Goethe comments on the report:

“We cannot recommend highly enough to our readers, the rich content of this article. For, what faithful participant, who cares for his Nation’s education, has not seen with sadness, that the pathological works of this sick man have had their effects upon Germany for many years now, and has seen what aberrations have been injected into healthy minds under the guise of being significant and beneficial?”

In the original report, it says:

“Thus was the inventor, of at least the first distinguished artist, who exhibited the fantastic array of supranatural grotesques in his compositions, so nearly on the verge of actual insanity, as to be afraid of the being which his own fancy had created. It is no wonder, that a mind so vividly accessible to the influence of imagination, so little under the influence of sober reason, such a numerous train of ideas should occur, in which fancy had a large share and reason none at all. . . . There is much reason to think that his life was shortened not only by his mental malady, of which it is the appropriate quality to impede digestion and destroy the healthy exercise of the powers of the stomach, but also by the indulgence to which he had recourse in order to secure himself against the melancholy, which operated so deeply upon the constitution of his mind.”

Heine wrote about all of this:

“If one wants to get an idea of the great mob of poets who at that time were imitating the poems of the Middle Ages in every conceivable verse-form, one must pay a visit to the Charenton insane asylum.” And: “I have just drawn a comparison of the German Parnassus of that time, to Charenton.”

Whatever the Romantic movement was—an organic explosion or a concocted operation—its victory occurred after the Congress of Vienna and the Restoration. Friedrich Schlegel, by then in the service of Metternich, praised the ouster of Wilhelm von Humboldt as a Minister in Berlin, as the victory of a just cause.

Another blatant propagandist of the Restoration was Baron de la Motte Fouqué, whose entire *oeuvre* was designed to stabilize the power structures of the oligarchy, by continuously emphasizing the natural supremacy of the inherited nobility and the God-given nature of feudal caste society, which happily would be accepted by the lower subjects.

In “Undine,” the story of a sea-nymph, he writes: “When the sumptuous dinner was finished, and dessert was served, the doors remained open, according to the good, old custom in German lands, so that the common people, too, could look on and enjoy the merriment of their masters.”

Here you have the emergence of the myth of the dutiful, submissive spirit, which gratefully accepts and bows in front of the strong knightly spirit! He even went so far as to portray a parallel between the hierarchy of the knights and angels as mediators in society.

Even Eichendorff, who was a Romantic, but essentially a happy person with enormous lyrical talent, was disgusted.

Johann Heinrich Voss, who had translated Homer and the ancient Greeks, led the most heavy attack on the Romantics. In his essay “How Did Fritz von Stolberg Become a Serf?” he used the case of his former friend, Count Stolberg, who, at first, had sympathized with the ideas of freedom of the American Revolution, of Washington and Franklin, who was pulled into the reactionary environment of the Jesuits and

the nobility, and when the question was posed of overcoming feudal class society in practice, he had arguments, which sounded exactly like those of the plantation owners of the Confederacy. The lower class was not yet mature enough to be released, he said, defending the principle of the innate supremacy of the nobility, which he considered a more noble part of mankind, with a sense of honor totally its own, much above the low-level thinking of the non-noble classes, and therefore deserving privileges.



Johann Heinrich Voss

Voss blasts this attitude:

“The incomprehensible things, which one is barely able to wrap one’s mind around! These pretensions to state honors, without the requisite abilities, this greed for the common weal, to which they contribute nothing, this presumption of ancestors whom nobody knows—this is what they call an elevated sense of honor to their own lineage.”

## The ‘Religious’ Dimension

But to really understand the strange brew of Romanticism, it is not only the Restoration, the attack on the fundamentals of European identity based on the Greek Classics, the modern mythologies, the insanity, the oligarchism; to really get a flavor, one has to take a look at the religious component, the strange “speech about religion” by Schleiermacher. He writes there:

“What do you call the feeling of an unrequited longing, directed toward some great cause, whose *boundlessness* you are also also conscious of? What is it that grips you, when you see that which is holy most intimately intermingled with that which is profane, and the exalted with what is low and insignificant? And what do you call the mood which occasionally impels you to presuppose this direction, and to search for it everywhere? This not only sometimes grips the Christian, but rather, it is the dominant tone of all religious sentiments: *holy melancholy*—for this is the only term for it that language affords me. It accompanies all joy and all pain, all love and all fear; indeed, . . . it [is] the *fundamental tone* to which everything else is oriented.

“This lovely, sweet melancholy,” the tears, this “incredibly sweet pain,” which “could not be exchanged for all the comforts on earth”—now, this is *really* Romantic!

The idea that “in all of life, it is not much other” than “pulling oneself along in the darkness, along unknown passageways, in quest of shadowy figures which he will probably never succeed in overtaking”—isn’t this what, in the final analysis, is at the bottom of today’s *Zeitgeist*?

And, of course, the “hot tears.” In Fouqué’s “Undine,” it reads:

“He was so saddened to his very soul. [And] the tears welled up to his eyes from his entire soul. . . . He always felt better in his tears; it penetrated his heart like a gently warming glow, and, along with deep, soul-gnawing sorrow, blissful hope swelled into a single, never before experienced feeling.”

Undine, an *Elementargeist* [lesser spirit], is by law condemned to weep her beloved to death, and at his grave, she dissolves in a “silver light fountain” to hold her darling in her loving arms forever.

Again, one has to recall that the Weimar Classic had just established the highest ideal of Classical art, whose fundamental characteristic it was, that the perfected man, man in his universal identity as an expression of the species, was its subject.

For the Romantics, man was not the focal point at all; man was only one element in an endless nature, an infinite, never-ending story, surrounded by the oceans, ether, and the depth of the night.

Schiller had the highest demands on the Classical artist. Especially because poetry has the key to the innermost motions of the soul, the poet or artist in general must first idealize himself to be a perfect human being, before he can dare to move his audience. But also, the subject he presents can not be arbitrary. In his critique of Bürger’s poems, Schiller writes:



Gottfried Bürger

“One of the poet’s indispensable functions is to idealize his object; failing this, he deserves not the name. It is his office, to free all that is excellent about his object (whether that be a physical shape, a sentiment, or an action, either internal or external) from coarser, and even from merely extraneous substances; to gather the beams of perfection scattered

among many objects, into a single beam; to subordinate asymmetrical features to the harmony of the whole; to elevate what is individual and local, into what is universal. All particular ideals which he develops in this fashion, are, as it were, outpourings of an inner ideal of perfection abiding within the poet’s soul.”

Not to be popular by appealing to the low-level taste of the masses, but to playfully pull up the people to the lofty ideals of the poet was his demand. On the contrary, for Novalis, popularity was the highest god.

And how can the poet cause a lawful effect, while respecting fully the freedom of imagination of the audience? In the critique of Mathisson’s poems, Schiller demonstrates that this seemingly contradictory condition can only be met, when the

highest degree of freedom is caused by the highest degree of determination.

For the Romantics, such a destination is immoral and paralyzing. Schleiermacher demands, for example, that every person should represent his unique way, his own specialty, “*his own opinion*,” since only in this way could all options of infinity be represented.

While Schiller and Goethe, in their fruitful cooperation, were struggling to define and find eternally the laws of art and the binding way to realize them, demanding the highest mastery and perfection, the Romantics declared arbitrariness to be the highest law. “Heaven may protect us from eternal works,” said Friedrich Schlegel.

For the Classical poets, each moment contained the simultaneity of eternity. Schiller writes, “The pure moral impulse is directed to the unconditional; for it, there is no time, and the future becomes the present for it, as soon it has to develop necessarily from the present. For unlimited reason, direction is completion, and the way has been travelled, as soon it is embarked upon.” Goethe says to Eckermann: “Every state, and indeed, every moment is of an unlimited value, for it represents eternity.”

The Romantics, on the other hand, do not want to use or measure time in any way. In “Lucinde” it says: “O idleness, idleness! . . . Indeed, one should not so criminally neglect the study of idleness, but rather one should develop it into an art and science, yea, into a religion! To sum it all up: The more divine a human being or a work of man is, the more they come to resemble plants. Among all forms, the latter are the most ethical, and the most beautiful. And without these, the most highly perfected life would be nothing but mere vegetation.”

Now I have it: Andrea Fischer thinks she is the reincarnation of “Lucinde”: She vegetates!

Most revealing also, is the totally opposite view the Classical poets and the Romantics had of the famous sculpture “Laocoön.” Goethe regarded it as the representation of the most noble humanity, because the prudence expressed here is bigger than the pain. Novalis, on the other side, said: “Could we not think of a more all-encompassing, a more merciful moment in Laocoön’s drama, than the antique group of sculptures—perhaps the one, where the highest pain turns into ecstasy, resistance into submission, the great life into stone?”

Schiller wrote the following about ecstasy: “Man in this state is nothing more than a fulfilled moment in time—or rather, he is not this, since his personality is suspended, so long as he is dominated by sensation and is swept along by time.

“Our language has a very fitting expression for this state of selflessness: to be out of oneself (*ausser sich sein*). To return from this state, back to presence of mind, is just as correctly called going into oneself (*in sich gehen*); i.e., to return into one’s self, to recompose one’s personality.”

Hölderlin talks about the “lust of death,” the “wonderful longing toward the abyss.” And Novalis writes: “Life is only



*Joan of Arc at Rheims, painting by Ingres, at The Louvre in Paris. In Schiller's play, the story of Joan's (Johanna's) heroism shows that "if you take the divine will as your own, if you become the instrument of world history, you can intervene and change it."*

*the beginning of death. Life exists for death's sake."*

For Schiller, beauty and sublimeness (*Erhabenheit*) of man are victorious over death. For Schiller, freedom is victorious over destiny, therefore, he is always optimistic. He talks about "the great destiny, which elevates man as it crushes him." It is very clear, that Schiller especially dealt with some of the issues the Romantics tried to take up, in his Classical way. Compare, for example, the "sick calf" longing of the Romantics with Schiller's poem "Longing," where the "longing" is overcome in the beautiful last lines:

"I descry a shallop drifting,  
Ha, but look! No helmsman's nigh.  
Dive in swiftly! No more shifting!  
Sylphidine her sails now hie.  
Go with faith and go with daring,  
Gods accord no note of hand.  
But a wonder can thee carry  
To the lovely wonderland."

The courageous act concludes and moves beyond the longing, it brings it to a conclusion. And here we come to an

extremely important aspect, which reveals one more aspect why Romantic writings are so much closer to modern soap operas, with all their phony emotions and petty problems, than to real art.

Tieck writes:

"Why does everything have to have an end? Oh, do we begin, only to end again? And which closing is really totally closed? Couldn't the curtain lift again after the last act, and so forth, without end? All end is despotism."

And Dorothea wrote to Friedrich Schlegel:

"What I realized is, that a poem does not need a different ending than a nice day."

Classical art, on the contrary, has a definite inner architecture, and a definite closure, when the development of the poetic idea is included. In Schiller's dramas he always starts with what he calls "the pregnant moment," which contains in a germ form the entire development, then the development takes its course, to finally reach the *punctum saliens*, in which the hero has once again the chance to influence events in a decisive way by either sticking to a fatal flaw, or by correcting it. The fact that the audience can see these options, is what increases the cognitive and emotional capabilities of the audience. And then the drama comes to a necessary end, when the options embedded in the *punctum saliens* are played out. And the subject of Classical drama is not "novelty"—that's the origin of the "novel"—but the poet finds and demonstrates in an historical event a universal idea and an eternal law.

The same applies for poems. In the poem "The Walk," Schiller begins with a walk in actual nature, then he develops the different phases of life and history, to then return to nature on the highest level of freedom.

Or think about the poem "The Artists." Schiller starts by extolling the beautiful image of Man in his time, to then hark to all the many contributing factors throughout universal history, which helped to bring mankind to this point, to then end on the highest point of unity—and now you know, what you were told in the first strophe, but you know it in all its complexity. And the poem is absolutely finished, not one word more would be possible!

### Schiller's 'Maid of Orléans'

According to his notes, Schiller started the play *Die Jungfrau von Orléans* [*The Maid of Orléans*—Joan of Arc] on July 1, 1800, and he finished it already in April 1801. It was not only a courageous attack on Voltaire, the Enlightenment, and the degenerated taste of the nobility of his time, it is also a direct, smashing answer to the strange issues promoted by Schlegel, Tieck, and company.

*The Maid of Orléans* is called a "romantic fairy tale." This subtitle used to always puzzle me. And indeed, the play has all the ingredients that the Romantics used as repertoire: It plays in the Fifteenth Century, which, according to the historical view of the Romantics, was still the Middle Ages, in which



religious devotion plays a major role. And you have what you could call a Romantic figure in the weak and unmanly Dauphin (the future King), who prefers to fantasize about the past rather than lead on the battlefield and save France from the occupying and attacking English.

The way the Dauphin describes his goals, is really Schiller getting the Romantics on the hook, by describing exactly their utopia.

**Charles:** “That is a joke, a cheerful game, a feast,  
Which he gives to himself and his own heart,  
To found himself an innocent pure world  
In this barbaric, harsh reality.  
Yet what he that is great and regal wants —  
He wants to bring again the ancient times,  
When tender courtly love did rule, when love  
Did lift the great heroic heart o’ th’ knight  
And noble ladies sat in judgment seats,  
With gentle sense all subtleties resolving.  
In former ages dwells the gay old man,  
And as they still in olden ballads live,  
So would he set it up on earth, just like  
A heav’nly city in the golden clouds.  
Established hath he there a court of love,  
Whereto the noble knights shall go as pilgrims,  
Where ladies chaste shall be in glory throned,  
Where purest courtly love shall come again,  
And he hath me selected prince of love.”

And naturally, while he indulges in this retrogressive fantasy, new catastrophes occur in the real world, and the existence of France is in mortal danger.

But then, Johanna intervenes, completely filled with an almost mystical devotion to the great task given to her by God: to save France. In a completely potent way, she de facto takes over the leadership of the army and leads it from victory to victory. However, when she violates her oath, to only follow divine love, and not feel earthly love for a man, she temporarily loses her inner strength. She becomes unsure, loses faith in her mission, and falls into the hands of the English.

But then, when she sees the fate of France again in danger, she mobilizes the strength to free herself and again intervenes decisively in the battle. Very unromantic, but very Classical.

Schiller makes clear, that if you take the divine will as your own, if you become the instrument of world history, you can intervene and change it.

Again, you see the principle of Classical composition: The “virgin” starts with an idyllic situation, and in a simple way she follows her devotion. Then, her feelings get into conflict with the command. She fights it through, and in the end, you have an idyllic situation on a higher plane in freedom. What was necessity has become freedom.

Schiller was pleased with his work. On April 3, 1801,

he wrote to Goethe: “Of my last act, I expect a lot of good, it explains the first. . . . Because my heroine is standing alone in it, and since she was abandoned by the gods in her misery before, now her independence and the cohesion of her character with her role as a prophet is demonstrated more clearly.”

By acting on the basis of necessity, an existing conflict can be overcome, and a solution be found on a higher geometry where no conflict exists.

### **Today: Worse than the 1930s**

When you look around in our present-day culture, modern literature is almost entirely Romantic, the content of movies mostly features the dark side of human nature, the insane, the criminal, the morbid. The soap operas are never-ending “romantic” sagas, no necessary beginning, and unfortunately no end. According to the way people think, it is okay to just live out their feeling-states without regard for reason; the right to have “your opinion,” without regard for Truth and Justice; the right to keep your neuroses, as long as nobody interferes; and so on and so on. If you consider how thoroughly the ruling elite and their minions in academia and cultural life have eradicated the European Greek Classical identity as the foundation of the Italian Renaissance and the German Classics, and how efficiently almost every object of life is determined by Romantic, basically sick characteristics, you come to the conclusion, that we are today in much worse shape, than in the 1930s.

Both from the standpoint of the state of the financial system, the situation is much worse than it was then, but also, from the standpoint of the cultural resistance against the danger of a new facism. How many people are close to insanity, in the way I described the axioms of Romantic values? How many people today think that it is all right, that the health-care system should be privatized, or think that the people in Africa cannot be saved anyway, and that it is all right for them to die? That is fascism. People who think like that, have lost what makes them human.

What is the solution? It is exactly what Lyn said: Only if the majority of the population very quickly learns how to think Classically, can catastrophe be avoided. It is not so difficult, because all the treasures of European civilization, and of world culture for that matter, are there. You can consult Confucius, on how to bring a deranged society to order. You can study Socratic reason in Plato. St. Augustine will tell you all about the degeneracies of world empires; Nicholas of Cusa will bring you up to the level of the *concordantia oppositorum*. With Leibniz, you can figure out why, indeed, we are living in the best of all possible worlds. Lessing and Mendelssohn will teach you beauty and ecumenical thinking. Bach, Mozart, Beethoven, Schubert will elevate your soul. And Schiller will make you free.

So, think like Schiller, act like Johanna, and be your true self as a human being!

## Sovereignty Is at Stake in Arkansas and Peru

by Dennis Small

There must have been a sense of panicked *déjà vu* in Wall Street boardrooms on May 31, over the scene which occurred that morning in front of the Organization of American States (OAS) building at the corner of 18th Street and Constitution Avenue, in Washington, D.C.

There, a small, spirited rally of supporters of U.S. Presidential pre-candidate Lyndon LaRouche joined national campaign spokeswoman Debra Freeman on the steps of the OAS, as she called on that body to send an observer mission to the state of Arkansas on June 24, to prevent the state Democratic Party and the Al Gore campaign from stealing upwards of 53,000 votes which were cast for LaRouche in the Arkansas Presidential primary last May 23—as they have publicly stated they intend to do.

Inside, the OAS was holding an emergency meeting to discuss the May 28 elections in Peru, in which anti-drug President Alberto Fujimori was elected to a third term in office, but which the U.S. State Department, on behalf of London and Wall Street financial interests, is trying to proclaim illegitimate, in order to topple the Fujimori government. An OAS observer mission had just returned from Peru, and was scheduled to deliver its report to the assembly.

As Freeman spoke to about a dozen journalists, LaRouche campaign organizers—carrying signs such as “Fujimori Sí, Narcos No,” and “53,000 LaRouche Votes Stolen in Arkansas; Where Is the OAS?”—handed out a leaflet to the string of diplomatic limousines as they drew up to the OAS entrance.

“The OAS must act immediately . . . to prevent further erosion of democratic elections here in the United States,” the leaflet argued. “Today in Peru, the OAS, in the guise of being a ‘mediator’ of election disputes, is playing a most dangerous destabilizing role against that nation’s sovereignty—all because powerful financial interests favoring drug legalization want to overthrow Peruvian President Alberto Fujimori’s

government, whatever the cost. The discussion of invoking OAS Resolution 1080 against Peru is a thinly disguised threat to establish the globalizers’ doctrine of ‘limited sovereignty,’ which could later be applied to other countries in the region,” the LaRouche document stated.

To the horror of Wall Street, and their State Department permanent bureaucrats, the arriving diplomats from across the Americas not only took the LaRouche leaflet; most of them evidently agreed with it, and voted their agreement on the inside. The U.S. proposal to invoke Resolution 1080 to put Peruvian sovereignty in receivership, took a drubbing, as the State Department was only able to muster the support of British colony Canada, and the tiny Central American nation of Costa Rica.

**Mexico’s** OAS Ambassador Claude Heller stated, in barely diplomatic language, that the OAS “cannot, nor should it try, at any time, to replace the functions that belong to the organs of the state and its competent authorities.” Mexican Foreign Minister Rosario Green added, from Mexico City, that Peru’s elections “are solely and exclusively the concern of Peruvian citizens.”

**Brazilian** Ambassador Leite Barbosa told the gathering that concerns over democracy had to be balanced with “the full respect for the personality and sovereignty of states.” And Brazilian government spokesman Georges Lamaziere warned, from Brasilia, that his government “has the non-interference in internal affairs of other countries as a fundamental principle.”

**Uruguayan** Foreign Minister Didier Opperti announced to the press that he had “instructed Uruguay’s OAS delegation to not support any resolution which could lead to the non-recognition of the Peruvian elections.”

And so on.

The U.S. State Department had to settle for a weak resolu-

tion which simply forwarded the Peru discussion to the June 4-6 annual meeting of the OAS General Assembly, in Windsor, Ontario, Canada.

Some circles in and around the Clinton Administration—reportedly including White House drug policy adviser Gen. Barry McCaffrey (ret.)—were not unhappy with this result, since they, too, think that the State Department approach is insane, and that it is destroying U.S. anti-drug cooperation with Peru, which, under Fujimori, has done more than any other nation in the continent to reduce drug production and trafficking.

## The LaRouche Factor

But why the *déjà vu* on Wall Street?

Eighteen years ago, in April and May 1982, at the height of the Malvinas War of Great Britain against Argentina, LaRouche organizers were an almost daily fixture at the OAS building in Washington. Then, as now, they leafletted arriving diplomatic limousines, and spoke with representatives inside the meetings. Then, as now, the State Department jumped to defend London and Wall Street's interests. And then, as now, Lyndon LaRouche was alone on the U.S. political landscape in defending the principle of national sovereignty of *all* the nations of the Americas, as the cornerstone of U.S. foreign policy and national interest.

And then, as now—with their very existence as viable nations at stake—the countries of Ibero-America began to listen to LaRouche, and turn to his policy solutions to the broader crisis. Back in 1982, a powerful international movement coalesced around LaRouche's call for global debt reorganization and a New World Economic Order, which nearly succeeded in check-mating London and Wall Street.

Wall Street's current nightmare is not simply that the nations of Ibero-America are starting to show some spunk in defending the principle of sovereignty—after years and years of servility and submission to the diktats of globalization. The real problem is that they are, once again, *turning to LaRouche* to help them in that task, and are intensely studying his broader policy proposals to address the crisis.

As in every region of the world, the nations of Ibero-America are facing the most existential of crises: whether they will continue to *exist* in the months and years ahead. With the world financial system tangibly crumbling around them, with both “leading” U.S. Presidential candidates, Gore and Bush, promising more of the same lunacy that got the world into this mess, patriots across the Americas have begun to rebel. The financial oligarchy's political control is beginning to crack.

Consider the stunning response across Ibero-America to the news of LaRouche's powerful showing in Arkansas, which was largely blacked out of the major U.S. media.

Leading Peruvian press outlets, starting right before the May 28 elections in that country, began featuring coverage of statements issued by this author during a one-week trip to

Lima, which documented the existence of an international plot to topple President Fujimori, to the benefit of the drug traffickers and bankers, and at the loss of national sovereignty. What particularly interested the Peruvian commentators was the matter of LaRouche's vote in the United States, especially in Arkansas, and the stated intention of the Democratic Party to steal LaRouche's Arkansas vote.

Exemplary is this interchange on Peru's Channel 10 TV on May 25, regarding the various non-governmental organizations's that came to join in the destabilization of Fujimori:

“**Moreli:** The Carter Center and the NDI [National Democratic Institute] have decided to leave Peru and not participate as observers in this Sunday's election.

“**Trelles:** I suppose if these gentlemen are leaving Peru, they are going to Arkansas to find out what happened with the 53,000 votes cast for LaRouche.

“**Moreli:** Yes, I'm sure they are going to take steps in the United States to see what happened with LaRouche's votes. In fact, we extend an invitation to them. We are going to invite them to look into the LaRouche case and tell us: What happened to those 53,000 votes?”

Similarly, there was coverage of the LaRouche vote in Arkansas on a major Argentine radio station, and on television in the Dominican Republic. In Panama, in a interview on the RPC radio network, Panamanian congressman Miguel Bush asked: “How can the OAS and the United States government criticize Fujimori, when they just stole ten delegates from U.S. Democratic Party Presidential candidate Lyndon LaRouche in Arkansas?”

