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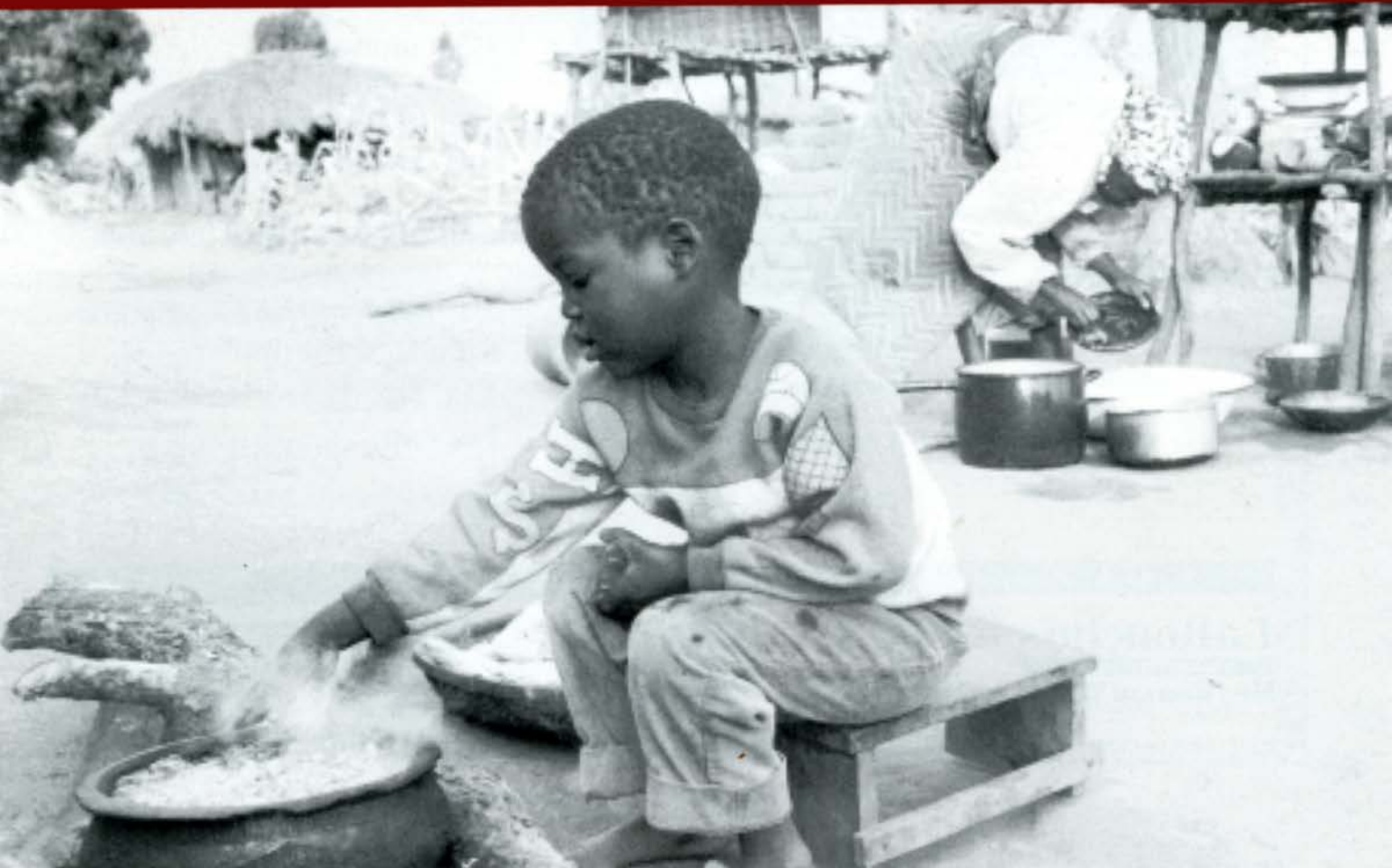
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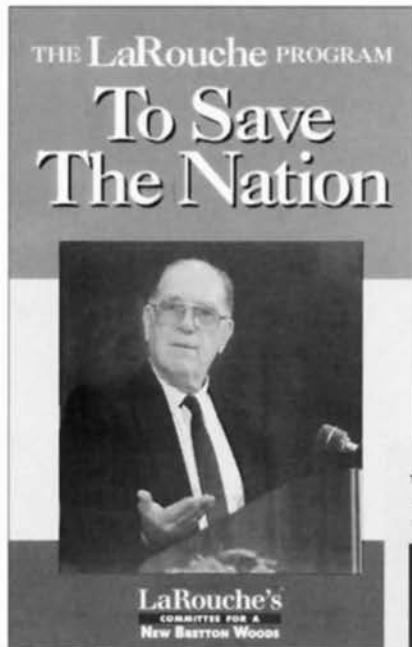
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From the Associate Editor

The Mad Hatter's Tea Party known as the Republican National Convention has come and gone, and soon the Democratic National Convention will also have passed into the rubbish bin of history. Now, will the American people start to join the rest of the world, and begin to concentrate on reality, instead of show business?