Then came the bombshell. In its latest issue, which hit the newsstands on June 2, Peru's *Gente* magazine featured a prominent interview with LaRouche, in which he discussed the assault on Peru, his vote totals in Arkansas, and the broader issues of proper U.S. policy toward its sister republics of the Americas. The full text of that interview is published immediately below.

Over the weeks and months ahead, there will be important fall-out from the publication of this interview by Peru's second-largest circulation magazine, which is read by the country's political and economic elite. One week earlier, *Gente* had published an interview with this author, which they ran as their cover story under the headline, “The International Drug Trade Wants To Topple Fujimori” (see *EIR*, June 2). On May 31, *Gente*'s Executive Director, José Enrique Escardó, issued a press release announcing that their reporters had received “multiple threats.” But, he added, “despite the repeated threats to which we have been subjected, as a result of the revelations we have published in recent weeks, this Friday, June 2, we will publish a special edition”—in which the LaRouche interview appeared.

As Escardó aptly put it: Patriots must “first think of Peru, above personal or political interest of any kind.” That is the kind of thinking that is now spreading across Ibero-America. And that is Wall Street's worst nightmare.

# LaRouche: Defend Peru's Sovereignty as Our Own

*The following is an interview which the Peruvian magazine Gente conducted with U.S. Democratic Presidential pre-candidate Lyndon LaRouche on May 31.*

**Q:** It's a great honor for us to ask you a question from Lima, Peru, Mr. LaRouche. Our first question is in relationship to the role being played by the Organization of American States [OAS], in particular their observation mission in Peru. What degree of confidence should we have in this mission's objectivity?

**LaRouche:** I don't think we should count on anything. There are obviously positive factors coming from among circles within Central and South America, but we know that in the United States, and also in some circles in Europe, there are desperados at work. One should add that the way in which the government of Peru, the President of Peru, and so forth, have handled this situation, shows that a firm patriotic response does encourage sane behavior on the part of observing parties.

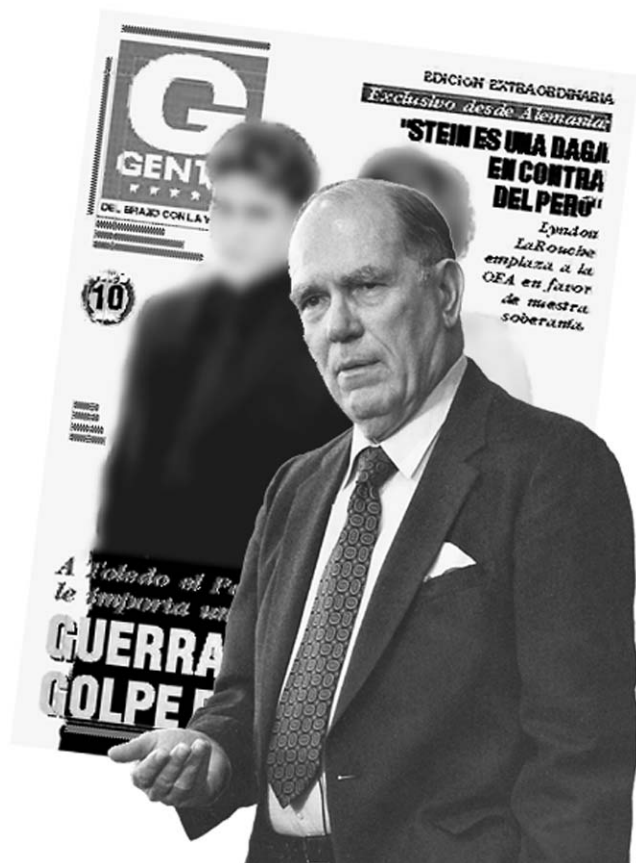
**Q:** I would like to ask you about charges that have been made in *EIR* magazine, and in statements from Dennis Small when he was in Lima, about the links of Eduardo Stein, the head of the OAS mission to Peru, with the Soros Foundation in Guatemala. What can you tell us in this regard?

**LaRouche:** Well, Dennis Small is well aware of the details, and I can confirm them. We've gone over this for a number of years, and we know the relationship of Soros to operations based in Britain and out of New York City, and therefore, Stein's connection to him tells us what kind of jungle he comes from. One has to understand that the people who are playing this international game, are counting on looting Central and South America, and other parts of the world, through drug-trafficking, as well as other means. Soros has a long history of being that kind of pirate, a predatory hyena attacking other countries.

**Q:** What is the role that George Soros is playing with regard to Peru, and the Fujimori government in particular?

**LaRouche:** First of all, the Soros crew is known for international drug-trafficking legalization. He walks a delicate line, between actually pushing drugs himself, and demanding that this traffic be legalized. But from a moral standpoint, the man is a drug pusher.

**Q:** Since he is so well known as a promoter of the drug trade, how come the man isn't in jail? How come he hasn't been



*The Peruvian magazine Gente interviews LaRouche, under the headline "Stein Is a Dagger Against Peru: Lyndon LaRouche, in Filing Before the OAS, Defends Our Sovereignty."*

charged? Is he protected by powerful forces in the United States?

**LaRouche:** Yes, he is. Remember, the British East India Company operation, which was launched in the 1790s, which led into Palmerston's wars against China, the Opium Wars. The people involved with Palmerston and the British East India Company, from the late 1790s through the middle of the 19th Century in the United States, were the leading people from around Boston, Massachusetts, Yale University in Connecticut, and New York City. And their involvement in the international drug traffic is identical to that of the British East India Company and their North American friends back in the early 19th Century.

Look what happened to the countries of Central and South America from, especially, the cocaine and the opium traffic, and also marijuana, including the recent attempt to destabilize the government of Peru, the nation of Peru. It's identical with British policy in conducting the Opium War policy against China.

For example, the attack on the government of Peru in the recent period, is identical in character to the attack on the government of China during the period of the Opium War.

And as we know, those circles on Wall Street, which are closest to Al Gore, as well as to the Bush family, are identical to the financial circles whose great-grandfathers were part of the U.S. financier alliance with the China Opium War policy. Remember, that every American President, from the time of Andrew Jackson until Lincoln, was involved financially in the drug-trafficking policy. And you have the same tendency, among the same political circles, at high levels in the United States today. The only thing that's different, is the historical time period, and this has been going on since, essentially, the assassination of President John F. Kennedy. This has been a constant trend in financier circles out of New York and London and elsewhere.

**Q:** What is your view of the Bill Clinton government in the United States?

**LaRouche:** It's a mix. Bill Clinton is not a bad fellow. He's been terribly persecuted and endangered from within the United States, from people associated with George Bush and his friends, since 1992. I've been involved in dealing with many of these threats to the President, to defend him against these threats. But now, he's become, in this period, what is called in the United States a "lame duck," a President who cannot be reelected. And since the beginning of February, or about that time, the President has been totally a prisoner of his commitment to support Al Gore, and Al Gore is the worst. It's a question of how far Clinton is willing to go in supporting Al Gore.

The major threat to Peru right now from the U.S. side is coming from circles associated with Al Gore, which are not different, essentially, from those behind Bush, but it also happens to be Gore's circles. Because [U.S. Secretary of State Madeleine] Mrs. Albright is very close to Mr. Gore, in this sense, at this time. And I would hope that President Clinton would be among those who are taking now a more moderate policy toward Peru.

**Q:** One of the clear indications that Clinton is a prisoner in his own realm, as you have stated, is the State Department statement that they do not support the recent elections in Peru.

**LaRouche:** Exactly.

**Q:** We would like to know your view, or thoughts, regarding the complaint that you have presented to the OAS with regard to the theft of 53,000 votes of yours in Arkansas, as your documents have claimed.

**LaRouche:** Well, the evidence in terms of Al Gore and his friends running this operation against me in the United States, was clear. It is a fistfight behind the scenes, as well as in public. But the issue here came to my attention when I read the conditionalities which Mrs. Albright and company presented to Peru on the recent election. Because every one of the conditionalities which Mrs. Albright was dictating to Peru, Mrs. Albright's confederate Al Gore was violating in

the United States. Under those circumstances, I thought it very necessary and morally obligatory for me to show the world, that what the United States State Department was demanding of Peru, was exactly what they were violating within the United States. Therefore, I was concerned to alarm the world, including the nations of Ibero-America, to recognize that this attack on Peru by the State Department, or by Mrs. Albright's crew, was a piece of immorality that had to be turned back, for the sake of all of the states of the Americas.

**Q:** There's also some discussion of OAS interventionism in the internal affairs of countries in the continent, and in this regard, the doctrine of "limited sovereignty." What are your views on this matter?

**LaRouche:** Well, this is an old story. In the history of the Americas, especially from the time of the Congress of Vienna, the states of the Americas which were either independent, or struggling for independence, were all imperilled by the British and their Vienna Congress, Metternichian, Holy Alliance allies. So, most people don't know this, but the struggle for independence for the new nation-states in the Americas was the struggle for the principle of equality and republican freedom for the world as a whole. As a result of that, since the time of Secretary of State John Quincy Adams, every American leader who was not virtually a British agent, has—like the case of Lincoln with Mexico—always come to the defense of all the republics of the Americas, knowing that the fate of each and all of the republics of the Americas and of the United States itself, are interlinked.

And, from my standpoint, anyone who proposes limited sovereignty, for any of the republics of the Americas, is virtually a traitor to the United States. Independence of each and all of the republics of the Americas, is the first line of national defense of the United States. And I would also say, the prosperity of these republics, too.

If we stand together on this principle, we are strong in the world. When we are separate from one another on this issue, then we are weak. We are not the most populous part of the world—we have less than a billion people in this hemisphere—but united we are a powerful force in the world. And a powerful force for good.

I consider anybody who proposes limited sovereignty for any country of the Americas, if he is a U.S. official, to be virtually a traitor to the United States.

**Q:** I'm interested in knowing about the fact that you are going to present, or have already presented, to the OAS a document with regard to the Peruvian situation.

**LaRouche:** Yes, that's being done on my behalf by my representatives, who are now in Washington.

**Q:** What's the tenor, or the point, of this document?

**LaRouche:** The point, essentially, is to assert the principles which have been upheld by U.S. Presidents in this century,

especially President Franklin Roosevelt and also by President John Kennedy. The political purpose is to try to bring a sense of unity among the patriotic figures and factions in the hemisphere, to bring them together around a principle of common defense of the independence and freedom of the states of the hemisphere.

I would emphasize in particular, that if you look at the strategic situation within the Americas, Peru is crucial. The key countries of the Americas are currently Mexico, Brazil, and Peru. If the attempt to destroy Peru, launched in the name of this [Presidential candidate Alejandro] Toledo, had succeeded, the situation of Brazil and Mexico would have become almost impossible. And you know the situation of our friends in Colombia and in Central America, in Argentina, and so forth.

My view is to arouse the conscience of people in my own country, and in the Americas, to look at the facts of this case, the situation in Peru, and to recognize that we will not turn back from this point of defense of the issue posed, in the case of the recent Peru elections. And to emphasize that the question of political freedom inside the United States itself, as in Peru but also in all the South and Central American countries, depends upon our uniting in defense of this common principle.

**Q:** Coming back to the question of Stein and the mission which he led in Peru, I have a follow-up question. Can you say a bit more about his intentions in coming to Peru, and if you can be more specific about the activities here, and why he's trying to do damage to the Peruvian government?

**LaRouche:** I don't think he's that important. He's significant, but not important. He's like a dagger stuck in someone's back by a Venetian. His intentions are not important. The people who use him, their intentions are important.

It's obvious, this is a long story. It comes from the period when [former U.S. Secretary of State Henry] Kissinger was in power, when they proposed discussion of the Second War of the Pacific. Since that period, there has been a consistent attempt to destroy Peru, as a part of destroying all of the nations of the hemisphere. All Stein is, is a despicable little dagger which has been stuck into the back of Peru, with the attempt to assassinate Peru.

When you get the connection to the Inter-American Dialogue crowd, and you look at the Wall Street crowd, including [New York Stock Exchange President] Richard Grasso, who is behind this, and you look at the evil, old Venetian-style man [former U.S. State Department official] Luigi Einaudi, who is also behind this operation, and you detect the work of Einaudi against Peru before Stein even got out of diapers, then you understand the hand behind the dagger. It's not Einaudi, but the people for whom Einaudi has always worked.

This is an old war, which many of us have been involved in for a long time. This is really just that they've sent a new mercenary to attack Peru again. And Stein is nothing. His

importance should be precisely identified, but not exaggerated. His significance is, that the evidence of who and what he is, and who owns him, points toward who is controlling the hand behind this latest choice of poisoned dagger. The fact that he seems to come from a family of assassins helps us to understand this.

**Q:** Can you be a little more specific when you say that Stein comes from a family of assassins?

**LaRouche:** Well, he's got a brother Ricardo, and a whole group of connections, which have been documented, which are well known. And, of course, my reaction on this is conditioned by my long experience in these matters.

I've been fighting for the freedom of the developing countries since I was involved in World War II in Asia. And I've learned from much experience, never to ignore the assassin who is sent to kill you, but when you're dealing with an assassin, don't worry too much about his motivations. That's clear; he's a mercenary. Look at the enemy who sent him. And when you see this photograph of Grasso embracing this chief drug pusher, this FARC leader in Colombia, and then you look at the relationship of this New York crowd and the Inter-American Dialogue to that embrace, that is the clearest indication of what we are up against.

**Q:** Finally, would you say that the hand which is behind Stein, is the same hand that is behind Toledo, who ran in the recent election?

**LaRouche:** Absolutely, absolutely. Toledo is nothing, he's obviously a nothing. Look at his background. He's a contemptible piece of dirt, but he has a history, of how he was developed and trained. He was trained by the same people who created this regime around Pinochet in Chile. He's a low agent, he's a mercenary with no morals, with no politics, with nothing. He's just another mercenary. He's not someone who comes from the political process of Peru, who represents something in Peru. He's a filibusterer. Like they used to send these fellows from the southern part of the United States, to these countries in the Caribbean, to run filibustering wars to take over and destroy countries. He may have a Peruvian background, but he's actually an enemy agent deployed against Peru. That may be difficult for some people to understand, but for an old fighter like me, who has been in these wars all these decades, I recognize that phenomenon immediately.

**Q:** These connections you're talking about, in terms of his training and the connection to Pinochet, could you elaborate?

**LaRouche:** Like Harberger. Arnold Harberger is the key man, who was formerly at the University of Chicago. You had this fellow Milton Friedman, who was also there at the time. Friedman is essentially a stupid ideologue, who has no intelligence, but he had around him in his so-called Chicago Boys, a real bunch of skillful, nasty assassins, of which Harberger—who was the immediate trainer of Toledo at the

time — was the key man. Harberger was the man who orchestrated the Chile coup.

I don't want to interfere in the internal affairs of Chile when I'm talking about Peru, but I would think that if somebody in Chile wanted to put somebody on trial for what happened under Pinochet, they ought to put Harberger on trial, and maybe Toledo along with him.

**Q:** Within all of this, what connections might Eliane Karp, Toledo's former wife, have to all of these things?

**LaRouche:** Oh, who knows? It's probably a collateral part of the operation.

Generally, I find, in my experience, that these people are picked up in bunches. Sometimes they are discarded, sometimes they play different roles. I leave these kinds of matters to the biographers, who tell the history of the corpses of the mercenaries on the field of battle.

**Q:** I'm sorry to insist on this point, but you really get the impression from watching Toledo, that he's been programmed to insist, to demand, to provoke violence, and to keep pushing things forward in trying to destabilize Peru.

**LaRouche:** Well, yes, naturally. You've got to remember that this man is an agent. He's nothing but an agent. And if one thinks about how serious political people function, they function for principles, even wrong principles. That's the difficulty sometimes in dealing with a serious opponent, because they may be bad principles, and you've got to deal with their principles.

But when you get someone like Toledo, if he fails in his mission — as he has failed so far — the enemy, the people who use him, will dump him, they'll sacrifice him in all kinds of ways, whatever they consider politically convenient. Toledo is a man who is virtually one step away from becoming a corpse in a garbage dump. And the danger to his life does not come from Peru. It comes from the people who employed him, to whom he is now becoming an embarrassment. Maybe Madeleine Albright, who is that kind of a Romantic, who would do that kind of killing, would wish he would be assassinated. And knowing what I know of Toledo, I think he's trembling in his pants, and maybe doing something else as well.

Since the Peruvian elections have occurred, and since people within the OAS, and even within the United States, are making a delicate tactical adjustment in their form of attack on Peru, these people who employed Toledo may toss him as a corpse onto the trash heap. I guarantee you that this man is hysterical, desperate, paranoid, terribly frightened. And what he has to fear most, is people around Madeleine Albright. For the rest of us, I think we'd be happier if he would just go disappear peacefully someplace.

**Q:** Last question. What possible connection might there be between the businessman Baruch Ivcher and the role of the

Zionist lobby?

**LaRouche:** The Zionist lobby is a tricky term to use, because there is the so-called Zionist faction which killed the former Prime Minister [Yitzhak] Rabin of Israel, and who are the enemies of Prime Minister Barak today. With that qualification, I would say that there is an element of the Zionist lobby — which would be that element, as opposed to patriotic Israelis such as Barak or Shimon Peres and others — these guys who are closely tied to drug runners politically, and who were an integral part of former Vice-President George Bush's Iran-Contra operation during the 1980s, and who are an integral part of George W. Bush's Presidential campaign today. They are a major problem for Peru, but they should be looked at exactly in those terms of reference.

**Q:** Thank you very much, Mr. LaRouche, for this opportunity to talk with you.

**LaRouche:** Thank you.

## Peruvian Mass Media Cover LaRouche's Proposals for Crisis

*On May 25, one of Peru's largest national radio chains, Radio Programas del Perú, which has millions of listeners, broadcast a five-minute telephone interview with LaRouche associate Dennis Small. In response to two brief questions, Small said:*

[There is] great concern within the U.S. government over how to address the matter, and I think there are different points of view, quite at odds with each other, over how to deal with the Peruvian issue.

On the one hand, we have the Wall Street and other financial interests, who want a globalized world, and who don't like the resistance Peru has shown to the international drug trade, since these financial sectors profit from the drug trade. On the other hand, there are important people who are opposed to the drug trade, who respect what Peru has done in that regard, and who therefore are worried about the ongoing destabilization of Peru, at the hands of the NGOs [non-governmental organizations] and the Organization of American States.

So, there have been threats of retaliation, of reactions, from the U.S. and the financial centers. But you also have to evaluate how serious these threats of retaliation are.

I think that President Clinton right now is on a tightrope. He is going to have to decide if he is going to proceed with

the pressure coming from the Wall Street financial crowd; or if, instead, he is going to seek to collaborate with Peru against drugs, as in the past.

The retaliation or reactions which are under discussion, come in three areas.

First, through the OAS they could supposedly apply Resolution 1080 against Peru. They could try to push forward on June 4, at the next meeting of OAS foreign ministers in Ottawa, Canada, with the proposal that was made last year by the U.S., to take “preventive measures,” so-called, when democracy is threatened. That is, to intervene in the internal affairs of a country where they say, before the fact, that democracy is threatened. I would prefer to call this, authorization to impose “limited sovereignty,” which is what they are trying to do.

The second kind of possible retaliation is internal violence in Peru. Obviously, there have been some indications of this already. But I am confident, from what I know of the Peruvian people and of their authorities, that this won't get very far.

The third area, which is of some concern if you look at it objectively, is that of economic pressure. The banks, the Wall Street financial centers, have talked about an economic embargo, not issuing loans, and things of that sort. But here we have to take something very important into consideration. These same financial centers are in more trouble than Peru. That is, the Wall Street stock market, the Nasdaq, the speculative bubble run by these gentlemen, is in the process of disintegrating — which is much discussed today, especially in Europe — and they themselves are fighting to try to survive.

Wall Street's situation has gone out of the control of these gentlemen, and this has also had an impact on the political situation inside the U.S., where they thought they had the electoral political fight under control, and it turns out that they do not.

Here [in Washington], the big news that is being discussed, is the fact that Al Gore, the Democratic candidate who thought he had the nomination sewn up, doesn't. It turns out that Lyndon LaRouche, the second Presidential candidate within the Democratic Party, won 22% of the vote in the Arkansas primary, which wins him delegates to the national Democratic convention. And the Gore people at this point are taking steps to simply steal those votes from LaRouche — 53,000 votes — and to deny him delegates at the convention.

In other words, the political situation inside the U.S. is somewhat out of control. The financial situation on Wall Street is out of control. Therefore, just how much will they be able to put behind their threats of retaliation against Peru? That remains to be seen. I would say that, in that sense, it is a weak threat.

## Look Toward Asia

*On May 31, the Peruvian magazine Gente interviewed Dennis Small, which included a discussion of what steps Peru*

*should take to deal with the international offensive against it. Gente ran a seven-page interview with Small in its May 24 edition (see EIR, June 2, 2000, p. 38):*

I believe that you have to view the threats against Peru with a certain dose of irony. The financial and economic threats against Peru are coming from the owners of an absolutely insolvent and bankrupt international financial system. There is a total crisis surrounding the speculative bubble in Wall Street. The situation is out of control, as a result of their own insolvency, that of their own banks. And in their hysteria and desperation, they are threatening Peru.

I think that Peru has very viable economic and political options.

1. Peru should build a partnership with other Ibero-American countries, such as Brazil, around economic integration for the construction of basic infrastructure for the physical economies of Peru, Brazil, and other countries.

2. Along with these Ibero-American partners, Peru should look toward the Pacific Basin, toward Asia, because in Asia there are countries and groups which are joining together to resist the international financial crisis coming from the Wall Street boys. Concretely, in Asia they are establishing an Asian Monetary Fund. They are pooling their foreign-exchange reserves among a dozen countries, including Japan and China (which have hundreds of billions of dollars of reserves). They are going to use that pool of reserves to defend themselves from any future speculative assaults, such as what they endured in 1997.

3. Peru should carefully study the example of what Prime Minister Dr. Mahathir bin Mohamad of Malaysia did, because they successfully defended themselves against a speculative assault from the same speculator, George Soros, who today is out to topple [Peruvian President Alberto] Fujimori. And all because Soros wants to legalize drugs. Mahathir and Malaysia defended themselves successfully against Soros, with measures protecting their economy and their sovereignty.

4. Peru and other nations must support the formation of a New Bretton Woods, a new international monetary system. LaRouche made this proposal, which includes: a) fixed parities among currencies, in order to have stable trade and put an end to speculation; b) credit for infrastructure development projects, and not for speculation and the drug trade; c) return to a system where all nations, each sovereign, are able to industrialize and develop in an international environment that favors such development; d) that every nation establish its own state-run national bank, that controls the country's credit to benefit the nation, and not the private bankers.

This New Bretton Woods System which LaRouche has proposed has gained important international support in Asia, in Russia, in China, in Europe, within Ibero-America, and so on. And since the current system is disintegrating, nations and peoples will be looking for alternatives which work. This is the future for Peru, and for the world.



# Behind the War on Peru: Wall Street's Drive for Limited Sovereignty

by Gretchen Small

The fiercest battle over the character and structure of relations between the nations of the Americas since the 1982 Malvinas War, is now, as we go to press, set to occur during the annual three-day General Assembly of the Organization of American States (OAS) which opens June 4 in Windsor, Ontario. The orders have gone out from Wall Street, that this year, in this Assembly, the OAS member-states must approve a resolution empowering the OAS to carry out so-called "preventive diplomacy." In other words, it is demanded that the nations of the Americas formally codify limited sovereignty as law in the region, now.

"Preventive diplomacy" would authorize the OAS to intervene into any American nation, without the permission of that nation, should the powers-that-be declare that a threat to the "rule of law" and global world order *might* develop, in the future, in that nation. Should that be adopted, the OAS, a body created after World War II as the principal forum for relations between these sovereign nations, would thereby be transformed into a de facto supranational government, answering not to the desires of its member-states, but to the global financial powers which are behind the drive for its adoption.

When the "preventive diplomacy" mechanism was first proposed by the United States at last year's OAS General Assembly, it was shot down, and fiercely, by an overwhelming majority of the member-states. Only the British Crown Colony of Canada and poor Argentina, run by the Anglo-American occupation powers since its defeat in 1982, supported the U.S. initiative.

Wall Street has ordered that this year, the measure must pass. Peter Romero, head of Inter-American Affairs at the U.S. State Department, told reporters during a May 18-19 New York Council on Foreign Relations (CFR) conference on Ibero-America, that it is "imperative" that "preventive diplomacy" be adopted at this year's General Assembly meeting. OAS Resolution 1080, the so-called Democracy Clause which the United States and Canada today seek to activate against Peru, permits a "collective defense" of democracy only after a crisis has erupted, Romero told the *Miami Herald's* Andres Oppenheimer. "We can't wait that long."

The pretext given for the urgency, is Peru's refusal to accept OAS dictate over its Presidential elections.

That this is but a pretext for the much bloodier objective of destroying the Ibero-American nations in endless, expanding narco-terrorist wars, was exposed in a most stunning declaration made by the U.S. National Security director for Inter-American Affairs, Arturo Valenzuela, shortly after his nomination to that post nearly a year ago. The *Washington Times* reported on July 20, 1999, that in his first briefing to reporters as a National Security Council official, Valenzuela adamantly defended the proposed "preventive diplomacy" statute. Had "such a mechanism been in place at the time, it might have prevented President Alberto Fujimori's 'autogolpe' [self-coup] that extended his own powers while curbing those of the Peruvian Congress," he argued.

What Valenzuela attacks as a "self-coup," are the emergency measures which President Fujimori took in 1992, to put Peru on a war footing, such that it could defeat the Shining Path narco-terrorists, which at that time threatened to overwhelm even the nation's capital. Fujimori's measures—as Valenzuela is fully aware—saved Peru's democracy, and Peruvian lives, by mobilizing the Armed Forces to crush the insurgency, and restore peace, within a remarkably short period of time.

*Valenzuela is arguing nothing less than that, had the preventive diplomacy mechanism been operative in 1992, Shining Path could have been saved by an intervention by the "international community"!* The implications of Valenzuela's declaration for Colombia and the other Andean nations under assault by narco-terrorists today, are clear.

## The 'Grasso Abrazo' Team

That it is Wall Street and its London masters that are behind this drive, was driven home at the CFR's May 18-19 "Latin America: Sustaining Economic and Political Reform" conference. Some 200 Wall Street sharks, non-governmental organization operatives, multinational corporation executives, and their political water boys in the United States and Ibero-America (Valenzuela among them), there discussed how to head off the rebellion brewing in Ibero-America against globalization's destruction of national sovereignty.

Wall Street fears that somebody in the region, at any moment, may kick over the chessboard, triggering a chain reaction which could disintegrate the political and psychological controls which have transformed the once proud Ibero-American nations into some of the most servile proponents of globalization over the past decade.

At the top of the CFR's list of "threats" to the system, was Peru's recalcitrant Fujimori government. The CFR conference was co-chaired by César Gaviria, Secretary General of the OAS, which is being used to run the war against Peru, and Thomas "Mack" McLarty, Clinton's former Special Envoy to the Americas who has joined Henry Kissinger's team as Vice Chairman of Kissinger McLarty Associates. According to the CFR, McLarty "summariz[ed] the conference find-

ings," when he told conference participants "that anything less than a transparent free and fair election in Peru would be a 'serious, serious mistake, and a setback for democracy in the region.' "

The press release issued by the CFR at the conference's conclusion, threatened every country in the region: Either they join the campaign against Peru, and make concessions demanded by the financiers, or capital will flee. "The time is ripe for continuing serious reforms, but the hemisphere is now being plagued by a stultifying complacency," the CFR's release intones. "Democracy itself is once again under threat. . . . Without vigorous political support for the next phase of reforms, participants warned, Latin America's economies would be susceptible to renewed global financial instability."

## Another Third-Term President: FDR

*Franklin D. Roosevelt's campaign for an unprecedented third term as the President of the United States was opposed by some in his day. In a speech to the Democratic National Convention on July 19, 1940, Roosevelt explained his reasons. Editorial comments are in brackets:*

. . . Because there are self-appointed commentators and interpreters who will seek to misinterpret or question motives, I . . . must trust to the good faith and common sense of the American people to accept my own good faith—and do their own interpreting.

When, in 1936, I was chosen by the voters for a second time as President, it was my firm intention to turn over the responsibilities of government to other hands at the end of my term. . . .

[In view of world war breaking out,] it was my clear duty, with the aid of the Congress . . . to shape our program of defense, to meet rapid changes . . . and to sustain the policy of the Good Neighbor [the policy stressing U.S. support for the perfect sovereignty of Latin American countries, as opposed to the imperial policy of interference].

It was also my obvious duty to . . . sustain by all legal means those governments threatened by those other governments which had rejected the principles of democracy [like the narco-terrorists today]. . . .

National unity in the United States became a crying essential in the face of the development of unbelievable types of espionage and international treachery. . . .

Nearly every American is willing to do his share or her share to defend the United States. It is neither just nor efficient to permit that task to fall upon any one section or any one group. For every section and every group depend for their existence upon the survival of the nation as a whole. . . .

In times like these—in times of great tension, of great crisis—the compass of the world narrows to a single fact. . . . It is not an ordinary war. It is a revolution imposed by force of arms, which threatens all men everywhere. It is a revolution which proposes not to set men free but to reduce them to slavery. . . .

The omnipotent rulers of the greater part of modern Europe have guaranteed efficiency, and work, and a type of security.

But the slaves who built the pyramids for the glory of the dictator pharaohs of Egypt had that kind of security. . . .

So did the inhabitants of that world which extended from Britain to Persia under the undisputed rule of the proconsuls sent out from Rome.

So did the henchmen, the tradesmen, the mercenaries, and the slaves of the feudal system which dominated Europe a thousand years ago. . . .

Democracy can thrive only when it enlists the devotion of those whom Lincoln called the common people. Democracy can hold that devotion only when it adequately respects their dignity by so ordering society as to assure to the masses of men and women reasonable security and hope for themselves and for their children. . . .

The American people must decide whether these things are worth making sacrifices of money, of energy, and of self. They will not decide by listening to mere words or by reading mere pledges, interpretations, and claims. They will decide on the record—the record as it has been made, the record of things as they are. . . .

According to media reports, the priority measure discussed to secure the “next phase of reforms,” was the aforementioned “preventive diplomacy.”

The CFR was set up in the 1920s as a sister institution to London’s Royal Institute for International Affairs (also known as Chatham House), and it functions as the premier policy center for Wall Street. Footing the bill for the conference were Deutsche Bank, J.P. Morgan, Merrill Lynch & Co., the Schlumberger Foundation, Inc., Continental Airlines, Banco Santander Central Hispano, Venezuela’s Banco Mercantil, and Violy, Byorum & Partners, LLC.

The role of the latter investment firm, while less known, takes us straight back to the drug legalization mafia. Violy, Byorum & Partners arranged what has gone down in history as the “Grasso *abrazo*”: New York Stock Exchange president Richard Grasso’s infamous embrace of the head of finances for Colombia’s bestial FARC narco-terrorist cartel, during his June 1999 visit to the FARC “Coca Republic” in the south of Colombia. The founder and lead partner of Violy, Byorum & Partners, Violy McCausland, put together the 13-member “Millennium Group,” which promised to finance Colombian President Andrés Pastrana’s peace deal with the FARC cartel. Grasso is a leading member of the Millennium Group, as is America Online honcho Jim Kimsey, who, during his March 2000 visit to the Coca Republic, proudly exchanged caps with FARC chief Manuel Marulanda. So, too, is Joseph Robert, the U.S. real estate mogul who accompanied Kimsey on his visit to the FARC command center.

## Einaudi’s Baby

The architect of the “preventive diplomacy” gambit is Luigi Einaudi, the arrogant thug who, as George Bush’s Ambassador to the OAS during 1989-93, orchestrated the adoption of Resolution 1080, the first “democracy clause,” by the 1991 OAS General Assembly in Santiago, Chile. Brought into the State Department on Kissinger’s watch, Einaudi ran Policy Planning for the Americas at State for 25 years. Today, he operates out of the Inter-American Dialogue. Throughout his career, his obsession has been to replace “the protective veils of non-intervention, of the sovereign equality of states and of representatives,” with regional government.

The premises of his “preventive diplomacy” project were laid out in two speeches delivered in Washington, D.C. on May 12, 1999. The first, was given by then-U.S. Ambassador to the OAS Victor Marrero to the OAS Permanent Council. The second, was testimony on “The Common Defense of Democracy in the Americas,” delivered by Einaudi to a hearing on “Democracy and the Rule of Law” by the Senate Foreign Relations Committee’s Subcommittee on the Western Hemisphere, Peace Corps, Narcotics, and Terrorism. The overlap between the speeches was not accidental; Einaudi had reviewed Marrero’s speech before it was delivered.

Ambassador Marrero unveiled the proposed text of the so-called “Strengthening Representative Democracy” Resolution that was later presented to the General Assembly in June, arguing that Resolution 1080, which mandates an automatic supranational intervention mechanism should the OAS Foreign Ministers decide there has been an “interruption of constitutional order” in any country, was inadequate. The OAS must be empowered to address “a potential threat to representative democracy,” he argued, by providing the OAS Secretary General with three new “tools”: a fact-finding or information-gathering capacity (i.e., an OAS intelligence service); an expert, or “special envoy” service; and mechanisms for OAS “good offices.” Unlike 1080, the proposed new resolution would require no general agreement from OAS member-states to be activated, but rather could be set in motion by the OAS Secretary General, or any state which considered itself “affected” by the “potential threat.”

Marrero attacked sovereignty directly, declaring: “While the [OAS] Charter enshrines the principle of non-intervention in internal affairs, and guarantees each member-state the right to choose the form of political and economic governance it deems most suitable, these principles should not be invoked to override or contravene the duty of any member-states’ government to adhere to representative democracy.”

On May 28, reviewing the revival of the “preventive diplomacy” drive, Brazil’s *O Estado de São Paulo* reminded its readers why most of the countries had rejected it the year before. While Mexicans worried that under the vague but all-encompassing language of the proposed resolution, the guerrilla operation in Chiapas, Mexico could be designated a potential threat to democracy, “requiring” multilateral intervention, Brazilians feared equal arguments could be made about the Amazon. When political negotiation fails, governments “feared that the U.S. would use the body to justify a military intervention into the region . . . in the same way as the United Nations was used to send troops to Iraq and the former Yugoslavia,” *O Estado* wrote.

Einaudi’s May 12 testimony made clear that these concerns are not unwarranted. New “uncertainties” pose new, non-traditional threats to democracy, which require that “a new regional security architecture” be agreed upon, he asserted, which must create a regional capability to enforce “democracy and the rule of law.” He proposed that the Inter-American Defense Board (IADB)—currently a consultative body, staffed by military officers posted to the IADB strictly as representatives of their nations—be transformed into the military arm of the OAS, which could “facilitate military support for conflict avoidance, and activities ranging from disaster relief to de-mining.”

Of the several examples he cited of the new threats to the “rule of law” in the Americas requiring “preventive” action, one repeatedly emphasized was the alleged “authoritarian” tendencies of President Fujimori’s Peru.

## Once Again, the Inter-American Dialogue

Turning the OAS into a supranational government has been the hobby-horse of Einaudi's current employer, the Inter-American Dialogue, for almost as long as that body has pushed for the legalization of drugs. The Dialogue was set up by the leading lights of the Anglo-American establishment in 1982 to secure their control over the Americas, which had been shattered by the combination of Great Britain's Malvinas War against Argentina and the outbreak of the great debt crisis. In 1986, it launched its big drive for the legalization of drugs, arguing that the "substantial foreign exchange" from the drug trade was needed to pay the foreign debts. That same year, it set up a task force to prepare the take-down of the national militaries of the region.

In May 1995, the IAD pulled together a Study Group on multilateral "governance," made up of 14 "scholars and practitioners." They met formally six times, with a final meeting in February 1997. Their conclusions were published in April, under the title *The Inter-American Agenda and Multilateral Governance: The Organization of American States*. It proposes basic reforms and changes needed for "effective regional governance," restructuring the OAS such that it has increased governmental powers in all areas—economic, social, military, and political—as soon as possible.

In essence, the project is the continuation of the "Redefining Sovereignty" project begun by the Dialogue under Richard Feinberg. The Dialogue had announced in 1992 that it was preparing to publish a book under that title, but the project was quickly buried for all public discussion when it became too hot, politically. As the then-co-vice chair of the Dialogue, Rodrigo Botero, admitted in a December 1992 press conference, it is "difficult for any government to endorse a statement that national sovereignty has disappeared." But governments were induced to accept the principle that there are "limits to sovereignty," when they adopted Resolution 1080, he said. "That's what is behind the term, collective defense of democracy."

The Dialogue adopted the terminology of "multilateralism," and used "regional governance" instead of regional *government*, for the same reason that Dame Margaret Meade argued in the 1970s, that the drug legalization lobby should speak of "decriminalization," because people who could not accept drug legalization, could be made to accept the less emotionally charged term "decriminalization." Despite the unintelligible globaloney gobbledygook style employed (for example, "a region-wide governance pattern pyramiding up to the 'central hub' concept"), the task force's final report derides sovereignty as a "symbol" to be abandoned: "Multilateralism . . . clashes directly with the notion of sovereignty and the desire of nations to control their own destiny and to have a free hand to do so. . . . Rising nationalism and appeals to sovereignty are in some sense a reaction to the driving forces of interdependence, globalization, and technological

change. Nationalism and sovereignty have become comforting established symbols—something to cling to against the disturbing forces of change."

And so we arrive back where we started: the project to overthrow Peru's President Fujimori. The Dialogue report revealed that the project to turn the OAS into a regional government is well-advanced from the standpoint of plans, if not political acceptance, and that that planning has been centered at the OAS, under Colombia's Gaviria, who was elected Secretary General in 1994, with the public sponsorship of Einaudi. The Dialogue task force picked up and elaborated on several of the studies prepared by Gaviria's OAS.

Serving on the Inter-American Dialogue's "regional governance" task force, was Diego García Sayan, the Peruvian drug-legalization activist from George Soros's stable who today serves as a top adviser to opposition leader Alejandro Toledo.

## The Beam in the U.S. State Department's Eye

by Edward Spannaus

While the U.S. State Department is never hesitant to criticize other countries for any speck of a shortcoming in their election processes—including demanding that other countries must provide fair media coverage to opposition candidates—it seems to have a beam in its own eye when it comes to elections inside the United States.

When the question of the theft of Lyndon LaRouche's votes in Arkansas was raised at the May 31 State Department press briefing, spokesman Philip Reeker didn't want to touch the issue with a ten-foot pole. During a back-and-forth around the emergency Organization of American States (OAS) meeting on Peru held in Washington that day, *EIR* correspondent William Jones pointed out to Reeker: "Today at the OAS there was also a complaint issued about the situation in Arkansas, where a legitimate political candidate, Lyndon LaRouche, won 22% of the vote, and that the delegates which he would be entitled to were given to Al Gore, an obvious violation of free and fair elections."

"I'm going to stop you right there," Reeker said, "because I don't comment on domestic U.S. political things."

Pointing out that the complaint is going to the OAS, Jones asked, "Isn't this something of an embarrassment, where the U.S. would get on its high horse talking about free and fair elections, while there's an obvious case where they haven't cleaned up in their own stables?"

Reeker retorted, "We're talking about Peru here." He

claimed to be unaware of the Arkansas situation—although it was described in the State Department’s own U.S. election newsletter issued that day—and he declared that “it’s not something that would be appropriate for discussion from this podium,” going on to talk about “some clear flawed processes that took place in Peru in terms of their election process.”

Jones persisted: “But couldn’t this still lead to accusations from many Latin American countries that it’s a case of the pot calling the kettle black?”

“You’d have to ask them that,” the spokesman demurred.

### ‘Democracy at Work’ in the United States

In fact, the State Department does comment regularly on the U.S. election process. Its Office of International Information Programs (the successor to U.S. Information Agency) publishes a weekly newsletter called *Election 2000 Campaign Spotlight*. The Department says that the newsletter is provided “to help explain to overseas audiences the 2000 election campaign in the United States,” and is circulated to

all U.S. embassies abroad. It provides information “that will help explain this complex but fascinating example of democracy at work.”

The May 24 issue contained the following item:

“—Primaries: Arkansas, Idaho, and Kentucky held their primary elections May 23, selecting Congressional candidates for the November general elections, and delegates to the Presidential nominating conventions, balloting that has become meaningless since Democratic Vice President Al Gore and Republican Texas Governor George W. Bush already have sewn up their respective nominations.”

A few days after the publication of the “meaningless” analysis, this reporter queried Stuart Gorin, the editor of the newsletter, about that analysis, and asked if he was aware of what had happened in the May 23 Arkansas Democratic primary, pointing out that “the 53,000 people that voted for Lyndon LaRouche, and against Gore, wouldn’t consider it so ‘meaningless.’” Gorin said that he intended to report the Arkansas results, and the fact that the Democratic Party is

## No My Lai Massacre Here, Sy!



Gen. Barry McCaffrey

In the May 22 *New Yorker* magazine, Seymour Hersh penned a 25,000-word attack against Gen. Barry McCaffrey (ret.), the Director of President Clinton’s Office of National Drug Control Policy, accusing him of directing a massacre of retreating Iraqi troops at the close of the 1991 Persian Gulf War. Hersh “documented” the purported Desert Storm carnage through interviews with dozens of U.S. military officers, all but one of whom have now written letters, complaining that they were misquoted in the Hersh piece. According to one source who spoke to *EIR*, but not for attribution, Hersh’s initial article was supposed to be an even longer piece, not only assailing McCaffrey personally, but assailing the Clinton Administration for its support for the ongoing anti-drug efforts in Colombia. For reasons unknown to the source, the original article was abbreviated, and focussed exclusively on the allegations of McCaffrey’s overzealous actions in Iraq.

On May 14, simultaneous with the release of the *New*

*Yorker* article, McCaffrey released a statement, in which he reported, “Five months ago, Seymour Hersh began an inquiry apparently seeking to attack the Administration’s proposed counter-drug assistance package for Colombia. However, the Gulf War allegations that he recycles were long ago investigated and fully cleared—a fact he is compelled to acknowledge in the article.

“The incidents Hersh recycles were the subject almost ten years ago of no less than four complete investigations, including two which were separate, independently led and exhaustive—one by the Army Inspector General and the other by the Army’s Criminal Investigations Division. These events have also been the subject of a Congressional hearing, hundreds of news media accounts and several scholarly books. In every instance, all of these investigations and analyses have determined that these allegations were completely unfounded.”

McCaffrey noted that he had provided the *New Yorker* with 32 pages of answers to questions from Hersh, and had offered to provide a detailed briefing on the Administration’s National Drug Control Strategy, and the specific U.S. efforts to back up anti-drug police and military units in Colombia.

Several other sources noted the coincidence of the appearance of the Hersh article with efforts, led by Senate Majority Leader Trent Lott (R-Miss.), to block emergency U.S. anti-drug aid to Colombia, and with the efforts of George Soros and others in the drug legalization lobby, to bring down the Fujimori government in Peru.

—Jeffrey Steinberg

challenging LaRouche's delegates, in the next issue. *EIR* pointed out that the Democratic Party is doing more than challenging it—they intend to give LaRouche's delegates to Gore, and that if that sort of thing happened in some other country, where 53,000 votes were just thrown out, or taken from one candidate and given to another, the State Department would have a lot to say about it. The tight-lipped Gorin demurred, saying: "I'd have to have our policy people figure that one out."

In the May 31 issue, the *Election 2000* newsletter did report on LaRouche's vote in Arkansas, on the Democratic Party's refusal to recognize delegates for LaRouche (and threw in the obligatory "racist and anti-Semitic" slanders), and that there will be a fight in the credentials committee at the Democratic National Convention, as follows:

"—LaRouche: Lyndon LaRouche, who is running for President as a Democrat but has been called a 'political extremist,' captured 22% of the vote in the May 23 Arkansas primary and earned at least 10 state delegates to the Democratic National Convention, although Democratic Party officials ruled last January that he would be barred from the nominating process.

"The U.S. Supreme Court upheld that ruling in March without comment. Party officials said they took the position because of LaRouche's 'explicitly racist and anti-Semitic views.'

"A LaRouche spokesman said these allegations were 'absurd' and would not be substantiated. The spokesman added that the party can 'count on a credentials fight' at the Democratic convention as the LaRouche campaign attempts to have its delegates seated."

### **The 'Government-Approved Candidate'?**

One of the publications featured on the website of the U.S. State Department's Office of International Information Programs (IIP) is a USIA pamphlet entitled, "What is Democracy?" Its chapter on "Elections" includes the following:

"All modern democracies hold elections, but not all elections are democratic. Right-wing dictatorships, Marxist regimes, and single-party governments also stage elections to give their rule the aura of legitimacy. In such elections, there may be only one candidate or a list of candidates, with no alternative choices.

"Such elections may offer several candidates for each office, but ensure through intimidation or rigging that only the government-approved candidate is chosen."

Ironically, the IIP's own Internet web page on the U.S. elections lists only one Democratic Party candidate for President (although it lists two Republican candidates, George W. Bush and Alan Keyes). Even the U.S. Federal Election Commission lists two Democrats: Gore and LaRouche. Are we to take the State Department's blackout of LaRouche to signify that Gore is the "government-approved candidate" in the U.S. Democratic Presidential primary elections?

## **The LaRouche Campaign Complaint to the OAS**

To: Organization of American States  
Amb. Jorge E. Taiana, Executive Secretary  
Inter-American Commission on Human Rights  
1889 F Street, N.W.  
Washington, D.C. 20006

May 30, 2000

SUPPLEMENT to the May 16, 2000 Complaint to and Request for Investigation by The OAS's Inter-American Commission on Human Rights Concerning Gross Violations of and Interference with Free and Fair Elections in the United States of America

This communication is a Supplement to our formal Complaint and Request for Investigation filed with your offices on May 17, 2000, and acknowledged by your letter dated May 22, 2000. As your acknowledgment letter stated our petition is "under study" by the OAS's Inter-American Commission on Human Rights (IACHR), it is of the utmost urgency that you consider the newest evidence of acts being perpetrated to defraud over 53,000 American citizens of the state of Arkansas, and Presidential Candidate Lyndon H. LaRouche, Jr. It is incumbent upon OAS IACHR officials to act on this Complaint before the June 24, 2000 Arkansas Democratic Party conventions at which the national convention delegates from Arkansas will be selected.

The facts detailed below, make it quite clear that should the OAS turn a blind eye to the ripping up of legally cast votes here in the U.S.A., it then would cast doubt on the OAS's professed concerns to protect democracy in this hemisphere.