Lyndon H. LaRouche, Jr., leading our *National* section with his article "Al Hitler and Maledetto Busholini," presents the devastating picture of how *actual fascism* is gripping the United States—and what must be done to stop it. His analysis is elaborated in our news reports on the GOP convention, and on the Gore machine's quashing of an incipient revolt in Cleveland.

So far, the rigged character of the election is holding. But all around the country, revolt is simmering below the surface of political life. Americans who are working three jobs to support their families, and whose electricity is being cut off in 106° heat because of the deregulation of the power utilities, are sick of hearing the two parties argue about who gets the credit for the "unprecedented prosperity" in which the nation is allegedly living. Will those angry Americans stay home and suck their thumbs between now and Election Day, or will they mobilize to upset Al Hitler's and Maledetto Busholini's political applectart?

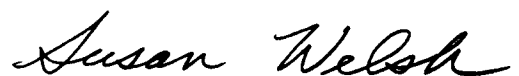
In this issue, we have powerful reports on the international *reality* that must be addressed. A few highlights:

- The financial breakdown crisis, which some European analysts are saying could hit with hurricane force by October. See our interviews in *Economics* with two leading Italian political figures who are saying quite clearly what must be done.

- The AIDS pandemic, in which the so-called experts are now admitting to what LaRouche and *EIR* warned of *as early as 1974* (see *Feature*). Since we were right way back then, hadn't people better to listen to us, finally, now, concerning what must be done?

- The revolt against the policies of Wall Street and the City of London, as shown by Peruvian President Alberto Fujimori's economic policy shift, and the developing relations between the Koreans.

The opportunities abound for a positive transformation of the world situation: a transformation in which the role of LaRouche and *EIR* is absolutely indispensable.



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Corrections: In our issue of July 28, the map of proposed nuclear desalination in the Mideast on p. 12 contained a number of errors, including the fact that the borders of Lebanon were drawn incorrectly.

In the same issue, in "Falling Dominoes in Czech Banking System," pp. 14-15: Volkswagen accounts for 9.5% of the Czech Republic's total technical exports; Vaclav Klaus heads the ODS party, not President Vaclav Havel; and unemployment is over 20% in the north Bohemian and Moravian industrial areas.

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Politicians Fiddle While Financial Architecture Burns

by William Engdahl

Hearing the glowing pronouncements from both the Republican and Democratic campaigns in the United States, one would never imagine that the world is teetering on the brink of a financial system cataclysm that will make 1929-31 pale by comparison. Yet, the euro has plunged to the all-time low of 90¢ to the dollar, and a sell-off in European telecommunications and high-tech stocks and in euro-denominated bonds is reaching what traders call “near panic” dimension. On Wall Street, the inflated NASDAQ stock index threatens to plunge to 3,000 or lower over coming weeks. And in Asia, the collapse of the so-called “recovery,” from Thailand to the Philippines to South Korea, is again causing alarm as international investment flows pull out. In Japan, where foreign investors had pushed the Nikkei stocks to booming gains over the past year, selling has caused renewed weakening of the yen and alarm that the Bank of Japan could be forced, as early as Aug. 11, to abandon its zero interest-rate policy.

The alarm bells are ringing loudest in the financial pages of leading European media. In the wake of the 10% plunge of NASDAQ in the week ended July 28, two of the most prominent financial publications of Europe, the London *Economist* magazine and the German daily *Handelsblatt*, as well as the London *Sunday Telegraph*, all devoted prominent space to warnings about the shaky U.S. financial edifice.