### **I. New Facts**

On May 23, 2000, the state of Arkansas held its primary elections. In the Democratic Presidential preference primary, mandated by Arkansas law (Code §7-7-201, and 7-8-201), candidate Lyndon H. LaRouche, Jr. is reported to have so far received 53,280 votes, with 2,789 precincts reported out of 2,834 precincts all together. Mr. LaRouche's only opponent, Vice President Al Gore, reportedly has received 194,171 votes. Thus, Mr. LaRouche's current statewide percent of the vote is 21.53.

There are four Congressional Districts. Mr. LaRouche's vote, so far, in those CDs is:

CD 1: 20.3%

CD 2: 18.67%  
CD 3: 24.7%  
CD 4: 22.1%

The rules of the Arkansas Democratic Party with regard to allocation of national convention delegates to be awarded to Presidential candidates provide that allocation is based upon receipt of the percent of the vote cast by the electorate for the respective candidates. A candidate must receive at least 15% of the vote cast to be considered viable to receive delegates. As is clear from the above totals, Mr. LaRouche has received qualifying vote percentages in each of Arkansas' four CDs to be awarded state and national convention delegates, and sufficient percent of the vote, statewide, to qualify for statewide delegate allocation as well. (Exhibit 1, Rule C.3 and 7a, b.)

However, as indicated by comments reported in the *Arkansas Democrat-Gazette* by Arkansas Democratic Party officials Chairman Vaughn McQuary and Executive Director Glen Hooks, as well as the Democratic National Committee's national spokesman in Washington, Richard Hess, those 53,280 voters' votes will be disregarded. Neither the Arkansas Democratic Party, nor the DNC will allocate delegates to Mr. LaRouche, despite the will of the citizens, and contrary to Arkansas law, and the Party rules. (Exhibit 2.)

Such egregious and blatant disenfranchisement, is in violation of all recognized international standards for free and fair elections. Further, this nullification of votes is explicitly in violation of the spirit and letter of the law as proscribed in the American Declaration of the Rights of Man and the American Convention on Human Rights. (See Original May 16, 2000 Complaint pp. 6-8.)

## II. Laws and Party Rules Being Violated

As has already been documented for you in our May 16 Complaint (see pp. 5-6), laws of the United States as well as the Democratic Party are being violated, arbitrarily, at the will of a small clique of Party officials who claim the Democratic Party is a "private club" so that they can silence any opposition candidate. The media blackout employed has only amplified such totalitarian measures. The newly violated laws pertaining to the acts described in this Supplement are detailed below.

### A. Arkansas Election Code

Arkansas Election Code states: "§7-8-201. Preferential elections required — Apportionment of delegates. Each political party in the state desiring to select delegates to attend a quadrennial national nominating convention or the party to select a nominee for [President] shall hold a preferential primary election in the state, and the delegates to the national party convention shall be apportioned to the Presidential candidates whose names were on the ballot at the preferential primary . . . in the proportion that the votes cast for each candidate . . . bear to the total votes cast at the election, rounded to the closest whole number."

It is important to note that Arkansas primary elections are paid for by the state, and thus are public elections, i.e., not for private parties. (Code §7-7-201.)

### B. Arkansas Democratic Party Delegate Selection Rules

The Delegate Plan clearly states, "The Presidential Preference Primary Election *shall* be governed by the election laws of the State of Arkansas. . . ." (Rule II C 3.) Further, "The Arkansas Presidential primary election is a binding primary. Accordingly, delegate and alternate positions *shall* be allocated so as to fairly reflect the expressed Presidential preference of the primary voters in each district." (Rule II C 7 a.) (Emphasis added.)

Based upon the mathematical formula provided in the Delegate Selection Plan as applied to Presidential Candidate LaRouche's vote, he is entitled to 1 national convention delegate from each of the four CDs, 1 national convention delegate who is a Party Elected Official, and 1 national convention delegate who is selected as an At-Large delegate. This means that Mr. LaRouche is entitled to a minimum of 6 national convention delegates from the state of Arkansas so as to fairly reflect the will of the voters.

It is the announced position of Arkansas Democratic Party Chairman McQuary, his Executive Director Mr. Hooks, and the DNC under the direction of national chairman Joe Andrew, that the Party will refuse to allocate delegates pledged to Mr. LaRouche, and will refuse to allow the participation of Mr. LaRouche's elected delegates at the up-coming June 24 CD and State conventions in the state of Arkansas.

## III. Conclusion

Based upon the new facts detailed, herein, and those presented to you in our May 16th Complaint, it is imperative that you act to reverse these arbitrary and capricious violations of electoral rights of tens-of-thousands of American voters, and those of Presidential candidate Lyndon H. LaRouche, Jr. The very foundation of each sovereign republic on this earth to have and promote representative democracy is at stake in this case. If such violations go unchecked in the United States of America, then institutions such as the OAS will be condoning the practices of the once notorious Nazi plebiscites, or the racist "Jim Crow" "whites only" policies imposed on African Americans in the early part of the 20th century.

There is time to reverse these abrogations of human and electoral rights. If you take your mandate seriously to protect and promote representative democracy on this Continent, then act on this Complaint before the June 24, 2000 Arkansas CD and State conventions, and the August 14-17, 2000 Democratic National Convention to be held in Los Angeles, California.

Signed,  
LaRouche's Committee for a New Bretton Woods  
Kathy A. Magraw, Treasurer

# Mexican Presidential Candidate Cárdenas: Another Salinas, in Leftist Clothing

by Carlos Cota Meza

In his third bid for the Mexican Presidency, Cuauhtémoc Cárdenas, candidate of the Party of the Democratic Revolution (PRD), and of various allied parties in the Alliance for Mexico, is suddenly being hit with a wave of accusations of “having changed direction” and become a convert to neo-liberalism.

The furor was unleashed after Cárdenas participated in a Jan. 13 forum, organized by the Autonomous Technological Institute of Mexico (ITAM), where he declared that “no one with his feet on the ground would today propose isolationist policies or ultra-protectionism”; he declared the peso “over-valued,” and proposed its devaluation. In his proposal for the recovery of the banking system, he urged “mergers, attracting new investments, both at home and abroad, to revitalize it, opening up the possibilities for branches of foreign banks to operate here.”

In sum, Cárdenas presented as his own ideas, three of the central hobby horses of neo-liberal policy that have been applied throughout the 18 years of the last three Revolutionary Institutional Party (PRI) administrations. The irony is, that Cárdenas abandoned the PRI in 1987 because of its denationalizing policy, supposedly to “change direction.”

Cárdenas responded to his critics, stating that “there is no contradiction in my proposal . . . nor does it differ at all from what I have proposed.” In fact, Cárdenas is right, to the disappointment and disenchantment of many of his former supporters: He has *always* been a proponent of “Salinism without Salinas.” Carlos Salinas de Gortari was President of Mexico from 1990 to 1996, and allied closely with U.S. President George Bush in promoting every imaginable policy disaster: NAFTA and free trade, open door to the drug trade, uncontrolled corruption, and so on.

For years, Cárdenas has served the international financial oligarchy, which has given national and international credibility to his campaign, as a holding action against nationalist political currents which are seeking a genuine alternative to neo-liberalism and globalization.

But there is more. Cárdenas (along with Vicente Fox, the third major Presidential candidate, from the opposition National Action Party, or PAN) is militantly and systematically hostile, both nationally and internationally, to the pro-

posals of the Ibero-American Solidarity Movement (MSIA), the co-thinker group in Mexico of U.S. Presidential candidate Lyndon LaRouche. On the international level, the control exerted over him by oligarchical policy-making circles has made him — and he himself views it that way — into Mexico’s leading opponent of Lyndon LaRouche’s forecast of a systemic crisis of the international financial system, and proposal on how to address that crisis.

LaRouche’s proposal for the urgent establishment of a New Bretton Woods global financial system is widely known in various layers of the population, and is fully known by the entire Mexican political class, without party distinction. This new institution would install the best of what was applied after World War II: a system of stable parities, essentially protectionist trade and tariff agreements, encouragement of scientific and technological progress, and cancellation of International Monetary Fund (IMF) globalism.

## Globalized Cárdenas

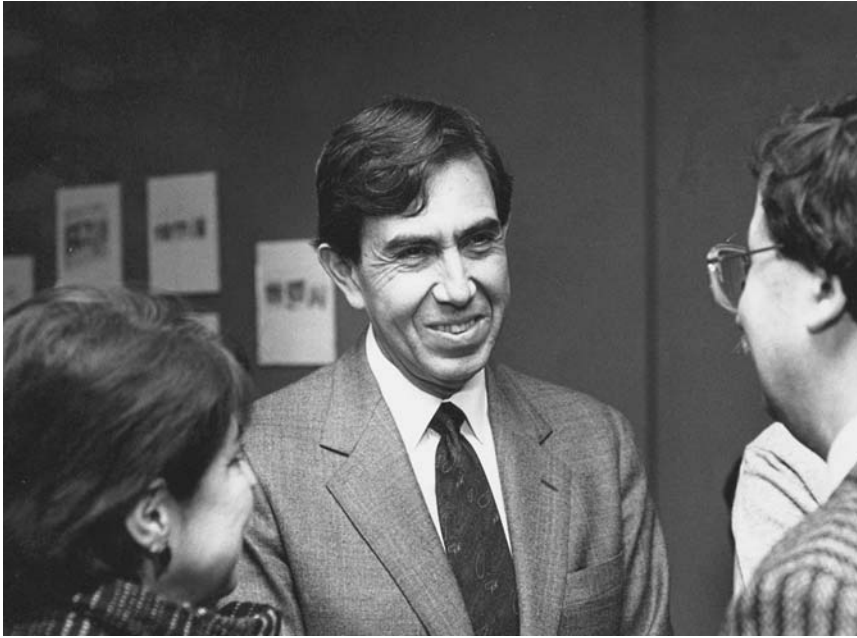
It was at the ITAM, but on Nov. 16, 1998, that Cárdenas, as Governor of the Federal District, laid out his thesis against a New Bretton Woods system. “Many think,” he said, “that the 20th century really matured once World War II had ended, when the great reforms forged in the turbulence and the penury of the 1930s yielded fruit in the economy and in society.”

“Examples of this would be Roosevelt’s ‘New Deal’ in the United States, the government reforms of the Popular Front in France, or the Mexican reforms accentuated between 1934 and 1940,” Cárdenas said. And, he told the ITAM students: “That model of regulating the economy and society, whose political expression were the welfare states, is a thing of the past.”

In January 1999, as head of the Mexico City government, Cárdenas had his greatest opportunity to present himself as a Presidential candidate before figures of the international oligarchy. He was invited to participate in the World Economic Forum in Davos, Switzerland. There, Cárdenas not only held forth on his concept and acceptance of “globalism,” but even made suggestions on how to carry that oligarchic policy forward.

In a document distributed at the Davos Forum, he states:





*Mexican Presidential candidate Cuauhtémoc Cárdenas. The backing of his Party of the Democratic Revolution for free trade and globalization, is indistinguishable from the PAN's Vicente Fox, or former President Carlos Salinas de Gortari.*

“Globalization is a fact of contemporary reality, not a passing ideology or some end-of-century novelty. . . . This process has unleashed forces and tendencies which now appear to have escaped the control of societies and their institutions. . . . Globalization means much more than its passing form; [it is] a world reality, in which stability and prosperity for a few cannot be guaranteed, while fragility and misery persist for others.”

Cárdenas even stated that the depth and violence of the financial crises is one more indicator “of the irreversible reality and force of globalization.”

Cárdenas presented himself to the oligarchs at Davos as the politician who, from the “left,” would be able to use “democratic controls” to organize the “displaced,” those “less dynamic sectors and activities, with a lesser capacity to increase the levels of productivity within which they operate.” Such political control in times of crisis is, of course, of interest to his Davos sponsors.

How does he hope to achieve this? This is where his aversion to the existence of the sovereign nation-state comes in, making him the perfect agent of the international oligarchy. “We do not need to return, or take recourse, to statist dogma that we oppose, in order to understand that pluralist society can and must intervene, through its institutions, in the regulation of the erratic movements” of globalization, he said.

In his 1998 address to ITAM, Cárdenas said, “It is possible that our great task, upon entering the new millennium, is to define the norms and rules that permit the survival of civilization . . . under conditions of the globalized economy.” Since

he was saying all of this months ago, why the big fuss, all of a sudden?

### **Cárdenas, the 1994 Model**

During the 1994 Presidential campaign, and prior to the assassination of PRI candidate Luis Donaldo Colosio, the MSIA published a statement denouncing Cárdenas as the Jean-Bertrand Aristide of Mexico, a reference to the demented dictator of Haiti who had been overthrown by a nationalist military coup, and whose restoration to power through the intervention of a supranational military force had been demanded by Cárdenas.

The MSIA also warned voters that while Cárdenas had, during his first 1988 Presidential campaign, attacked the IMF and had spoken of the problems caused by payment of the usurious foreign debt, these issues were immediately forgotten. That posture was just an opportunist maneuver, because Cárdenas knew that there was a current

within the ruling PRI party that had seriously questioned then-President Miguel de la Madrid’s economic policy, and were opposed to making Carlos Salinas de Gortari the PRI’s Presidential candidate. Knowing all this, Cárdenas was trying to present himself as everyman’s leader. His 1994 campaign proved that the MSIA denunciations were on the mark.

Since then, Cárdenas has in effect proposed the same policies as Salinas de Gortari, with the sole difference that he would apply IMF policies through “democratic controls” and in the guise of “fighting corruption.”

Cárdenas said that “economies which are advancing, in any country on any continent, are moving toward globalization. . . . Given these realities, we must seek to assure that insertion of our country into the world economy is accomplished under equitable conditions.” Since then, he has argued that “we do not reject NAFTA [the North American Free Trade Agreement]. . . . We want it to improve. . . . Mexico cannot isolate itself.” He added, “We mustn’t forget that our country has joined the GATT [General Agreement on Tariffs and Trade]. . . . I think that at this time, we must maintain our membership in GATT, and therefore maintain the tendency not to raise tariffs and not put up barriers to international trade.” In essence, Cárdenas has not changed from 1994 to the present time.

### **Cárdenas, the 1997 Model**

During the 1997 campaign for the first-time election of a Governor for the Federal District, the MSIA was the only

political movement in Mexico to oppose Cárdenas's proposals, and to denounce them in a statement entitled: "Neo-Cardenism: A Higher Phase of Salinism. Cuauhtémoc Cárdenas's Fascism with a Democratic Face."

This was on the mark. During his May 6, 2000 presentation to the New York Americas Society, Cárdenas told the same audience before which Vicente Fox had proposed the privatization of Pemex: "We believe in the free market. We do not want to control the economy or have government intervention in economic life. What the PRD is proposing is closer to the Chilean model than any other."

Why the scandal in the year 2000, if Cárdenas has been saying since 1997 that he likes Pinochet's Chile, only "democratized"? What is the difference, then, between Fox, Salinas, and Cárdenas?

In the 1997 statement, the MSIA also warned that should Cárdenas become the regent of the Federal District, "he will sink not only Mexico City but the entire country into chaos and violence, with his armed wing the EZLN [Zapatista National Liberation Army], and his Jacobin mobs of the Urban Movement, MPI, Superbarrio, Grupo Pancho Villa, ex-Ruta 100, and so on, all deployed as shock troops against their opponents. . . . Don't forget that these groups were financed by Manuel Camacho Solís when he served as regent."

The culmination of Cárdenas's short two-year regency in the Federal District was the lunatic "strike" of the National Autonomous University of Mexico (UNAM). In the same way as he opposed nuclear energy, Cárdenas has furiously dedicated himself to dismantling the country's most advanced center of studies. No one can deny that the "university movement" encouraged by the Cárdenas government in the Federal District is merely an urban extension of the Zapatista movement in Chiapas, which, starting in 1994, has sought the dismemberment of the federal pact by the most violent of means.

When, in 1997, with practically no opposition due to the pusillanimous campaign run by the PRI, Cárdenas won the Federal District governorship, and his party, the PRD, won an absolute majority in that city's Legislative Assembly, the oligarchy jumped for joy. Former U.S. Treasury Secretary and Secretary of State James Baker III, a prominent member of the George Bush league, wrote in the July 20, 1997 *Washington Times*: "Political reform is a necessary precondition for deepening the economic reform as a sequel to the peso crisis. Opening up the political system could persuade the public in general to back painful economic reforms, when these are proposed by politicians in whom they can believe."

"Some have said that while the election is a victory for democracy in Mexico, this occurs at the expense of free market reforms, since the great victor is the party of the left. However, Mr. Cárdenas, as the opposition's most important

figure, has in recent years greatly modified his positions, and during the campaign, did not offer an alternative economic view nor criticize the current economic system in Mexico, except that it should be more transparent and equitable. . . . There was no evidence of a popular desire to overturn NAFTA or the so-called neo-liberal economic model begun by Salinas."

Baker was a close ally of Salinas de Gortari. Can there be any doubt as to whose interests Cárdenas serves?

### **Cárdenas and Bush's Iran-Contra Operation**

Baker's satisfaction with Cárdenas could not be more eloquent, but there is still another element to consider, which Cárdenas has never clarified.

In the middle of the 1994 campaign, there circulated inside Mexico a book by Terry Reed, *Compromised: Clinton, Bush and the CIA* (New York: Shapolsky Publishers, 1994), which detailed the Iran-Contra operations mounted by the drug-trafficking mafia of George Bush and Oliver North. As is documented in detail, Bush and North trafficked weapons for the Nicaraguan "Contras," which were financed through the sale of Colombian cocaine introduced into the United States. This scenario was responsible for unleashing a mortal epidemic of "crack" consumption in the United States.

Independent research has established, with the certainty of court-admissible evidence, that it was Bush, as both Ronald Reagan's Vice President and then as President of the United States, who handled the weapons-for-drugs policy, under Executive Order 12333.

Reed, one of those implicated in the Iran-Contra operations, details how he met with Cárdenas, then Governor of Michoacán state, at the Lake Zirahuén beach resort, and that introductions were handled by CIA agent and direct Bush employee Félix Rodríguez, who was operating under the pseudonym Max Gómez.

In Chapter 25, entitled "Project Z" (p. 323), Reed describes how Max Gómez told him: "Look, let me introduce you to Mr. Cárdenas. . . . He is a very important man in the Mexican government. His father was a President of Mexico. But don't forget, we have him in our pocket. I am personally paying him a lot of 'agency' money to make this project work. Don't pay attention to his royal airs during today's meeting. He's ours."

According to Reed's narration, the meeting dealt with the establishment in Michoacán of the company Maquina Internacional, which was a front for arms trafficking. On April 12, 1994, the MSIA issued an open letter to Cárdenas, demanding a public clarification of Reed's charges. In response, the MSIA received a threat from Cárdenas, to sue it, and also Lyndon LaRouche, whom Cárdenas judged to be involved in the affair, for defamation. The MSIA is still awaiting either the suit to be filed, or a response from Cárdenas to the question posed.

## Cárdenas and the São Paulo Forum

It is relevant to undertake a brief review of the last decade, and to follow Cárdenas's footprints in it.

Cárdenas and his PRD are founding members of the São Paulo Forum, created in 1990 at the behest of Fidel Castro and his Cuban Communist Party. Castro has remained in power following the disintegration of the Soviet Union beginning in 1989, thanks to his recognized abilities as a political chameleon. The financial support from the Soviet Union and East Germany that was lost, has been replaced by money from the drug trade. Politically, he represents the "left wing" of radical free-market Thatcherism, offering the organizations that make up the São Paulo Forum as the most viable instruments for continuing the policies of "globalization." This was one of the reasons why Bush errand boy Salinas de Gortari was protected in Cuba in 1995, when he fled Mexico. Since that time, Cárdenas has abandoned all "nationalist" coloration, and has embraced "globalization" fully.

The member groups of the São Paulo Forum which have come to power include the Lavalas Movement of Jean-Bertrand Aristide in Haiti, the Sandinistas in Nicaragua, the MBR-2000 of Hugo Chávez in Venezuela, and more recently, the Alliance for Argentina of President Fernando de la Rúa, and Ricardo Lagos's Socialist Party in Chile. And what have they done? Each and every one of these "leftist" movements have accepted the policies of the IMF, and have become militants of the "economic globalism" of the "New World Order," which the Thatcher-Bush "special relationship" imposed on the world.

In Haiti, the "democratic experiment" of the demented Aristide turned that country into a hell. In Nicaragua, the Sandinistas, with their "leftist" version of IMF policies, caused more destruction than their own war against Anastasio Somoza, something which none of the new governments of the "right" have been able to match. In Colombia, under the liberal government of César Gaviria (now Secretary General of the Organization of American States), the M-19 established a "successful pacification" agreement, through which it won a majority in the National Congress, only to impose, together with the "extraditable" drug traffickers of the Cali and Medellín Cartels, a new Constituent Assembly in 1991, which led directly to the narco-government of the Liberal Ernesto Samper Pizano, and to the current "Conservative" government of Andrés Pastrana. The result? The surrender of half of Colombia to the narco-terrorist FARC.

In Venezuela, with his new Bolivarian Constitution, President Chávez has set himself up as a dictator, prepared to change the political map of the neighboring countries. Article 14 of the new Chavista constitution, for example, dictates: "The law will establish a special legal regimen for those territories which, through the self-determination of their inhabitants and with the approval of the National Assembly, join the Republic."

What territories could join Chávez's "Bolivarian" Republic, except those Colombian territories handed over to the FARC by the Pastrana government, with the blessings of the U.S. State Department?

Surely, this interpretation of the new Venezuelan Constitution calls to mind the way that Adolf Hitler appropriated the Sudetenland from Czechoslovakia.

Cárdenas's accession to power in Mexico City in 1997, is part of this same tendency. Before the collapse of Salinas de Gortari's "Mexico model" in December 1994, Wall Street and London promoted the so-called "Third Way," to continue the same globalist-fascist policy, but with a "human face." Thus, in Britain, for example, Tony Blair was brought to power, after the fall of Thatcherism.

The ascent of the São Paulo Forum in Mexico was orchestrated through a corrupt campaign in the national and international media, which presented Cárdenas as a "nationalist" victim of Salinism (while Salinas was taking refuge in Havana!), who now "deserved to govern."

Cárdenas's relation with Castro is another important element to consider in analyzing Cárdenas's supposed "turn." Cárdenas told an interviewer: "I have had the opportunity to have a personal relationship with Fidel Castro . . . more or less [since 1975]. . . . We have very defined positions with respect to Mexico, and with respect to Cuba. . . . They are in agreement. . . . Our possible differences have never been discussed, because there is no reason to discuss them. . . . In that sense, there has been a very broad friendship, in which each is open to share what he knows, what can be done, what can be given." It certainly can't be said that Cárdenas is unfamiliar with Castro's political orientation.

## Cárdenas, Model 2000

And so, we come to Cárdenas's latest Presidential campaign. One scandalous aspect of the 2000 campaign is that Cárdenas has said that he would accept private investment in the electrical energy industry. Once again, those who claim to be surprised by Cárdenas's "change of heart" remind us of those who claimed to be "fooled" by Salinas de Gortari, when he handed over an economy in ruins.

In his March 1999 speech in commemoration of Mexico's oil expropriation, Cárdenas said: "There exist under the law, ways in which private investors can participate in electricity generation. If it turns out that any of these schemes gets in the way of private investment, the law can be revised." He then asks that the "experiences" of Argentina and Chile, where privatization was total, be studied.

Fiercely opposed to the industrialization of the country, Cárdenas added that the Laguna Verde nuclear power plant "should have stopped operating some time ago," because its contribution to the country's energy demands "is minimal" — a flat-out lie, both quantitatively and, most especially, in terms of its technological contribution to the country's progress.

However, the real novelty of Cárdenas's latest electoral campaign is that, if he wins, "he will promote a Constituent Assembly." This means that a President Cárdenas would ignore the electoral process by which he was voted in, and would dissolve the National Congress. To put it plainly, Cárdenas is proposing a coup d'état. This aspect of his program is closely tied to his relationship with the Zapatista ideology, and the policy of the São Paulo Forum for the entire continent.

In his interview with a journalist by the name of Forston, Cárdenas says that his relation with the Zapatistas "has been necessarily very occasional. I have intervened with Subcommander Marcos and with the government of the Republic, to seek possibilities of understanding. . . . [In this], my sons Cuauhtémoc and Lázaro, respectively, have participated and played a very important role, never seen before. They have served as contacts. . . . I want to think that Marcos and the Zapatistas have understood that the role I would like to play in that situation and in that relation, is that of effectively helping the conflicts to be resolved in a dignified way for everyone involved."

This statement is the height of hypocrisy. As the majority of Mexicans are aware, the EZLN is a foreign occupation army, directed from abroad by the multinational cartels that finance the non-governmental organizations, and which

would like to see the Mexican southeast secede, the better to appropriate the oil, among other things.

It has been Cárdenas and the PRD congressmen who have demanded that the Zapatista version of the San Andrés Larranizar agreements be converted into constitutional law, in order to give legal standing to the so-called "autonomous indigenous" zones. For his part, Subcommander Marcos recognizes that these agreements are just the beginning of territorial partitioning. In 1995, Marcos declared that "the borders multiply and the armies split into many parts. You have the case of Yugoslavia. . . . In the case of the Mexican Army, it could be more dramatic, because perfectly distinct regions of Mexico can be distinguished as if they were national states."

Cárdenas has never objected to this Zapatista threat. On the contrary, he has stated that if elected President, he would name a "civilian secretary of defense," as the beginning of the process of "demilitarizing" Chiapas, and dismantling the Armed Forces.

Former Bishop Samuel Ruiz, the true "commander" of the Zapatistas, has been very clear in stating that indigenous autonomy includes "the use and enjoyment of resources." Says Ruiz, "In the Mexican Constitution, it is said that resources belong to the nation. That is, that if there is oil under the land that you bought, that is the national patrimony, not yours. Of course, that is not the only solution possible. . . . In the matter of the use of resources, there is a situation which still remains to be legally clarified."

Cárdenas has added to this proposal for constitutional dismantling of the nation. In his 2000 campaign, he says that he would now accept a "popular referendum," so that Mexicans can decide what to do with Mexican oil. When the people decided in 1938, the oil was nationalized!

Regarding the so-called UNAM "strike," Subcommander Marcos declared in one of his support statements: "Chiapas was a symptom, the UNAM is another. More will come. And all the movements and unrest will become more and more radical, or 'ultra'. . . . Look, it will become increasingly difficult to open channels for dialogue with them."

Before the 1997 elections, when he was asked about the possibility of election fraud against him, Cárdenas responded: "Today we have the ability to reverse the fraud. And you'll find us in the streets, ready to go all the way."

### **Salinas, Fox, and Cárdenas: Polymorphously Perverse Symbiosis**

At the conclusion of the past 20 years, we have reached an ironical political situation: Cuauhtémoc Cárdenas, Vicente Fox, and Carlos Salinas de Gortari represent precisely the same political project for the country.

Cárdenas appears as an open promoter of the very globalization and neo-liberal policies that the last three PRI governments have imposed, and which the PAN candidate Fox would only want to pursue with greater zealously. But

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that's not all. Fox also agrees with Cárdenas with respect to the Zapatista policy of territorial partitioning, and in their opposition to the nation's Armed Forces. Also, Cárdenas accepts the PAN's anti-constitutional proposal, and that of the Ernesto Zedillo government, to modify Article 27 of the Constitution—which proclaims the mineral and other resources on national territory to be property of the state, i.e., of all Mexicans. Zapatista former Bishop Ruiz also shares this view.

Nor is Cárdenas's relationship with Castro especially unique, because Fox recognizes an open similarity with Castro due to their common Jesuitic education. And, of course, Castro declared himself both friend and protector of Salinas de Gortari, during the first stage of his self-exile. What's going on here?

All this can be explained. In the current crisis, the strategy of the oligarchy includes dismantling the institutions, and dismembering the territory, of nations such as Mexico. To understand the apparent mish-mash, one must remember the historic roots of the formation of the modern republican nation-state, something to which Mexico aspired years ago, but which in the last few decades, it has abandoned.

For the first time in all of recognized human existence, Christ's ministry gave reality to the Mosaic principle that all people are equal, in that all men and women are made in the image and likeness of God. Beginning with 15th-century Europe, there emerged a new anti-feudal form of society, the sovereign nation-state, consecrated to the Christian principle that there are no races.

We are all equal in our nature and needs, by virtue of the divine spark of cognition, and it is that capacity to make validatable creative discoveries which sets us apart and absolutely above lower forms of life.

This new form of renaissance government of the 15th century demonstrated how, by their very nature, slavery, servitude, and, therefore, free trade, are Satanic. The oligarchic forms of government, in which there are no citizens, only subjects, base themselves in their battle to rule, on promotion of forms of pagan religions as instruments of mass manipulation. In the oligarchic model, these are called low churches, and in the case of Samuel Ruiz, with his autochthonous church and his Zapatistas, they are very, very low.

This is the key to understanding the perverse symbiosis of Cuauhtémoc Cárdenas, which runs parallel to that of the Jacobin Fidel Castro, which pairs him with the autochthonous church of Samuel Ruiz, and which unites him to the right-wing Jacobin rapture of Vicente Fox. They come together to promote the disintegration of the Mexican Republic under the slogan of "let's destroy existing society," for the benefit of the oligarchy. If Cárdenas were to reach the Presidency of Mexico, he would do as much damage in 18 months as the last three PRI government's have done in the past 18 years.

## Balkan Intrigues Raise Threat of Renewed War

by Umberto Pascali

"Milosevic should be gone within five days from now!"

This concise, clear-cut statement appeared on May 29 in the leading Italian daily *Corriere della Sera*. Its author was not some minor member of the Serbian opposition to President Slobodan Milosevic, but rather, it was one of the most influential and powerful among the Western diplomats dealing with former Yugoslavia: United Nations Balkans envoy Carl Bildt. Why is Bildt so confident in his expectations? The main reason, he explained, is that "Moscow is not in love with Milosevic."

In fact, "the relations between Russia and Serbia have changed," and thus it is now just a question of time, and above all, of obtaining a clear "signal" against Milosevic from Russian President Vladimir Putin, and the deal would be done, Bildt said. "Russia is skeptical about NATO unilateralism, but if Putin gave a signal, the impact would be strong."

Bildt went on to detail what appears to be a quite precise scenario of what is supposed to happen in Serbian Montenegro and Kosovo. "It is necessary to arrive at a confederation between Serbia and Montenegro: It is the only way to prevent a new war. The same is true for Kosovo—we are not talking about independence, this must be clear, but an intermediate solution," he said.

This whole "offer," however, is predicated upon a condition: a "signal" from Putin, and the unloading—through exile or some other way—of Milosevic.

### Yugoslav End-Game?

Bildt's initiative was worked out to a very precise deadline: the June 4 summit in Moscow between Putin and President Bill Clinton. Britain's *The Economist* magazine was explicit: "When Mr. Putin holds his first summit meeting with President Bill Clinton on June 4th, both sides will be conscious that Russia will be very helpful—or unhelpful—in what could turn out to be the Yugoslav end-game." There is no doubt that one of the key issues discussed at the summit will be the Balkan situation, and in particular, the destiny of Milosevic.

Well-informed sources have stressed that, despite all the propaganda to the contrary, Moscow's influence over Belgrade remains "huge," and that the Russian leadership could

indeed decide on a possible “exit” of Milosevic. For quite some time now, Moscow has been putting out signals that it could change its Serbian policy. The head of the main opposition force, Serbian Renewal’s Vuk Draskovic, visited Moscow several weeks ago, and, for the first time, was received by Foreign Minister Igor Ivanov. In interviews published at that time in the main Russian press agencies, Draskovic accused Milosevic of being a “terrorist,” and of having been directly responsible for the deaths of several of his collaborators, including his brother-in-law, victims of a suspicious automobile accident.

However, it is premature to conclude that we are at the end of the “Yugoslav game.” Two events tend to throw cold water on the expectations of Bildt and *The Economist*. First, a delegation, including the three Serbian opposition leaders—Vuk Draskovic, Zoran Djindjic, and Vojislav Kostunica—was indeed in Moscow on May 29. It looked as if the opposition had finally found unity, the lack of which has always constituted the Milosevic regime’s key advantage. Furthermore, they expected to get a sort of political investiture from Moscow. A meeting with Foreign Minister Ivanov had already been scheduled, and the three opposition leaders expected the minister to issue a call demanding that Milosevic accelerate the already-announced elections in Serbia. A strong condemnation of Milosevic, for his crackdown against the opposition, including the shutting down of the television station Studio B in Belgrade, was also expected.

However, things did not happen as expected. At the last minute, Ivanov refused to receive the Serbian delegation, who met instead with the Deputy Foreign Minister and with other, lower-level officials. A moderated statement issued by the Foreign Ministry called for “the stabilization of the situation,” and for a “constructive dialogue” between Milosevic and the opposition.

## **Murder in Podgorica**

The second event that cooled expectations of those wishing for a prompt “end-game,” was the murder in Podgorica, the Montenegro capital, of Montenegro President Milo Djukanovic’s security adviser, Goran Zugic. Zugic was assassinated on the night of May 31, in front of his apartment building.

Though a wave of political assassinations has eliminated several top officials in Belgrade, this was the first time that a high Montenegro official had been murdered.

In fact, Djukanovic is a crucial element in the “Yugoslav end-game” scenario, as elaborated by Bildt. The scheme would involve the creation of a new kind of federation between what remains of Yugoslavia, i.e., Serbia and a Montenegro now on the verge of secession. Since last August, Djukanovic has called for a “different kind” of relations with Serbia, and has been presented in Western media as the leader who could take the place of Milosevic in the whole Yugoslav Federation.

A conference on May 27 in Kosovo was supposed to launch Montenegro’s leadership role; but, it ended abruptly after a few hours, when Montenegro Foreign Minister Branco Lukovac and his delegation left to attend an emergency meeting in Podgorica, amid rumors of an impending coup d’état, after Yugoslav troops in Montenegro had been placed on a state of alert.

## **Milosevic and Lord Robertson’s Campaigns**

On May 30, another political shock was delivered. The Prime Minister of Montenegro, Filip Vujanovic, went on record stating, “No one in Yugoslavia, Montenegro, or the international community could seriously expect Montenegrin authorities to arrest Slobodan Milosevic and extradite him to The Hague,” where the war crimes tribunal has indicted him.

The defensive statement was made after Milosevic supporters in Montenegro had announced that Milosevic would visit there. Such a visit would put Djukanovic in an untenable position, because he would be expected to arrest Milosevic, thus precipitating a civil war confrontation in Montenegro and almost surely a restart of a broader war in the Balkans.

And suddenly, Milosevic is again campaigning publicly in Serbia. After a long period when he made no public appearances, he addressed a large crowd in the city of Novi Sad, where he inaugurated the reconstructed railway bridge over the Danube River that had been destroyed by NATO bombings. Playing the keys of emotional rhetoric, Milosevic denounced the “NATO aggression: one of the cruelest against humanity. The entire world must know it shall be a target—as Serbia has been a target—if it doesn’t resist violence and humiliation.”

Paradoxically, it was NATO Secretary General Lord George Robertson who, on May 31, responded to this statement in a way that should have greatly pleased Milosevic: Robertson unleashed a verbal provocation that went straight to heighten Russian fears of “NATO unilateralism.” Speaking in Mitrovica, Kosovo, Lord Robertson stressed: “The message I have for the Serb community is that the UN Resolution 1244 does not expire this month.”

Resolution 1244 is the UN Security Council resolution that put an end to the Kosovo war, and was accepted also by Russia and China. It expires in June. It stated that Yugoslavia retains sovereignty over Kosovo. This issue constitutes the heart of the question of national sovereignty, opened by the NATO bombings on Kosovo, that took place without an explicit mandate from the United Nations.

The NATO bombings against Kosovo are thus seen by Moscow and Beijing, and in a less public way by several other countries in the Third World and also in Europe, as a dangerous precedent that undermines the very foundation of national sovereignty and opens the way to destabilizing military interventions all over the world.

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## Globalists Are Behind Fiji Coup

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*British and Australian assets have pulled not one, but two coups against nationalist Prime Minister Mahendra Chaudhry.*

In fast-moving developments in the South Pacific nation of Fiji, the Fijian Army has seized control of the country on May 29, following a coup attempt on May 19 by failed Fijian businessman George Speight. Speight and 15 gunmen had seized 50 hostages, including Prime Minister Mahendra Chaudhry and most of his cabinet, whom they still hold as of this writing. Speight then declared himself Prime Minister on behalf of the indigenous population of Fiji, whose rights, he charged, were being usurped by the ethnic Indian minority led by Chaudhry.

The Australian and international news media have endorsed Speight's claim, that the crisis is an ethnic conflict between indigenous Fijians and the ethnic-Indian minority, who comprise 44% of the population, whom the British colonial masters brought to Fiji in the 19th century. "Ethnic tensions" were also blamed for two coups in 1987 by Chaudhry's predecessor as Prime Minister, military strongman Sitiveni Rabuka, who seized power against "Indian domination" of the government. For the next decade, Indians were excluded from government participation, but Fiji was also shunned by the international community. In 1997, a new, multi-racial Constitution was adopted, ending Fiji's international isolation. In May 1999, Prime Minister Rabuka was defeated in a landslide by Chaudhry and his Fiji Labour Party.

Far from being oppressive and "Indian-dominated," Chaudhry's government had more native Fijian than Indian ministers, as well as overwhelming support from poor and

working class Fijians, indigenous and Indian alike. Chaudhry co-founded the Fiji Labour Party in 1985, and had been Finance Minister in 1987 before the Rabuka coups. Despite having been badly beaten physically by Rabuka's forces, he is widely admired for not fleeing Fiji after the coups, as did many other government ministers.

Like Chaudhry himself, a former head of the Trade Union Congress, both one-third of his current Cabinet and many backbenchers, were senior union officials before they entered government. The local Anglophile, "multi-racial" oligarchy (wealthy Indians and the Fijian Great Council of Chiefs, now headed by Rabuka) despised Chaudhry's policies promoting the general welfare.

Australian National University history professor Brij V. Lal, a native Fijian and an author of Fiji's 1997 Constitution, told *EIR* that most Fijians approved of Chaudhry's policies: "He was espousing old, conventional, Labour-type policies," Professor Lal said. "Protecting trade unions, rolling back structural reform [austerity] programs, talking at least about introducing a minimum wage, trying to make sure that foreign investment in Fiji came, but that it wasn't a kind of rampant capitalism—he was attempting those kinds of things. He was beginning to consolidate his position across a broad spectrum of people. And once that happened, of course, the power base of those other ethnically based parties would be threatened."

Chaudhry had scrapped the regressive 10% value added tax on cooking oil, flour, powdered milk, rice, fish, and other food essentials; had estab-

lished price controls over other basic commodities; had intervened against "downsizing" by major industries; and had started to bring clean water and electricity to rural areas.

This, Her Majesty's government and Her Australian lackeys could not tolerate. As the Melbourne May 28 *Sunday Age* admitted, the mastermind behind Speight's coup, was British Special Air Services Col. Ilisoni Ligairi, the founder of Fiji's 30-man elite Counter Revolutionary Warfare Unit (CRWU), who provided Speight his soldiers. Ligairi had been appointed to head the British, Australian, and U.S.-trained CRWU in 1987 by then-coup leader Rabuka. According to the *Sunday Age*, planning for Speight's coup took place at Rabuka's house. The Rabuka-headed Great Council of Chiefs endorsed Speight's coup.

A senior Australian counter-terrorism expert told *EIR* that the Australian Secret Intelligence Service (ASIS) would also have been connected to the coup. "ASIS would have some links to them. ASIS knows everything that goes on in the South Pacific," he said.

Thus, it was no shocker that, on May 23, Australian Foreign Minister Alexander Downer, after a maidenly protest that the coup "has taken us completely by surprise," gave it Australia's approval, by declaring that Chaudhry need not be reinstated, as long as "democracy" were restored.

On May 29, the Fijian military under Commodore Frank Bainimarama, seized control of the country, to "restore order." However, the Australian and New Zealand-trained Bainimarama, like Speight, dismissed Chaudhry's government; annulled the 1997 multi-racial Constitution; announced that he would amnesty Speight; and appointed Ratu Epeli Nailatikau, Fiji's former ambassador to Britain, as the new Prime Minister of the country.

# International Intelligence

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## ***East Timor Rebels Confess Past Atrocities***

One of the three surviving founders of the East Timor guerrilla group Fretelin, Mari Alkatiri, is releasing a report admitting to the systematic murder of at least several hundred pro-integration East Timorese after the 1975 Indonesian Army intervened against the Maoist Fretelin's violent takeover of the Portuguese colony. Alkatiri's report is covered in the May 15 issue of the *Sydney Morning Herald*.

In 1975, Indonesia moved in only after the Portuguese colonial army abandoned the province, leaving most of its weapons to Fretelin and its allies. In December 1975, Fretelin executed 150 political prisoners from the pro-independence UDT and pro-integration Apodeti, including government and police officials.

Questioned about the claim that Fretelin had murdered over 1,000 political opponents from East Timor, Alkatiri shot back, "This is nonsense! We were not the Khmer Rouge." In fact, earlier this year, the *Phnom Penh Post* carried an interview with British academic Peter Carey, who showed that Fretelin had indeed received "fraternal support," including training, from the Khmer Rouge, which had seized power seven months earlier.

While Fretelin wants to "apologize" and be done with this episode, they are still demanding maximum prosecution of Indonesian Army officials for the post-referendum violence last fall, and are still refusing to let pro-integration East Timorese participate in government.

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## ***Euro Parliament: Ban Tamil Tigers in Europe***

A European Parliament meeting on May 19 adopted a resolution put forward by several groups favorable to the Sri Lankan government, recommending several steps to neutralize the growing influence of the terrorist Liberation Tigers of Tamil Eelam, including banning it from Europe.

According to several news reports, a spokesman for the members of the Euro-

pean Parliament who sponsored the resolution, said, "We want to see an immediate cessation of hostilities on a basis agreed to by all parties. There should be urgent international mediation of the situation in Sri Lanka to bring about an acceptable political situation. At the same time, it is unacceptable that organizations which support terrorism should have a major fundraising capability in Britain and continental countries leaning on the Tamil diaspora. The LTTE should be proscribed in Britain under the prevention of terrorism legislation."

Britain, meanwhile, has indicated that it will bring up the Sri Lankan conflict for discussion in the UN Security Council. Russia and China have "positively" responded to the Sri Lankan government's request to veto any such move by Britain.

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## ***Brit Calls Pakistan Threat to World Peace***

Britain's Foreign Office Minister Peter Hain accused Pakistan of rapidly becoming a "threat to world peace," claiming that there is a link between Pakistan's export of nuclear capability and terrorism, in an opinion piece for the London *Sunday Mirror* on May 28. Hain's article was accompanied by a news item that Pakistani tribal warlords were offering to sell nuclear bombs to an undercover British weapons expert. Hain imperiously demanded that Pakistan immediately act to halt this threat to world peace: "It is no good for their government to say they have no control over third parties or private companies who sell nuclear materials. If they were determined to put a stop to this, they could. . . ."

"The export of nuclear capacity from Pakistan is a deadly threat to the region and the world. . . . I will investigate this matter and take action to alert the international community, the United Nations, and other bodies as to what is going on in Pakistan."

The statement is all the more remarkable, since most of the world's leading terrorists have headquarters or fundraising centers in Britain, which the U.K. has refused to disband, calling their activities "politically protected free speech."

The *Mirror* claimed that the Soviet

Army had stocked nuclear weapons in Afghanistan, during their occupation, and had not removed them in the 1988 retreat. These weapons are "now in the hands of Afghan Muslim extremists and Pakistani tribal warlords with close links to black market arms dealers in Britain." Apart from the nuclear material, these warlords, who have been identified as Waheed Malik Khan and Kamal Akir, the paper claimed, offered to sell sarin nerve gas shells for £15,000 each, and mustard gas phosgene grenades for £5,000 each.

The Islamabad government has declined to comment, pending receipt of an official statement from the Foreign Office.

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## ***ANC: Mobilize S. Africa To Help Dying Angola***

According to the Pan-African News Agency on May 25, South Africa's ruling African National Congress (ANC) party has called on all segments of society to mobilize financial and material assistance for the millions of Angolans who find themselves in the midst of a humanitarian disaster. The ANC will be mobilizing its structures in the coming weeks to publicize the government's "Humanitarian Assistance to the People of Angola Fund." The ANC will be educating about the situation in Angola, and working with churches, non-governmental organizations, businesses, and social groups to collect blankets, clothes, food, and other necessities for displaced Angolans.

Noting that two generations of Angolans have grown up knowing nothing but war, ANC spokesman Smuts Ngonyama called on South Africans to make a personal commitment to the neighboring country: "As we fought against apartheid, the people of Angola stood by our side, gave us shelter, and shared with us their food."

The ANC statement quoted UN estimates, that 200 Angolans are dying every day from hunger and sickness, that at least one-third of the inhabitants of Huanan are malnourished, and 90% of the population in the capital, Luanda, live below the poverty line.

The ANC statement urged: "We need to



**KAZAK POLICE** on May 23 discovered large amounts of heroin in the garage and in an apartment rented by the Tajikistan Trade Representative to Kazakstan, just one day after Kazak officials found 62 kilograms of heroin hidden in two Tajik Embassy cars. Kazak security officials have arrested five Tajik citizens, including the Tajik Trade Representative, and Kazakstan has declared that the Tajik diplomats will not be able to count on diplomatic immunity in drug-related offenses.

**POLAND'S** Freedom Union pulled out of the government coalition on May 28, throwing into question the future of Prime Minister Jerzy Buzek's government. The government will remain in place at least until the two sides hold talks (Buzek is from the Solidarity bloc). The head of the Freedom Union is Finance Minister Leszek Balcerowicz, a rabid monetarist, who, in that same post in the 1990s, imposed "shock therapy" on the country. The Freedom Union was upset because "maverick" Solidarity deputies had voted against the government's own economic "reforms."

**INDIAN PRESIDENT** K.R. Narayanan and Chinese President Jiang Zemin asserted that there can be no justification for using terrorism as a political tool. The two met after the Indian President, who was India's envoy to China during the mid-1970s, was accorded a formal welcome in Beijing.

**THREE KOSOVO** Serbs, including a four-year-old boy, were killed on May 28, when a man, believed to be a Kosovo Albanian, opened fire on a group of Serbs who were standing in front of a store in the eastern Kosovo village of Cernica, in the U.S. zone.

**THE ULSTER UNIONIST** Party executive voted on May 27 to return to the self-rule government of Northern Ireland. Ulster Union Party head David Trimble called for the vote, after the Irish Republican Army had announced its decision to put its weapons "beyond use."

work towards greater economic integration and social development across the continent. A sensitive response to HIV/AIDS and other preventable diseases and improve access to basic health care. We need to prioritize education, protection, and development of Africa's children. These tasks need to be tackled as we address the very immediate needs of people who find themselves in desperate situations."