“Is the Bubble Set To Burst?” asks City of London fund manager Andrew Smithers, in the July 30 *Sunday Telegraph*. Smithers attacks the popular notion that the U.S. “economic miracle has defeated the old boom and bust cycle.” He points out that the U.S. economy today bears all the danger signs that Asia did on the eve of the 1997 currency crisis. “A large external deficit, deteriorating credit conditions, and a bubble stockmarket. The U.S. current account deficit is now 4.3% of GDP, credit spreads have jumped as lenders worry over the

explosion of debt, and the stock market is more overpriced than ever before.”

Noting that “share prices have gone crazy,” Smithers concludes: “It’s bound to end in tears, and the longer the party lasts, the worse will be the hangover.”

Smithers’s warning is echoed in the July 29 *Economist*, which devotes the lead in its Finance and Economics section to the growing problems of U.S. banks, problems long believed to be under control. The *Economist* says that U.S. regulators “have been sounding warning bells for many months that all is not well. [Federal Reserve Chairman] Alan Greenspan . . . has often voiced explicit worries about America’s banks.”

Addressing the paradox of recent record U.S. bank profits, the *Economist* points to “three events that shook investors.” Wachovia Bank in July set aside an added \$200 million to cover “loan losses,” Bank One announced big net losses because of a \$1.9 billion loan-loss provision, and First Union Bank announced a writeoff of \$2.9 billion to close its MoneyStore subsidiary, which lent to high-credit-risk families.

The *Economist* points to the record levels of corporate debt increase, some \$535 billion just in 1999, “mostly to buy other firms or their own equity. . . . Firms that pile on debt are less likely to be able to repay it; defaults are climbing. Moody’s, a rating agency, expects defaults on speculative-grade bonds to reach 8% next year.”

The *Economist* notes that the Federal Deposit Insurance Corp., the agency which guarantees U.S. bank deposits, thinks that “bond defaults are leading indicators of problems in the banking sector.” Under pressure to show their stockholders annual 15% profits, U.S. banks have been making ever riskier loans, a problem covered up by the Federal Reserve’s pumping liquidity into the banking system. However,

since about March, as the Fed, worried about inflation, made several interest rate rises, money supply has begun to contract and the economy to slow down. That slowing could quickly explode the number of bank loan defaults on risky loans.

Yet, the magazine points out, risky loans aren't the banks' only problem. Banks have increasingly become stock speculators, seeking to cash in on the booming stock market. They call this "asset management." A study by the CSFB international investment bank (Crédit Suisse First Boston) estimates that a 30% fall in the stock market, something which happened to the NASDAQ last April, would slash bank profits by 10% or more.

The *Economist* concludes on the ominous note: "If defaults and bad loans are starting to show up with the most moderate of slowdowns, imagine what they would look like if—a silly thought—America went into recession."

Commenting on the significance of the *Economist* warning, a senior London-based Asian banker told *EIR*, "I read the *Economist* piece, and I can tell you, it is very significant. In substance, it is correct; but, more than that, it is a warning of things to come."

Dangerous Inflationary Trend

An equally alarming feature appeared under the title "An Alan Greenspan Does Not a New Era Make," in the Aug. 1 *Handelsblatt*. Written by two German bankers, the article reviews the dangerous expansion of U.S. debt, deficits, and stock inflation, underlining that in many respects, the situation has gone beyond that of the pre-Crash 1920s. The authors cite dismaying statistics:

- During the 1990s, the S&P-500 U.S. stocks increased 400%, the NASDAQ by 1,180%. In Germany, the "New Market" in only three years of existence went up by 1,600% at its peak in March.
- If stock price gains in the United States continue as they have in the last five years, this would require, at least according to traditional measures, a yearly profit growth of 40% by the average listed company.
- The ratio of stock market capitalization to GDP in the United States is now much higher (170%) than in 1929 (110%). Exchange trade turnover of securities today equals 250% of GDP, compared to 130% of GDP in 1929.
- The daily turnover of over-the-counter interest rate and currency derivatives increased by 85% in the last three years.

"Various voices are now warning of a speculative bubble that could soon burst," *Handelsblatt* warns. It points to the excessive money-creation of Greenspan's Federal Reserve since the crises of 1997-98 as the cause for the present excesses in credit markets, because speculative bubbles only can emerge as long as there exists "a monetary cover to finance the inflationary price structures of stock markets."