## ***CIS Security Partners May Move Against Taliban***

The six member governments of the Commonwealth of Independent States (CIS) Security System met in Minsk, Belarus on May 24, and passed a resolution that provides for collective preventive strikes against any active or potential aggressor of any of the system's members—Russia, Armenia, Belarus, Kyrgyzstan, Tajikistan, and Kazakstan. An aggression, or threat of an aggression, will be answered by all military means at the disposal of the six-member alliance, to either repulse or prevent an attack. The new Russian doctrine of national security permits such strikes, Voice of Russia radio reported, May 24.

The Minsk session focussed on the "changed geopolitical situation," reported Voice of Russia, and next to the war in Chechnya, the members saw the greatest threat from the Taliban-run government in Afghanistan. "The biggest threat comes from Central Asia and the Caucasus region, where the situation may slip out of control at any moment," VOR summed up the deliberations.

Russia has made clear that it is considering air strikes against Afghanistan, and, according to *Nezavisimaya Gazeta* on May 24, may launch strikes from air bases in Kazakstan and Uzbekistan. It has already obtained permission to cross Kazak airspace, should it go for strikes.

Russian long-range aircraft may also use bases in Uzbekistan, which is a CIS member, but not part of the CIS collective security agreement. However, Uzbek President Islam Karimov just recently met with Russian President Vladimir Putin to discuss the grave threat of a bigger offensive of Taliban-

backed forces into the strategic Fergana Valley this summer. Because control over the valley is important for the security of all Central Asian states, Karimov may permit Russia and other CIS members to use Uzbek bases for military operations against this threat.

Interfax reported that the commander of the Russian intervention forces in Chechnya, General Kasantsev, confirmed on May 25 that everything has been prepared for Russian aircraft to make strikes against Taliban strongholds.

## ***Barak Nominates Peres for Israeli President***

Israeli Prime Minister Ehud Barak announced on May 29, that he will nominate Regional Development Minister Shimon Peres to replace Ezer Weizman as Israel's President. Weizman stated a few days earlier that he planned to resign effective July 10. His term would have ended in 2003. The Knesset (parliament) must now vote on Barak's nomination, or that from the opposition Likud party, Moshe Katzav.

Weizman, a strong proponent of the peace process, was forced to resign after Attorney General Eliyachim Rubinstein began what many believe was a politically motivated investigation into cash gifts that Weizman accepted. Rubinstein announced that he was closing his investigation of Weizman, on charges that the Israeli President accepted \$300,000 in gifts from a French millionaire between 1988 and 1993. Rubinstein said that the statute of limitations on bribery charges had run out, and that police didn't find enough evidence to indict Weizman for malfeasance in office.

In making his choice for President, Barak said that Peres—who, as Yitzhak Rabin's Foreign Minister, was one of the central architects of the peace process, and who succeeded him briefly when Rabin was slain in 1995—"is the only candidate for me."

There is speculation that the religious Shas party, which is in Barak's Labour-led coalition government, might vote for Katzav, which would set off another government crisis.

## Will Gore's Crash Wake Up Endangered Democrats?

by Jeffrey Steinberg

One week after the May 23 Arkansas Democratic Presidential primaries, in which Lyndon LaRouche won a stunning 22% of the vote against Al Gore, thereby entitling LaRouche to as many as ten Arkansas delegates to the nominating convention in Los Angeles in August, the Gore camp is still reeling from that shock, and from the continuing pattern of top Democrats publicly decrying the Vice President's losing campaign strategy, and his rotten, wanna-be-Republican policies.

And, as if to demonstrate that all of the anti-Gore criticisms are more than justified, the Vice President's official campaign website has posted a delegates count, falsely claiming that all of the Arkansas delegates to the nominating convention went to Gore. In effect, Gore is confirming that he is behind the increasingly flagrant and discredited efforts of the Democratic National Committee (DNC) to air-brush Lyndon LaRouche—and his 53,000 Arkansas supporters—out of the Democratic Party.

The idea of writing Lyndon LaRouche and his millions of supporters out of the Democratic Party has been a standing DNC policy, since no later than 1996, when then-committee chairman Donald Fowler blocked a half-dozen LaRouche delegates from being credentialed to attend the national nominating convention. Current DNC chairman Joe Andrew has rubber-stamped the Fowler policy, and has told reporters that he intends to disenfranchise the Arkansas voters who selected LaRouche as their Presidential nominee.

But this policy—which is in direct violation of the spirit and the letter of the 1965 Voting Rights Act—is going to be a lot harder to sell, following the Arkansas breakthrough by LaRouche, that has grabbed national and international media attention, and is also now the subject of an Organization of American States (OAS) official inquiry into vote rigging by the Democratic Party.

Within days of the Arkansas vote, Associated Press, the *Wall Street Journal*, the *Arkansas Democrat-Gazette*, and the *Washington Times* had given prominent news and/or editorial

coverage to the LaRouche vote, characterizing it as part of a growing anti-Gore upsurge among traditional Democratic Party voters.

Wesley Pruden (certainly no friend of LaRouche) wrote a column in the May 26 *Washington Times*, describing LaRouche's strong showing in Arkansas as "something like a hooker showing up at a family reunion," adding that "some Democrats put it down to 'anybody but Gore' in a season where W. [Bush] is looking better every day." Nevertheless, Pruden reported that LaRouche's "surprising race against the veep . . . will split the state's delegation to the convention in Los Angeles, taking perhaps as many as 10 of the state's 48 delegates."

The *Wall Street Journal's* lead editorial on May 24 also touted LaRouche's 22% showing against Gore, noting the growing anti-Gore ferment has also been manifested in Bill Bradley's 27% vote in Nebraska and 19% vote in North Carolina, even though he dropped out of the race for the nomination in early March; and the 5% national polling by Green Party Presidential candidate Ralph Nader.

As the LaRouche campaign was getting the word of the Arkansas breakout into the hands of DNC members and Democratic Party activists and elected officials all across the United States, prospects of an "anyone but Gore" fight at the Democratic National Convention began to resonate among many in the party who see Gore as the personification of the abandonment of the "Party of FDR and JFK."

Even among more pragmatic party leaders, a growing perception that Al Gore is unelectable, has begun to feed the mood for an open convention, even among some previously staunch anti-LaRouche Democrats.

### Nuremberg Rally, or Psychotic Breakdown?

Several senior Democratic Party officials, when confronted with the simple logic of granting LaRouche his dozen or so Convention delegates, and averting a party-busting cre-



## Gore 2000 Delegate Count

State	Preference Date	Primary/Caucus	Unpledged 'Super'		Pledged		Total	
			G	B	G	B	G	B
West Virginia	5/09/00	Primary	9	0	27	3	<b>36</b>	<b>3</b>
Oregon	5/16/00	Primary	9	1	47	0	<b>56</b>	<b>1</b>
Arkansas	5/23/00	Primary	8	0	37	0	<b>45</b>	<b>0</b>
Kentucky	5/23/00	Primary	8	0	43	6	<b>51</b>	<b>6</b>

Al Gore's website lies that he won all 45 Democratic delegates in the May 23 Arkansas primary. What happened to the 53,310 people—22% of voters—who voted for Lyndon LaRouche? Presto! They're gone!

dentials and legal battle, have told LaRouche campaign officials that Al Gore personally has put his foot down against any LaRouche presence at the convention. They explained, Gore has insisted that the entire nominating convention be a controlled affair, with no surprises, no slip-ups, and absolutely no signs of dissent of any kind. Otherwise, they said, Gore could crack up on national television, in front of millions of viewers, not to mention the thousands of convention delegates and observers who will be on hand in Los Angeles.

The problem, from the Gore campaign's standpoint, is that momentum inside the party is going in exactly the opposite direction. Senior Democrats, now including former Clinton Labor Secretary Robert Reich, have broken their silence, coming out publicly with harsh attacks on the Gore candidacy, not just focussed on his hard-to-find personality, but on the substance of his announced policies. As *EIR* reported last week, over the past several months, Reich has issued two written attacks on Gore and his losing ways, accusing him of pursuing policies to reduce the national debt that are to the right of Herbert Hoover. Gore's idea of paying down the debt, even in a recession, Reich wrote in *American Prospect*, is "worse than Reaganomics. It's Coolidgeomics."

On May 19, Jeff Faux, head of the Economic Policy Institute, a Democratic Party think-tank, told the *Washington Times*, "After eight years of being good soldiers, there are a lot of Democrats who are getting restless. We've been playing defense for so long, it's about time we had an inspiring agenda, and we haven't had that from Gore."

On May 30, "Friend of Bill" E.J. Dionne, Jr. penned a stiletto attack in the *Washington Post*, which began, "The 'Al Gore Is In a Huge Mess' story line is at least a month-and-a-half old. It's reaching its crescendo right about now as Democrats go public with criticisms of Gore's campaign, his failure to engage voters and his ceding public attention to George W. Bush. The problem for the Gore campaign is that the story line, broadly speaking, is true." Dionne wryly conceded, "Gore has succeeded in one thing at which Democrats usually fail: He's united the party across ideological lines. Unfortunately for him, the factions are united in a critique of his effort. Moderate New Democrats are no less frustrated than traditional liberals." Dionne proceeded to spike the Gore cam-

paing's latest candidate reinvention scam: "In the coming weeks, Gore plans to answer his critics by going positive, policy heavy and autobiographical."

So, when Gore and his wife Tipper showed up at a community center in the Friendship Heights section of Washington, D.C. two days later, with plastic grins on their faces, talking about "uplifting" and "deeply personal" matters, the belly laughs could be heard all the way across town at Republican National Committee headquarters. Dionne ended his piece with a dour warning to the "spinmeisters" at Gore headquarters: Either the poll numbers show a marked uptick by the Fourth of July, or Gore is sunk.

Indeed, throughout May, all major nationwide polls showed Gore nearly 10% behind Texas Governor and purported Republican Party nominee George W. Bush. But the real horror, for Democrats, was that Gore lost the most ground among the core Democratic Party constituencies, including senior citizens, youth, Catholics, and voters in the Northeast Corridor. And Gore was not helped by strongly worded threats from the leadership of the United Auto Workers and the Teamsters, angered at the Administration's support for Permanent Normal Trade Relations with China, that they might either sit out the 2000 general elections without endorsing a Presidential candidate, or, in the case of the UAW, bolt and endorse Green Party candidate Ralph Nader.

### A Rallying Point

Left to their own devices, the disparate Democratic factions that have concluded that Gore is the kiss of death for the party, would likely fail to muster the momentum to create a genuine open convention drive. But, with the LaRouche breakout in Arkansas demonstrating potential for a revival of the "FDR Coalition" of ethnic Americans, civil rights leaders, labor, small business entrepreneurs, farmers, and scientists, the chemistry now potentially exists to break the fix, and turn the August convention in Los Angeles into a genuine battle for the revival of Democratic Party of Roosevelt and Kennedy.

That may be Al Gore's worst nightmare come true. But for the American people, and for the world as a whole, facing the worst financial and monetary crisis in modern times, no news could be better.

# Democrats Should Reject Gore: He Pushes Bush's Policies

Part 2, by Michele Steinberg

Would you buy a used policy from Newt Gingrich? If the answer is “no,” then Al Gore should be replaced as the Democratic Presidential nominee. And for that matter, the Republicans should reject Bush, a puerile, inept bully, whose policies are an insult to Abraham Lincoln, a founder of the Republican Party. Both candidates fundamentally reject the concept of the General Welfare, as stipulated by the U.S. Constitution; and instead push the same fascist policies as Newt Gingrich's “Contract on America.” On that basis alone, Gore and Bush are unfit, morally and constitutionally, to be President.

From their ravings about “forward engagement” that could lead to war in the Middle East, to their efforts to outdo one another in cutting the budget and driving millions of poor families into slave-labor jobs, depriving them of health care coverage, Gore and Bush push the same policies.

Even on the issue of Social Security, where Gore is apparently on the side of reality and sanity by opposing George W. Bush's proposal to put Social Security taxes into the stock market, Gore is not believable. As the Republicans point out,

it was Gore, at a White House roundtable in early 1999, who extolled the stock market as the way to build up assets, and a way to solve the future crisis of funding Social Security. Gore's enthusiastic support for “privatization” of every kind, including the New Zealand model of private pension funds, was also the centerpiece of his January-February 1999 State Department conferences on “Re-Inventing Government,” and “Fighting Corruption.”

Bush Republicans are counting on Gore to head the Democratic ticket so that *they* can take the White House, the Senate, and the House of Representatives. With the results of the May 23 primary in Arkansas, giving Lyndon LaRouche a vote of 22% against Al Gore, the situation is wide open for the Democrats to dump Gore and pull together the Franklin Delano Roosevelt coalition that would bring the Democratic Party to victory, campaigning for a winning policy, including LaRouche's call for a New Bretton Woods monetary system.

The following scorecard continues our series (which began on May 19), showing that Bush and Gore are nothing but Wall Street's “two-headed” sideshow freak.

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## SOCIAL SECURITY AND MAGIC OF THE MARKETPLACE

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### Al Gore

There is good reason to believe that Gore's current attacks on Dubya's plan to sink Social Security funds into the stock market as “risky business,” are only a temporary, cosmetic expediency. Through his years as Vice President, Gore has centered his “re-inventing government” project around free trade and privatization, including privatization of pension plans.

Fundamentally, Gore, like Bush, worships the speculative “magic” of the stock market. In motivating a plan (which he has since renounced) to put some Social Security trust funds into the stock market, Gore said on Jan. 27, 1999, at the White

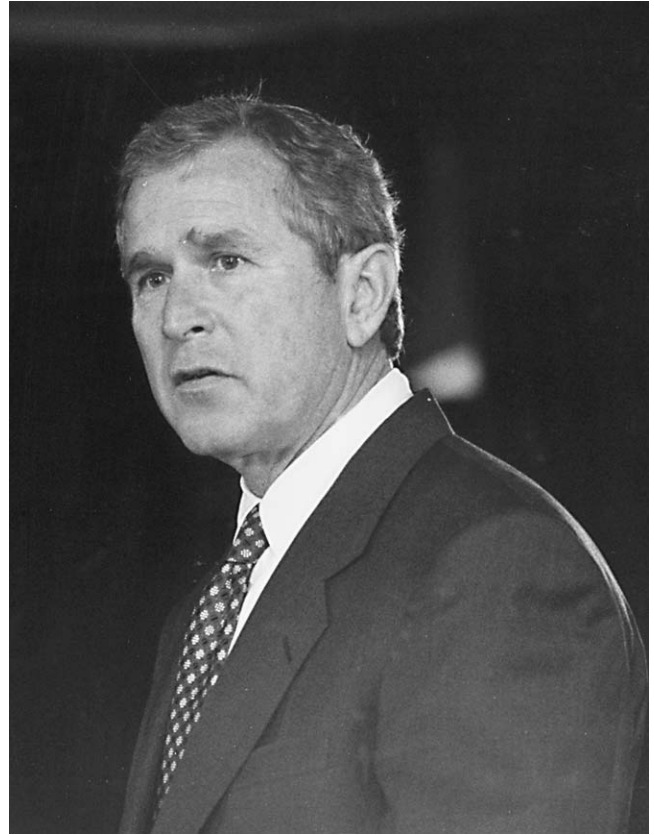
### George ‘Dubya’ Bush

Dubya Bush is promising a major windfall for his Wall Street speculator backers in his proposal to take at least 2% of Social Security taxes, and steer them into private market accounts. Various analysts say that this 2% will be in the trillions of dollars, put directly into the pockets of brokerage houses (which liberally finance the Bush campaign). Critics point out that just the loss of these funds make the 1980s Federal bailout of the savings and loan institutions pale in comparison. But like Gore, Bush refuses to even imagine the present ongoing global collapse of the speculative bubble, into which he wants to funnel Social Security withholdings.



**Al Gore** *continued*

House Social Security-Medicare Roundtable: “During this whole national discussion, one of the single most important salient facts that jumped out at everybody is that, over any ten-year period in American history, returns on equities are just significantly higher than these other returns.” The “equities” Gore refers to are stock speculation, and “these other returns,” are Treasury bonds, which, unlike the stock market, are government protected.



**George Bush** *continued*

Bush said on May 16, 2000, in a speech unveiling his plan to put Social Security taxes into the markets: “Through the Great Depression, a world war, and 11 recessions, the overall stock market has never lost money *over a 20-year period.*”

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## THE MIDDLE EAST

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### **Al Gore**

Gore’s top foreign policy operative is Leon Fuerth, a veteran of the State Department’s Intelligence and Research “spook” shop. Fuerth has angrily denied rumors and reports that he is the person referred to as “Mega,” a top-level “agent of influence” of the right-wing Israeli mafia network around Ariel Sharon.

At a conference of the American Israeli Public Affairs

### **George ‘Dubya’ Bush**

Bush’s top foreign policy operatives include Richard Perle, a former Assistant Secretary of Defense, who has been identified as part of an Israeli right-wing spy ring known as the “X Committee.” The X Committee came to light after 1985, when Jonathan Jay Pollard pleaded guilty to stealing sensitive U.S. defense information.

Bush boasts about his father’s war against Iraq, especially

## Al Gore *continued*

Committee (AIPAC) on May 22, 2000, Gore tried to outdo Bush in currying favor with the Zionist mafia, in promoting war in the Middle East. Gore said that he would never lift sanctions against Iraq, and would do everything to overthrow Saddam Hussein, through working with the London-based Iraqi opposition.

Gore boasts that he's tougher on Iraq than former President Sir George Bush, who first launched the genocidal war against Iraq in 1991. On Jan. 12, 1991, when he cast the decisive Senate vote for the Gulf War, Gore accused Reagan and Bush of being soft on Saddam Hussein. Because they "grossly misunderstood Sadadam Hussein," according to Gore, he had been able to amass "more troops than Hitler did in the early years of World War II." In September 1991, Gore pledged an unending war against Iraq until the United States is "successful in removing the regime of Saddam Hussein from power," and "his Baathist regime" as well. Gore says that all technology should be denied to Iraq forever. He said, in September 1991, "In general, the world does not need the contributions of Iraqi space science or of Iraqi work in nuclear physics—practical or applied. The U.S. should work to completely block future Iraqi activity of any kind in these areas." Gore told the AIPAC conference that he is going to meet with the Iraqi opposition, based in London, to arrange to bring about this policy.

## George Bush *continued*

accusing the Clinton Administration of failing to topple Saddam Hussein, and allowing him to grow stronger since 1993, when the elder Bush left office.

On May 22, 2000, speaking at the AIPAC meeting, Bush upstaged Gore by pledging to put Israel under the umbrella of the Ballistic Missile Defense system to protect it from the Iraqi "rogue state." A few days earlier, a Bush adviser proposed carving out the southern part of Iraq as a U.S. military enclave. Bush said that he would immediately move the U.S. Embassy in Israel from Tel Aviv to Jerusalem (whose final status is under discussion in the Israeli/Palestinian talks). But most importantly, Bush said that U.S. "special relations" with Israel are *more important* than peace. "If other countries don't want to make peace with Israel, then they will have both Israel and the U.S. to reckon with," he threatened.

Bush also boasted about his connection to Israeli mafia boss Ariel Sharon, who is known as "The Butcher of Lebanon" because of his attacks on women and children in Palestinian refugee camps. Bush, who rarely travels outside the United States, was given a helicopter ride by Sharon over the Israeli Occupied Territories. Sources say he was being recruited to smash the still delicate peace process between Israel and the Palestinians.

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## HEALTH CARE—OR GENOCIDE

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### Al Gore

Gore's claim that "America's health care is better than ever" is an atrocity in itself. U.S. infant mortality rates rank 20th among industrialized nations, with some localities having infant mortality rates characteristic of 50 years ago. There are now over 79 million uninsured or underinsured people under age 65 in the United States; and between 44,000 and 98,000 people die unnecessarily every year from medical mistakes.

In reality, Gore doesn't have a health policy, unless you are willing to give the name "health policy" to his commitment to genocide, described in his book *Earth in the Balance*.

Gore has the audacity to say, "Give all children access"

### George 'Dubya' Bush

Bush's Texas ranks first in the United States in the percentage of citizens, especially children, without any health-care coverage whatsoever. That atrocity goes hand in hand with Bush's policy on welfare, where Texas's welfare payments put a family of three at less than half the national poverty level.

Three major developments in Bush's short career stand out to show that his policy on health care is to promote the Nazi-style destruction of human life by using health maintenance organizations (HMOs) to shut down hospitals and other care providers as quickly as possible:

**Crescent Real Estate Equities (CREE):** Bush's financial godfather is Richard Rainwater, the man who today con-

## Al Gore *continued*

to affordable health insurance by 2005, by expanding on President Clinton's Children's Health Insurance Program (CHIP). But, it was Gore, with GOP double-agent Dick Morris, who rammed through the 1996 Welfare Reform Act that pushed 4 million children off Medicaid (the Federal-state health plan for the poor), when their families were thrown off welfare.

Gore talks about "the health-care safety net," but through his support of the Gingrichite Balanced Budget Act of 1997, which he drove through—again with the help of Dick Morris—Gore is responsible for slashing Medicare funds (the Federal-state health plan for the elderly) for hospitals, nursing homes, and home care. Gore talks empty words about "help" for senior citizens' prescription drug costs, but has received hundreds of thousands dollars of direct and indirect campaign contributions from pharmaceutical companies.

Gore says that he fought to promote generic drug production in the United States (while in Congress), and is committed to fighting AIDS/HIV. But, in the case of South Africa, where 3.2 to 6 million people are infected with HIV, Gore threatened to cut off all U.S. economic aid unless South Africa abandoned plans to manufacture and import cheap generic versions of AIDS drugs—a move which other poor countries are considering. Gore, as co-chair of the U.S.-South Africa Trade Commission, placed South Africa on a "watch list" as a free-trade violator, and denied it tariff breaks on its exports.

In *Earth in the Balance*, whose second edition he proudly released this year, Gore says the human population should be reduced by *several billion people*, so it's no wonder that he wants to limit and eliminate health care. Gore is a radical Malthusian, whose writings closely parallel those of the crazy terrorist Unabomber, Theodore Kaczynski (see Lyndon H. LaRouche, Jr., "On the Crash of the Nasdaq: Information Society: A Doomed Empire of Evil," *EIR*, April 28, 2000).

Also in *Earth in the Balance*, Gore favors protecting trees over treating women for breast cancer: "The Pacific Yew can be cut down and processed to produce a potent chemical, taxol, which offers some promise of curing certain forms of lung, breast, and ovarian cancer in patients who would quickly die. It seems an easy choice—sacrifice the tree for a human life—until one learns that three trees must be destroyed for each patient treated. . . . Suddenly, we must confront some tough questions. How important are the medical needs of future generations? Are those of us alive today entitled to cut down all those trees to extend the lives of a few of us, even if it means that this unique form of life will disappear forever, thus making it impossible to save human lives in the future?"

## George Bush *continued*

trols Dubya's "blind trust," and who turned Bush into a multimillionaire, through investments in the Texas Rangers baseball team, and ownership of stock in Rainwater's real estate investment trust (REIT). Through his companies, Rainwater gutted two pillars of American health care and hospitals. Rainwater's Columbia/HCA, one of the biggest operators of for-profit hospitals, decimated the American hospital system, by shutting down hospitals in critical areas, closing emergency room services, and eliminating hospital beds. CREE was also used to buy out and shut down the largest network of psychiatric hospitals in the nation (see Richard Freeman, "The Bush Mob Destroys America's Psychiatric Hospital System," *EIR*, March 3, 2000).

**Patients Protection Act:** In 1995, Bush vetoed a Patients Protection Act in Texas that would have required HMOs to let their patients see doctors outside their own networks. The veto was of great benefit to Rainwater's Columbia/HCA. Without Bush's veto, the bill, which enjoyed widespread popularity, would have cut into Columbia/HCA's profits. On May 20, 2000, it was revealed that Columbia/HCA was so rife with fraud against hospitals and Medicare, that they paid a \$750 million fine to the Federal government, to get the Justice Department to close down a number of grand jury investigations against their operations. (See details in *Economics*.)

**Children's Health Insurance Program (CHIP):** In 1999, Democratic members of the Texas State Legislature, which by law meets only every two years, mobilized to stop Bush's murderous policies against the poor, by passing a law to provide insurance to some 500,000 poor children in Texas, under President Clinton's CHIP, set up to compensate for the damage done by the 1996 welfare "reform" bill.

Rich-kid Bush tried to block a move by the legislature to set the income eligibility for insurance under CHIP at \$33,400, which is twice the official poverty level income for a family of four (*EIR's* economic staff has 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, \$25,100 income for a family of four, 200,000 fewer people would be eligible for CHIP 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. Bush was defeated by the legislature in a veto-proof vote.

### Al Gore

Gore's boasts that since becoming Vice President, "the number of people on the welfare rolls have been cut almost in half." Most of that occurred as a result of the "welfare elimination act," which Gore pushed through Congress and the White House in 1996. Gore, like Bush, says that the cuts in government services should be replaced by the "new revolution of faith-based organizations." Gore's "faith-based" fraud is a hit-or-miss operation that guarantees *nothing* to poor people in times of depression and economic collapse, as Franklin D. Roosevelt knew so well, leading him to push through legislation that created the Federal welfare system, so that, by law, no American child would ever die of hunger.

Because of the elimination of welfare, there are as many as 4 million "disappeared Americans," that is, mothers and children who were kicked off Aid to Families with Dependent Children (AFDC), but who are known to have never entered the work force. Studies show that it is not known whether they are homeless, or even alive. Under the Gore-promoted repeal of Federal welfare in 1996, extreme poverty has grown in the United States: From 1995 to 1997, the number of Americans living on an income of less than \$6,258 per year (50% of the poverty level) for a family of three, is 14.59 million, a figure which increased by about 600,000 since 1995.

Gore also pushes "labor recycling." While Gore and other "Third Way" advocates push welfare-to-work schemes as providing jobs, all it really does is replace higher-paid—often skilled and unionized—workers with low-paid workers. One ridiculous example is Gore's "Re-Inventing Government" scheme, which he claimed eliminated over 300,000 "wasteful" Federal full-time jobs by 1996. By 1997, Gore boasted that he had "created" 10,000 full-time Federal jobs for welfare mothers to be working off their welfare checks!

Under Gore's welfare repeal, major companies such as United Parcel Service, Federal Express, Marriott Hotels, Gateway 2000, Cessna, and Burger King are following suit, to take advantage of the forced-labor pool created by the welfare law. Union and full-time workers are shoved out in favor of former welfare recipients, who have to stay on the job, or their children may lose all benefits as a punishment, under the new welfare reform.

### George 'Dubya' Bush

Bush's campaign website brags: "Welfare accomplishments. Reduced the welfare rolls by more than 375,000—a 51% decrease—by requiring work, limiting how long people can stay on welfare, and involving faith-based institutions in the compassionate delivery of social services."

But in April 2000, it was revealed that a number of Bush's "faith-based" outfits are *not* delivering the "compassionate care" he promised. Roloff Homes, one such faith-based outfit delivering "compassionate" care, is under grand jury investigation in Corpus Christi, Texas for brutality, beatings, abuse, and illegal imprisonment of teenagers sent there for drug abuse treatment. Similar complaints have come in against other church programs.

Texas's ranking in the treatment of its poor tells the whole story: It ranks first in the United States in the percentage of children without health insurance; ranks number 2 in the number of children without health insurance; ranks first in the share of children kicked off national Medicaid rolls between 1996 and 1999; ranks number 2 in the number of people suffering from hunger; ranks number 2 in the number of children in poverty; ranks number 5 in the percentage of its population living in poverty; number 47 in the size of welfare payment for eligible families (only 45% of the official poverty rate); and ranks number 48 in per-capita funding for public health.



*A scene in Houston, Texas. Under Gov. George W. Bush, Texas ranks at or near the bottom in many social categories.*



# The Privatizers Are Destroying District of Columbia's Children

by Carl Osgood

A decade-long operation to phase out municipal-based child welfare services in the District of Columbia entered a new phase earlier this year, when the *Washington Post* seized upon the death of two-year-old Brianna Blackmond, who had been in the city's foster-care system. The result of the *Post*'s coverage of the little girl's death has been to convince D.C. Mayor Anthony Williams and members of the U.S. Congress to give further impetus to a plan to privatize the District's child welfare services.

But the tragic death of Brianna Blackmond can be laid right on the doorstep of the Conservative Revolutionaries, including the Gingrichite members of Congress such as Majority Whip Tom DeLay (R-Tex.) and Rep. Tom Davis (R-Va.), who are advocates of privatization and ripping up the principle that government must act along the lines of the Constitutional principle of the General Welfare clause.

As *EIR* has documented since the November 1994 heyday of the Gingrichite Conservative Revolution and its "Contract on America," the would-be architects of "privatizing" education, prisons, hospitals, and social services, have committed murders on a large scale. These privatizers have gutted the social services capabilities of the District, and have imposed a bankers' dictatorship, in the form of the Emergency Financial Control Board, which was created by act of Congress and passed by voice vote in the House of Representatives in March 1995. D.C.'s Brianna Blackmond is, in fact, one of these victims.

What neither the Mayor nor the Congress have acknowledged publicly is, that if D.C.'s Child and Family Services Agency is unable to deliver the services, it's supposed to deliver as a matter of law, then it's because a war has been waged against it for at least five years by a Federally mandated receivership.

## A National Pattern

In some ways, the story begins in 1989, when, as part of a nationwide pattern, the American Civil Liberties Union (ACLU) filed a class-action lawsuit against the District and then-Mayor of Washington, Marion Barry, charging that children were being warehoused in the foster-care system without permanency plans, that is, without being placed for adoption or, alternatively, being re-united with their families.

But later developments show that the "cure" for the

abuses—a financial dictatorship over the District—has been even more deadly. Sources inside the agency have told *EIR* that, in fact, the problems described in the ACLU suit did exist, because of a lack of resources and understaffing due to economic conditions. The situation was also not unique to the District. Despite attempts to blame the problems on the "poor management" of Mayor Barry (who had also been a target of the Justice Department's "Operation Fruehmenschen" to indict and imprison African-American elected officials), similar lawsuits were filed throughout the country.

By 1991, a remedial order in the ACLU suit was issued by Federal District Court Judge Thomas Hogan, which called for massive "reform" of the Child and Family Services Division (CFSD), which is responsible for foster care. An implementation plan was developed by the Center for the Study of Social Policy, the court-appointed monitor, but within two years, the plan went far beyond the requirements of the court order to include privatization of many services.

Judge Hogan's order required massive reorganization of the foster-care agency, according to rigid deadlines, but failed to provide additional money for doing so; agency personnel soon found themselves incapable of keeping up with the demands of the court order. CFSD couldn't hire additional personnel, because of the budget austerity which paralyzed the D.C. government, and it even lost its ability to maintain copier machines and vehicles, items essential to its day-to-day operations.

## Financial Warfare

By early 1995, the entire Washington government administration was under assault from Wall Street's private executioners, in the midst of a concerted effort by the new Gingrich leadership of the House to eliminate welfare and social services as part of the "Contract on America." The District's bonds were downgraded to make it uncreditworthy; hospitals ran critically short of supplies; and on Feb. 23, 1995, the D.C. Superintendent of Schools made an urgent appeal for free, volunteer labor by parents and by city employees, to come and repair the schools, so that they could again open. Because of plumbing, electrical, and structural dangers, many schools had to remain closed until repairs were made. By March 29, 1995, all District administration and spending had been taken out the hands of elected officials and put under the austerity

regime of the Emergency Financial Control Board.

Under these impossible conditions, the foster-care agency was incapable of meeting the requirements of Judge Hogan's original order. In a followup hearing, Hogan placed the child welfare system into limited receivership, and appointed three "limited" receivers to oversee the agency. When this failed to produce results, he placed the entire agency into general receivership, and appointed Jerome G. Miller as the general receiver.

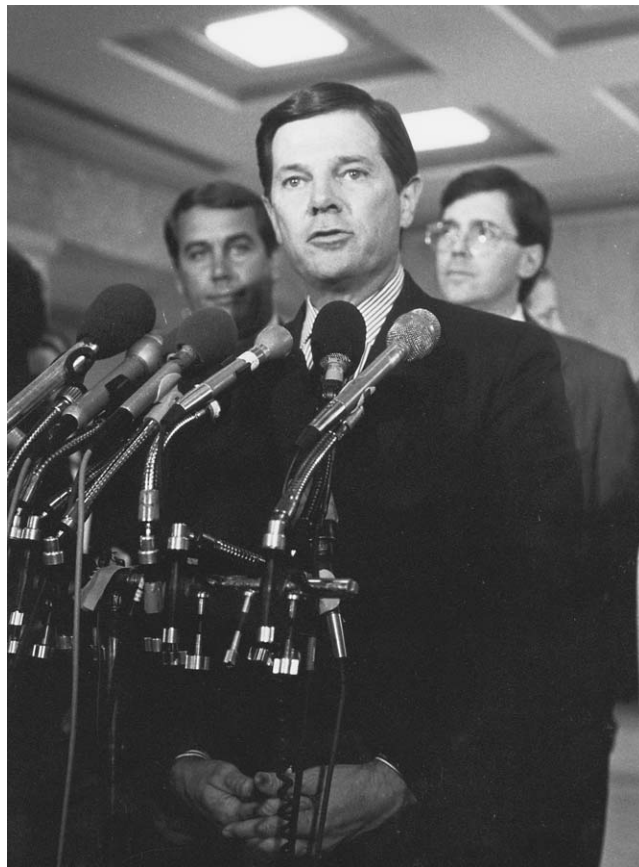
On Aug. 24, 1995, Hogan issued an order which granted the receiver "all necessary authority to carry out its responsibilities. . . . The Receiver will make reasonable efforts to exercise its authority in cooperation with District of Columbia officials and in a manner consistent with local law whenever possible. However, to the degree that local law . . . interferes with the Receiver's discharge of its responsibilities, *local law is superseded by the Receiver's authority*" (emphasis added). The remainder of the order details a plan which revolves around local-control decentralization and privatization of the District's child-welfare system.

### The Mind Benders Take Over

Miller was the perfect man for the job: He has top credentials as a social control brainwasher. Miller began his career, after graduating in 1957 with a Master's degree in social work from Loyola University in Chicago, as a psychiatric social work officer with the U.S. Air Force. As he brags in his book *Last One Over the Wall*, he was one of three original officers (the other two being a psychiatrist and a psychologist) who founded the first psychiatric clinic in the Strategic Air Command. SAC Commander Gen. Curtis LeMay opposed the project, but was overruled by the Air Force surgeon general, who was in turn prevailed upon by World War II American military psychiatry pioneer Dr. Karl Menninger. Menninger, a general in the U.S. Army Reserve, wanted the clinic set up at Forbes Air Force Base, Kansas, as a satellite of his Topeka-based Menninger Clinic.

In his book, Miller relates that, as the clinic's "junior officer, I was assigned the less formal tasks, ending up as chauffeur and tour guide to Aldous Huxley, Margaret Mead, Konrad Lorenz, Nathan Ackerman, and other notables who visited the Menninger clinic in those halcyon days." The ostensible mission of the clinic was to weed out those on the SAC staff who were potentially mentally unbalanced, such as was later popularized by the 1963 film "Dr. Strangelove."

From SAC, Miller went to Catholic University of America, under USAF sponsorship, where he received his doctorate in social work, then was deployed to England (1964-68), where he was chief of USAF/Royal Air Force psychiatric social work services. Miller reports that during this time, "I got to know some of the experimental psychiatric and child care programs (such as St. Francis Redfern, August Aichhorn's and George Lyward's Finchden Manor, and A.S. Niell's Summerhill), which would never be allowed in the



*House Majority Whip Tom DeLay (R-Tex.). The policies of the Conservative Revolutionaries are killing children right in the backyard of the Capitol building, as the District of Columbia's child welfare services are gutted.*

States, but paradoxically, the strait-laced British considered routine. . . . I also got to see the worst of organically oriented British psychiatry and authoritarian behaviorist psychology. The horrifying visions of H.G. Wells and George Orwell took life." Apparently anguished by the latter category, Miller identified himself with the former, and began to proudly label himself a "mollycoddling bleeding heart."

After leaving the Air Force in 1968, Miller embarked on a career of taking apart state systems for dealing with juvenile offenders, starting with Massachusetts in 1969 (which is the subject of his book cited above), then moving on to Illinois in 1973 and Pennsylvania in 1975. In 1977, he founded the National Center on Institutions and Alternatives, in Alexandria, Virginia, which has been his base of operations ever since.

Miller's tenure was to last only 20 months, and it was not marked by any improvement in the Child and Family Services Agency. In fact, service delivery continued to decline — and still does to this day. The number of children "languishing in foster care," the main issue in the original lawsuit, increased under Miller's tenure — and also continues to do so to this day.

Miller's tenure was also marked by racial tension in a city which is 60% African-American. Miller was eventually replaced by Ernestine Jones, who came to the city from Lockheed Martin IMS, which has generated much of its business in the aftermath of the 1996 welfare reform bill.

People both inside and outside the foster-care agency thought that Jones, an African-American woman, would bring an entirely different perspective to the agency. Instead, she is known, as described to *EIR*, as "Jerome Miller in drag." Jones runs the agency much as Miller did, as her own personal empire, not accountable to either D.C. laws or the court system. When the agency went into receivership in 1995, it had about a dozen top-level managers. Under Jones, the top-level bureaucracy has grown to 100 to 200 highly paid managers and consultants from the private sector, report sources familiar with these operations. In 1999, the agency ran \$24 million over budget, the most of any D.C. government agency (even though it's run by a receiver, the agency still gets its budget from the D.C. government). Alongside the budget deficit, Jones attracted criticism for spending \$3.5 million for new furniture to outfit executive offices in a new building to which the agency is moving in Southwest Washington.

### **Washington Post Escalates Its War**

The campaign against the agency entered a new phase, however, with the death of Brianna Blackmond, who died of blunt-force injury to her head, three weeks after being returned to her mother by order of a D.C. Superior Court judge. Mayor Williams, community leaders, and members of Congress are convinced that the little girl's death was the result of some failure by the Child and Family Services Agency (CFSA), even though the circumstances of her return to her mother have yet to be adequately explained. *EIR* has been told that, supposedly, both the social worker and the District's assistant corporation counsel opposed returning Brianna to her mother, but the judge went ahead made the decision without the required report from the social worker and without a custody hearing. That the social worker failed to submit her report on time, is not unusual. The average case load for social workers in the agency is so great that court reports are rarely submitted on time. The judge apparently made the decision based solely on the say-so of the mother's attorney. While exactly what happened is murky, there's no evidence that the social worker was responsible for Brianna's death, yet the *Washington Post* has city and community leaders screaming that "the agency failed this child and this child died."

Mayor Williams's response to the *Post*'s coverage was to state, in so many words, that the agency ought to be privatized. Williams's remarks came in the context of a report his administration released on Jan. 19 on the city's services for the mentally retarded. Williams had just turned over temporary administration of the Mental Retardation and Developmental Disabilities Agency to the Joseph P. Kennedy Institute, a private organization that provides services to the mentally handi-

capped. Williams can't actually do anything, however, while CFSA is in receivership.

### **'Conservative Revolution' Resurfaces**

The *Washington Post*'s coverage, screaming from the front page regularly throughout February and into March, also led to a May 5 hearing by the D.C. Oversight Subcommittee of the House Government Reform and Oversight Committee, chaired by Representative Davis. In his opening statement, Davis noted that, after five years of receivership, the agency has failed to meet the reforms mandated by Judge Hogan's order. It was this same committee that created Washington's the Emergency Financial Control Board, in 1995—an updated version of the 1975 "Big MAC" that wrecked New York City.

Davis never questioned the *agenda* of the receivership, rather declaring that Brianna's death "clearly reveals a breakdown not only within the Child and Family Services Agency, but with the inter-government agency relationship governing children who are innocent victims of abuse and neglect."

The actual agenda of the hearing, however, was revealed by the opening witness, House Majority Whip DeLay, who openly advocated bringing the private sector in to help "the overburdened public sector." He called for the use of "court-appointed special advocates." CASAs are volunteers who handle one or two cases at a time and have 30 to 50 hours of training, as compared to the Masters degrees of the professional social workers employed by the agency. "Remember," DeLay declared, "this is about the child who has died and will die again when deadlines come and go and reports are not completed. . . . I see this as an opportunity to actually do something here, something that the nation can use as a model."

That Davis and DeLay should suddenly insert themselves into this privatization drive should not be surprising. Davis was the driving force behind the creation of the Emergency Financial Control Board in 1995, which stripped Mayor Barry of most of his authority. One of the technocrats brought in by the Financial Control Board to run the city's finances was a little-known lawyer by the name of Anthony Williams. Williams's tenure as the city's chief financial officer became his springboard to become elected mayor of Washington, in 1998. DeLay praised Williams, in the May 5 hearing, for his "commitment to meeting the needs of the District's children" who are at-risk. Davis is also an important cog in DeLay's money machine, as chairman of the National Republican Campaign Committee, the fundraising arm of the House GOP caucus. Going right along with this operation is D.C. Delegate Eleanor Holmes Norton (D), just as she did when Davis was engineering the set-up of the Financial Control Board. When the whole picture is known, it's not surprising that D.C.'s Child and Family Services Agency can't deliver the services it's supposed to. Under the privatizers, those services are to be eliminated.

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## Book Review

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# Indicting America's 'Justice' System

by Marianna Wertz

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### **Actual Innocence: Five Days to Execution, and Other Dispatches from the Wrongly Convicted**

by Barry Scheck, Peter Neufeld and Jim Dwyer  
New York: Doubleday, 2000  
298 pages, hardbound, \$24.95

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This book has already changed history. The stories recounted in *Actual Innocence*, documenting the incarceration of dozens of innocent Americans, many of them on death row, has figured importantly in the near-Damascus Road conversions going on now across America by rock-ribbed conservative Republicans: Illinois Gov. George Ryan (R), who declared an execution moratorium in his state on Jan. 31, after 13 people had been freed from death row for actual innocence; Rev. Pat Robertson, who recently called for a national moratorium on executions; the majority of the New Hampshire Legislature, which voted May 18 to end capital punishment; and columnist George Will, who, in an April 6 column, said, of *Actual Innocence*, "You will not soon read a more frightening book." The book, Will said, "should change the argument about capital punishment and other aspects of the criminal justice system. Conservatives, especially, should draw this lesson from the book: Capital punishment, like the rest of the criminal justice system, is a government program, so skepticism is in order."

These men, and many others like them across the country, have been affected either by this book, or by the work of its authors, the founders of The Innocence Project at the Benjamin N. Cardozo School of Law in New York, which has helped to exonerate 37 people and taken up the cases of hundreds more, based on the new science of DNA testing.

What makes this book different from many recent works on the same subject by critics of the justice system, is that it is irrefutable. Its argument is based not on an appeal to the reader's emotions, but on the stories of dozens of men proven innocent, sometimes decades after being incarcerated, by the "biochemical videotape" that only the evidence of DNA (the helix of genetic material known as deoxyribonucleic acid, unique to every human being) can provide. And, because these stories are real, *Actual Innocence* appeals to the pro-

found sense of moral indignation that any thinking human being must feel when confronted with such injustices, particularly in a nation which prides itself on its human rights record.

### **Sharp Sense of Irony**

*Actual Innocence* also appeals to the funny bone. The authors have a sharp sense of the ironic, and wield it with precision at those who would and do cheat, lie, and steal their way through wrongful prosecutions and incarcerations.

Take, for instance, the fact that, even after definitive exonerations, authorities rarely try to find the real criminal, much less examine what went wrong. "Among some prosecutors, the belief that even discredited convictions must be protected from challenge has forced them to take bizarre positions. They cling to the original verdicts by contriving new theories to explain why the semen of another man, not the convicted party, was discovered in the rape kit. Perhaps, they say, two men participated in the rape, or three, even though the victim only noticed one man. The foreign semen is explained by these new parties to the crime, first mentioned years after the fact: the unindicted co-ejaculator."

This is the case for Virginia prisoner Earl Washington, Jr., the mentally ill man who is rotting away in prison even after a DNA test proved that he had not committed the 1982 rape for which he was convicted. Since the test didn't preclude him from having killed the victim after she had intercourse with someone else (though the victim, before dying, said only one man was involved), then-Gov. Doug Wilder (D) commuted Washington's sentence from death to life in prison. But advances in DNA technology made since the original 1994 test are now such, that a new DNA test could exonerate Washington of the murder charges as well.

The authors' ironic bite is evident also in respect to the allegedly fool-proof "eyewitness accounts"—which have convinced thousands of jurors of defendants' culpability. In fact, they say, the eyewitness account is perhaps the *least* reliable type of evidence. They recount the history-making 1902 "von List" demonstration in Germany. Professor von List, in the first scientific test of eyewitness accuracy, staged a fake shooting in his class, then assigned his startled students to write an "eyewitness" account of what they had seen. "These healthy young German university students not only made history," say the authors, "they also made it up!"

The student with the best recollection of the event made errors on about 26% of the significant details. Others were wrong in their account of 80% of what they had seen.

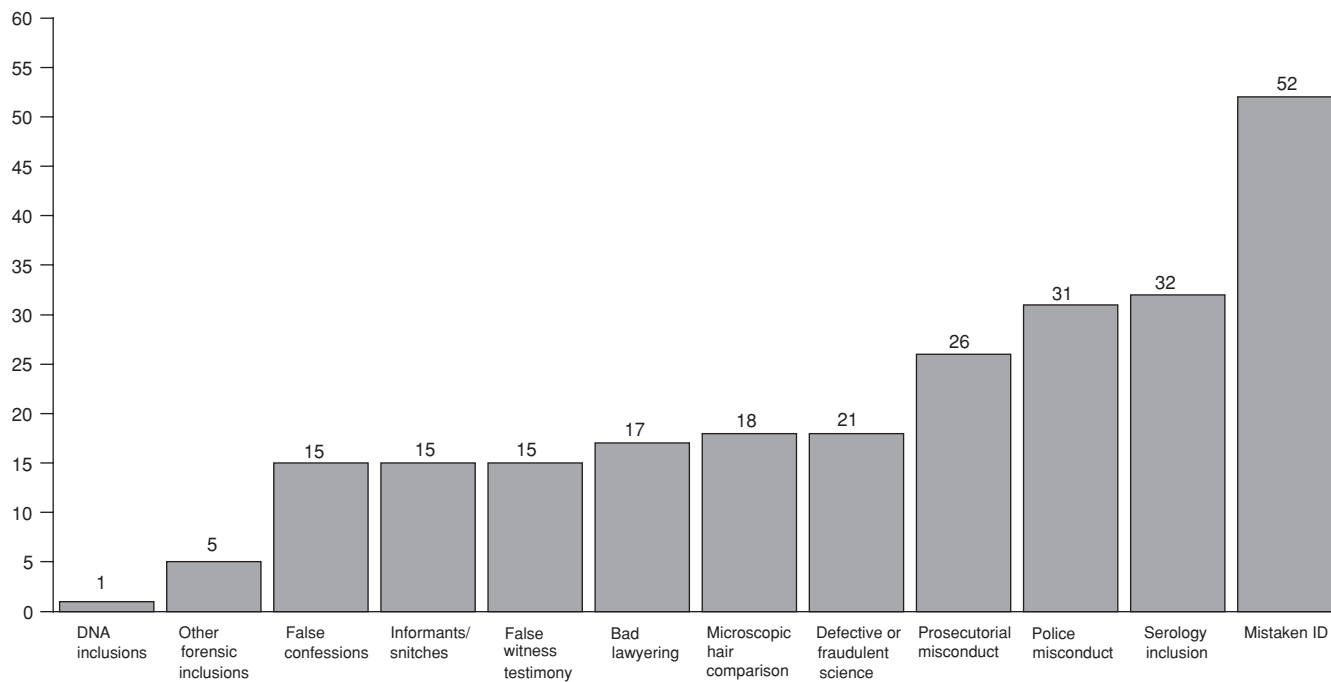
The authors are civil rights attorneys Barry Scheck and Peter Neufeld, who run The Innocence Project, and Pulitzer Prize-winning columnist Jim Dwyer, a columnist for the *New York Daily News*, who was among the first journalists in the country to report the startling revelations of innocence which the application of the science of DNA testing has brought to the world since 1983.

In that year, Kary Mullis, described in the book as "a bored genius" who worked for a Bay Area biotechnology

FIGURE 1

## Factors Leading to Wrongful Convictions in 62 U.S. Cases

(numbers of cases)



Source: *Actual Innocence*, by Barry Scheck, Peter Neufeld, and Jim Dwyer.

“Serology Inclusion” refers to ABO and protein blood typing of semen, saliva, and bloodstains. “Other Forensic Inclusions” refers to the comparisons of fingerprints, fibers, and other physical evidence. The DNA inclusion comes from the Timothy Durham case, discussed in Chapter Seven.

company, while driving along a curling mountain road, invented the polymerase chain reaction, or PCR, in a “series of acrobatic mental leaps.” As *Actual Innocence* describes in detail, PCR makes it possible to test fragments of semen, hair, blood, or any other bodily tissue left behind at a crime scene, which will identify the unique person who left it there.

The chapter titles make clear the kinds of injustices which are routinely perpetrated in America’s so-called “justice” system: Seeing Things (eyewitness accounts), False Confessions, White Coat Fraud, Snitch, Junk Science, Broken Oaths, Sleeping Lawyers, and Race.

### Bush’s Texas: No Innocent People In My State

Some of the more brutal injustices recounted here are in Virginia and George W. Bush’s Texas, the states which lead the nation in executions and whose governors adamantly deny that an innocent could be executed in *their* state.

GOP Presidential candidate George W. Bush’s stance was recently called into question by a most unlikely source—his own Illinois campaign director, Gov. George Ryan. On May 11, Ryan declared that he does not expect “an execution will ever happen again” in Illinois during his tenure, and that he would consider supporting the abolition of capital punish-

ment, if it were recommended by the special panel he appointed to review Illinois’ death penalty system.

Asked about his relationship to Bush, who, as Texas Governor, has been responsible for the execution of 124 men and women since 1995—an American record—Ryan said he discussed the death penalty with Bush recently. “But George told me he’s confident of the system he has in place in Texas and that it works well,” Ryan said. “Now, I thought our system was OK, too,” he said. “But I never spent a lot of time looking at it. Maybe [students and journalists—who uncovered the 13 innocent men on Illinois’ Death Row] can find a case that will make him think twice about what he is doing,” said Ryan.

*Actual Innocence* gives a trenchant account of one of G.W. Bush’s most notorious experiences with “actual innocence.” After Kevin Byrd spent 12 years in a Texas prison, convicted of a rape by tainted victim testimony, he was exonerated by DNA testing. “Then came the amazing performance of George W. Bush,” the authors write.

Byrd’s attorney was joined by the district attorney in petitioning for a gubernatorial pardon of Byrd, based on the grounds of actual innocence. The judge and sheriff sent similar pleas. The Board of Pardons and Paroles unanimously recommended that Governor Bush pardon Byrd.

Then, “Bush denied the pardon and suggested the whole matter belonged in court. The Governor’s spokeswoman pointed out that the victim still believed Byrd was her attacker. The Bush political calculus was clear: Duck not only the tough calls but any that might carry the slightest risk of having a crime victim get on TV and call you an accessory to rape.” Instead, the national press started covering the case, and Bush reversed himself and signed the pardon.

## Up to One-Third of Prisoners Innocent

William Sessions, the director of the FBI under Presidents Reagan and Ford, recently told the newly formed National Committee to Prevent Wrongful Executions (of which he is a member), that he found one-third of Federal prisoners tested while he was FBI director to be innocent! “When I came to the FBI, we had no capacity to use and review DNA evidence, but by December of 1988, we had a program that became the national model. Out of the first 100 cases where we tested prisoners, 33 people who had been identified by witnesses and by serology [blood-type identification] as being the criminals involved, were exonerated by DNA testing. There are 3,500 people on death row and many have been there for years, long before DNA evidence was available. As a prosecutor and a judge and an FBI director, I want to be sure we’ve got the right people. And now we can be.”

While this appears to be a shocking revelation — that one-third of the individuals in Federal prison were found to be innocent, once tested for DNA — it would not shock anyone who read *Actual Innocence*. In fact, this author would be shocked if the figure weren’t even higher.

Consider that what motivated Governor Ryan to declare a moratorium on executions, was that more people had been released from death row for innocence (13), than had been executed since the death penalty was restored in 1976 (12). Also consider that, while more than 620 people have been executed in the United States since the reinstatement of capital punishment in 1976, eighty-seven people have been found innocent and released from death row. Thus, for every seven executions, one person has been wrongly convicted.

And that is death row, where presumably a jury must really be convinced of guilt before convicting a man or woman of a capital crime, and, where juries also impose the sentence, send them to their deaths. What about your run-of-the-mill rape, burglary, or robbery trial?

This is not to deny that crime exists, or that it is not bad. But it is to make the point, which *Actual Innocence* profoundly does, that any society which so casually allows hundreds, if not thousands, of innocent men and women to be incarcerated, based on the conniving of prosecuting attorneys, judges, and police, will rot from the *inside* faster than any amount of crime will destroy it from without.

## Remedies

On Feb. 11, Sen. Patrick Leahy (D-Vt.) introduced the Innocence Protection Act of 2000, the first Federal bill to

address the problems in the administration of capital punishment. At a press conference where he was joined by Sen. Russ Feingold (D-Wisc.) and others, Leahy said, “Whether you support the death penalty or not, executing an innocent person is abhorrent. . . . We have a moral duty to make the criminal justice system accurate and fair, especially when innocent lives are at stake.”

The Innocence Protection Act of 2000 is a comprehensive package of criminal justice reforms aimed at reducing the risk that innocent persons may be executed. Most urgently, the bill would 1) ensure that convicted offenders are afforded an opportunity to prove their innocence through DNA testing; 2) help states to provide competent legal services to the accused at every stage of a death-penalty prosecution; 3) enable those who can prove their innocence to recover some measure of compensation for their unjust incarceration; and 4) provide the public with more reliable and detailed information regarding the administration of the nation’s capital punishment laws.

*Actual Innocence* makes clear, however, that such legislation is only the minimal necessary to ensure that justice prevails. Because, while the technology for linking DNA evidence to crimes is becoming faster and cheaper every day, it requires *political will* to make sure it is used. According to Scheck et al., “hundreds of thousands of rape kits (containing DNA evidence) from unsolved cases are thrown out or sit in dead storage for years, with no effort made by the authorities to run DNA tests.”

Until recently, only New York and Illinois permitted DNA tests after conviction, and these two states have the most exonerations. Washington State recently enacted similar legislation. In most states, a convicted prisoner has no right to obtain tests that might prove innocence. “The failure to take full advantage of this technology, both for solving crimes and freeing the innocent, is a national scandal,” the authors charge.

They conclude with a “short list of reforms to protect the innocent.” The implementation of these reforms would go a long way to preventing the kinds of atrocities we are seeing today, in such instances as the Los Angeles Rampart Division police scandal.

*Actual Innocence* should be must reading for every level of the American justice system, and an informed citizenry should demand that these reforms be implemented, now. While DNA testing can exonerate the innocent today, in a few years, the authors point out, the era of DNA exonerations will come to an end: “The population of prisoners who can be helped by DNA testing is shrinking, because the technology has been used widely since the early 1990s, clearing thousands of innocent suspects before trial. Yet blameless people will remain in prison, stranded because their cases don’t involve biological evidence. The debt of justice will remain unpaid to innocent people accused of crimes in which the criminal did not ejaculate, spit, bleed, or shed tissue.”

*Actual Innocence* demands *actual justice*, and not just that which is forced upon a corrupt judicial system by the potent weapon of DNA testing.

# UN Rebukes U.S. for 'Torture,' Other Rights Violations in Justice System

by Marianna Wertz

On May 16, the United Nations Committee Against Torture in Geneva, publicly rebuked the United States over charges which were brought to the international body by Amnesty International. In a 45-page report which described specific cases that it said violated the UN Convention Against Torture, to which the United States is a signer, the Amnesty report documents instances of human rights violations in American prisons and jails, and by law enforcement officers, which are no less serious than the kinds of violations for which the United States criticizes other governments around the world. It is the first time, however, that the United States has been criticized before the Geneva body.

While Amnesty International is a British-run non-governmental organization, used by its controllers for targetting sovereign Third World governments for destabilization over alleged human rights violations, in this case, Amnesty has served a useful purpose, in documenting the proverbial "mote" in the eye of the United States. The United States, whose State Department savages countries around the globe, such as Peru and Malaysia, which are battling the international financial elite and their terrorist/drug mafia, now is itself in the international spotlight for documented violations of human rights of the most serious sort.

In a news release, Amnesty Executive Director William F. Schulz said 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. . . . 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."

In its response to 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 electro-shock stun belts and restraint chairs on uncooperative prison inmates, and also expressed concern about the "excessively harsh regime" in "supermax" very high-security

prisons, including the use of chain gangs.

The United States was represented by U.S. Assistant Secretary of State Harold Hongju Koh, who made a defensive statement in response. The United States' 74-page reply "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," Koh told the committee. "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."

Here are summarized excerpts from Amnesty's report, a sampling of the kind of horrendous conditions now occurring in the American justice system. While *EIR* has reported recently on many such instances, the Amnesty report pulls together a fairly comprehensive picture, from which we here excerpt only a small, representative portion. If the following accounts read like a report of conditions in some "Third World dictatorship," remind yourself that *this is happening in America*.

## Capital Punishment

Since January 1998, the United States has executed seven people who were minors when they committed their crimes, a practice banned under international treaties. The United States is alone in this practice among Western democracies, and only Iran has executed a minor in recent years.

In May 1998, a lawsuit was filed concerning conditions for death-row inmates in Idaho Maximum Security Institution. The suit states that inmates are held in solitary confinement for 163 out of 168 hours every week, in small concrete and steel cells, with solid metal doors and a narrow slit for a window. Inmates are allowed out of their cells for a maximum of one hour a day, excluding weekends, for recreation, alone and handcuffed in one of 12 enclosed wire-mesh pens measuring approximately 7 x 15 feet. The prisoner named in the lawsuit, Randy McKinney, states that he has lived under such a regime for 16 years.

Emile Duhamel was found dead in his Texas death-row cell on July 9, 1998. He was a severely mentally impaired man, with an IQ of 56, and had been diagnosed with serious mental illness, including paranoid schizophrenia. Although



*Scenes of brutality at a private prison in Brazoria, Texas, as shown in a video prepared for training of the prison guards.*

he was reported to have died from “natural causes,” there was concern that medical neglect, and the high temperatures (over 40°C) in the non-air-conditioned cells during the summer, may have contributed to his death.

### **Police Misconduct**

The report references the Amadou Diallo killing in New York and the Los Angeles Police Department (LAPD) Rampart Division beating and shooting of unarmed suspects, and falsified arrests—all instances of severe police misconduct that are well known.

It adds three other cases: Margaret Mitchell, a frail, mentally ill, homeless African-American woman in her 50s, was shot dead by an LAPD officer in June 1999 after she threatened officers with a screwdriver, as they questioned her about a shopping cart containing her belongings. In April 1999, a 14-year-old unarmed African-American, Aquan Salmon, a suspect in an attempted street robbery, was fatally shot in the back by a police officer as he tried to run away. The officer was cleared of wrongdoing. In October 1998, a police officer fatally shot 18-year-old unarmed black teenager Donta Dawson in the head as he sat in his stationary car. The officer said that he opened fire after seeing Dawson lean forward suddenly.

### **Electro-Shock Stun Devices**

These devices are belts, designed to inflict severe pain and instant incapacitation at the push of a button, through a 50,000-volt electrical charge, which passes through the wearer’s kidney. They are increasingly being used to restrain prisoners both in prisons and in courtrooms.

In June 1999, severely mentally ill Arizona death-row inmate Claude Maturana suffered a seizure in a Department of Corrections van as he was being transported from the hospital to a court hearing. At the time of the seizure he was shackled, handcuffed, and wearing a stun belt. While he claimed that he was stunned in transit, causing the seizure, the state denies it; it is now impossible to prove whether the stun belt was activated, and there are no neutral witnesses.

### **Oleoresin Capsicum and Other Chemical Sprays**

Most U.S. police agencies authorize the use of Oleoresin Capsicum (OC, or pepper spray), as it is supposed to be safer and more effective than chemical mace or impact weapons. Since the early 1990s, more than 90 people in the United States are reported to have died in police custody after being exposed to OC spray. While most deaths have been attributed by coroners to other causes, such as drug intoxication or positional asphyxia, or are unexplained, there is concern that OC spray could be a factor in some cases.

In May 1999, Lewis Rivera, a homeless man arrested for loitering in a shopping mall, died in police custody in Miami, Florida, after being subjected to pepper spray, and kicked, beaten, shackled, and left in a police cell. James Earl Livingston died in July 1999 in Tarrant County, Texas, after being pepper-sprayed and placed in a restraint chair.

### **Dangerous Restraint Holds**

During the past decade, many suspects in U.S. police custody have died from “positional asphyxia” after being placed in dangerous restraint holds such as being “hogtied” (where the subject is trussed up from behind with his or her ankles shackled to their wrists) or chokeholds (application of pressure to the neck).

Dwayne Nelson died after being placed in a Total Appendage Restraint Procedure, a form of hogtie, by Los Angeles County Sheriff’s Deputies, while being transported to jail in September 1998.

In October 1999, Demetrius J. Brown died after being placed in a neck-hold while guards tried to strap him into a restraint chair in Duval County jail in Jacksonville, Florida; his was the second chokehold death in the same jail in 16 months, and led eventually to a ban on the procedure in the jail.

In December 1999, Amnesty received reports from La Plata County Jail, in Colorado, of inmates being handcuffed to rings set in walls or on the floor of isolation cells for hours at a time as punishment, or being held face-down on the floor



of cells in four-point restraint, with their ankles secured by leg-irons and their hands cuffed to wall or floor rings.

### Interrogation of Children

Some children have been sentenced after trials at which their confessions, taken under coercive circumstances by police, were used as evidence against them.

In April 1999, an appeals court overturned the conviction of a 14-year-old African-American girl, Lacreasha Murray, sentenced in Texas to 25 years imprisonment for the beating death of a baby. Five days after the death, Murray, then 11 years old, was interrogated by the Austin Police Department for two and a half hours without a break, without a lawyer present, and without her parents or guardians being informed. She denied numerous times killing the baby, but signed an incriminating, police-written statement saying that she may have dropped and kicked the toddler.

In August 1998, two African-American boys, aged seven and eight, were charged with first-degree murder on the basis of alleged statements they made to Chicago police, while being questioned for hours without their parents, an attorney, or a youth officer present. The charges were later dropped, after discovery of evidence pointing to an adult culprit.

### Torture and Ill-Treatment in Prisons and Jails

The United States now imprisons an unprecedented 2 million men, women, and children, which is one-fourth of the

world's recorded inmate population. The resultant overcrowding of prisons and jails, and a greater focus on punishment rather than rehabilitation, have led to cuts in facilities in many prisons and to methods of control that can be cruel and degrading.

Florida prisoner Frank Valdes died of injuries sustained while he was being "extracted" from his cell on July 17, 1999; all his ribs were broken and his body showed imprints of boot marks.

Thomas Pizzuto, who was serving a 90-day sentence for traffic violations, died of a ruptured spleen and other injuries after two guards allegedly beat him in his cell in the Nassau County Jail, New York, in January 1999. The guards reportedly became angry when Pizzuto, a recovering heroin addict, repeatedly called for a methadone prescription.

The FBI is now investigating the situation at Wallens Ridge "supermax" prison in Virginia, where prisoners, transported from New Mexico, were reportedly subjected to physical and psychological abuse, including random night beatings, being tortured with electro-shock stun guns, and deprived of sleep and medical care.

In April 2000, the trial opened in the case of eight guards indicted on Federal charges of having incited violence by staging "gladiator-style" fights among prisoners in Corcoran Prison's High Security Unit in California, incidents during which guards shot dozens of unarmed prisoners, seven fatally.

## Video-Game Violence Turns Children Into Killers

A 14-year-old boy who had never shot a gun before, shot eight classmates with eight bullets. Police were stunned. How could he do it?

The boy was *trained*, by his addiction to video-game violence. From "Pokémon" to "Doom," America's children are being turned into monsters, who kill "for the fun of it."

Schiller Institute founder Helga Zepp-LaRouche, in this 1 hour and 40 minute video, **The Mark of the Beast**, exposes the evil which is hitting everybody's hometown—and to which most parents remain oblivious. She traces the decline of American culture since World War II, and links the insane strategic and economic policies of the financier oligarchy and its war-planners, to the mass brainwashing of youth by video and TV violence.

**Speech to Schiller Institute conference, Feb. 20, 2000.**

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# Editorial

## *SDI Redux*

Just five weeks after *EIR* published Lyndon LaRouche's comprehensive account of the fight for the Strategic Defense Initiative during the Reagan era ("When Andropov Played Hamlet to Reagan's SDI Proposal," April 21, 2000), President Clinton, on the eve of his first summit with the new Russian President, Vladimir Putin, is talking about sharing American ballistic missile defense technology with all "civilized" nations, Russia included.

LaRouche's idea of cooperation between Washington, Moscow, and other governments around the world, to make nuclear weapons obsolete, through the application of the most advanced scientific and technological discoveries known to man, is as sound an idea today, as it was back in the late 1970s and early 1980s, when LaRouche authored and championed what President Ronald Reagan adopted on March 23, 1983, as his Strategic Defense Initiative.

Back in 1983, there were three principal stumbling blocks to the realization of LaRouche and President Reagan's vision of a world, freed from the thermonuclear nightmare of Henry Kissinger's Mutually Assured Destruction. The first was Soviet President Yuri Andropov, who, as LaRouche explained in the recent *EIR* piece, could not break from his own Hamlet-like fears and paranoia, and take up the Reagan offer. Instead, we got the Russian shoot-down of Korean Airlines Flight 007, and the railroad jailing of Lyndon LaRouche, carried out with a Washington-London-Moscow triangular collusion.

The second stumbling block was the saboteurs inside the Pentagon and the Reagan camp, who attempted to hijack the original SDI plan and transform it into a Cold War provocation, drawing upon off-the-shelf junk technology that was certain to fail. LaRouche and qualified scientists, such as Dr. Edward Teller, denounced the likes of Gen. Daniel Graham and his High Frontier hoaxsters, every time they advocated anti-missile missiles, kinetic kill vehicles, and other Rube Goldberg systems that violated all principles of science and warfare.

In addition to the Danny Graham crowd, the George Bush/James Baker III camp inside the Reagan Administration did everything in their power to water down and

destroy President Reagan's vision, up to the moment when the President delivered his March 23 speech, and beyond.

The third source of sabotage of the Reagan SDI came from the Democratic Party. Recently, when Texas Governor George W. Bush delivered a deliberately vague call for a "bigger and better" National Missile Defense system than President Clinton was pushing (still within the domain of the High Frontier junk pile), Vice President Gore jumped in and swore that he would never allow America to return to the Reagan era vision of a global shield against nuclear weapons.

It is certainly useful that both Presidents Clinton and Putin are talking about cooperation on a serious approach to missile defense and nuclear disarmament. It would have been vastly preferable for President Clinton to have taken up the issue at the outset of his Presidency, when such offers were coming from some Russian defense scientists, with some degree of support from Boris Yeltsin. It is certainly worthwhile for the United States, our allies, Russia, China, and other leading nations of the world, to be debating these life-and-death matters today.

But, let's bear a few crucial things in mind: First, the National Missile Defense system currently up for consideration by President Clinton, is little better than the High Frontier junk-in-the-sky scheme that contributed to the destruction of the original LaRouche-Reagan SDI.

Second, and vastly more important, the real decisions on national missile defense, global missile defense, theater missile defense, etc. will be made over the next five years. If either George W. Bush or Al Gore is in the White House when those heady decisions will have to be made and implemented, the world will be on a path to Hell.

Ronald Reagan adopted a vision of the future that both Dubya and Gore have already rejected. Thus, the fight for a sane policy on missile defense is first and foremost the political battle, already under way, to break the election fix, and put candidates before the American electorate in November, whose names are not Bush and Gore. True, it is late in the game, but the precedents exist, and the options are there.



# FIDELIO

Journal of Poetry, Science, and Statecraft

*Publisher of LaRouche's major theoretical writings*

Spring 2000

## *Prometheus and Europe*

Lyndon H. LaRouche, Jr.

Aeschylus's Prometheus did not simply defy the pagan gods; he pointed toward a real God, the same God identified in Plato's *Timaeus*, upon whose justice for mankind Prometheus implicitly relied. A Prometheus image was, artistically, a necessary idea, which contributed an essential role during the recent thousands of years of emergence of the best features of modern European civilization today.

## *John Milton's Blank Verse and The Republican Spirit in Poetry*

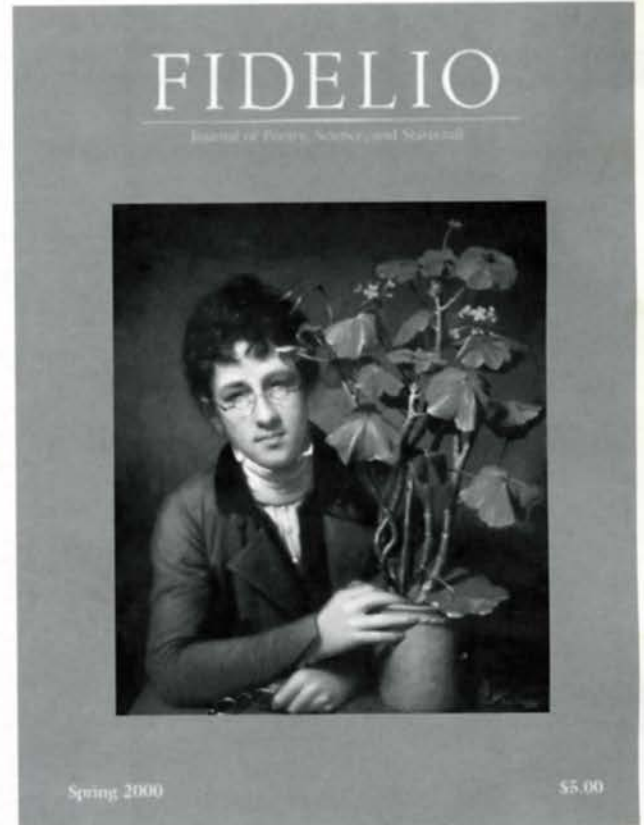
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