The authors argue that the Federal Reserve itself has given birth to "the speculative forces within the U.S. economy"—a sharp contrast to the popular myth that the Fed is the guardian

against inflation. In the autumn of 1998, when the Fed lowered interest rates three times, "this was the signal investors had waited for. As the balance between risk expectations and profit expectations of investors changed, the speculative forces and the wild development of Internet stocks, even after the temporary switch to a more restrictive monetary policy, went out of control until March 2000." Added to this is the enormous expansion of consumer debt, far exceeding that of the 1920s; the astronomical growth of the derivatives market; and soaring foreign indebtedness, as shown by the record current account deficit (in the 1920s, the United States had a surplus). Nobody can say when the bubble will burst, the authors conclude, but "it just can't go on like this."

Unusual among the world's financial press, this article is an echo of Lyndon LaRouche's warning that we have entered a hyperinflationary period, comparable to that of Weimar Germany in 1923.

An 'October Surprise'?

The growing pressures evident in U.S. financial markets, nervousness over the bloated NASDAQ Internet and dot.com bubbles, and the likelihood that the Fed will be forced to raise U.S. interest rates to "preempt inflation," are setting the stage for what might well turn into a nasty "October Surprise" in financial markets. "October is generally the month where things go wrong in markets," remarked City of London fund strategist Stephen Lewis. "I think we could be in for a very ugly period from August into October on the markets."

But concern is by no means limited to the inflated U.S. credit structures. In Europe, the euro, which began its existence on January 1999 at \$1.18 to the dollar, has plunged back to the lows of late spring, following a temporary rebound. The last time this level was reached, European Union finance ministers held emergency meetings to try to stem a crisis of confidence. The renewed fall, beginning in late July for no apparent reason, according to currency analysts, is beginning to cause alarm in Euroland bond markets. "Interest rate spreads between Euroland corporate bonds and comparable government bonds are beginning to increase," said Lewis. "The feeling is growing in these markets that the captains are away at the holiday beaches while the ship heads into the rocks. The negative sentiment on the euro is spilling over into bonds."

Elsewhere around the world, the major economies of Ibero-America, especially Brazil and Argentina, have been hit hard by the recent interest rise by the U.S. Fed. Totally dependent on foreign investment to prevent blowouts of their banking and financial systems, they have been forced to match Fed rate hikes point for point, depressing already severely depressed economies. While a full-scale crisis is not yet evident, with a foreign debt as of January 2000 of \$248 billion for Brazil and \$149 billion for Argentina, these economies are vulnerable to any new shocks.

The world's second-largest industrial economy, Japan,

is showing signs of new troubles. The Nikkei stock market recently fell sharply below 16,000, after reports of large selling by foreign investors. The debt ratios of the Japanese private and government sectors are so extreme, that no long-term solution is possible based on the prevailing rules of the game, either for Japan, or for Southeast Asia, for which Japan is the economy with by far the greatest impact.

With ten years of record government fiscal “stimulus,” which has made Japan into the world’s most indebted G-7 economy, and with debt estimated to rise to 132% of GDP by year-end, the country is still sitting on a mountain of bad bank loans and falling real estate prices which paralyze any real sustained new investment. For the past year, Japanese banks had barely managed to control the bank debt problem by creating a fraudulent myth of “Japan’s recovery” as an Internet “New Economy.” Record foreign investment inflows to buy Japanese stocks over the past year or more had allowed banks to sell their stock holdings in other companies, and use the gains from inflated stock values to reduce their mountain of bad debts.

The surprise reversal of the Japanese government, in declining to bail out the bankrupt large Sogo retail group, with more than \$18 billion in debts, on June 13, in the wake of an unprecedented public outcry against further taxpayer bailouts, has refocused attention on the unsolved financial problems in Japan. Since July 13, for the first time in months, foreign banks have begun to demand a “Japan risk premium,” as the price for lending to Japanese banks in the interbank market. In the wake of the November 1998 collapse of Yamai-chi Securities, Japanese banks were put into a major funding crisis by imposition of a huge interbank risk premium, forcing the Bank of Japan to implement the drastic solution of drawing interbank interest rates down to zero.

In the wake of the Sogo collapse, and the shock that public funds will not be available to rescue other insolvent companies, in construction and real estate especially, there has been a flood of stock selling. In addition to foreign selling, however, Japanese banks are reported to be in a major stock liquidation of their own, to raise cash for a likely avalanche of new bankruptcies. This has pushed the Nikkei Dow stock index below 16,000 for the first time this year, and the prospect is that it will fall far lower as the Sept. 30 fiscal accounting deadline nears. From the background of such a situation, where Japanese policymakers realize that traditional crisis management measures are wholly inadequate, we can expect a greater urgency to expand on the Chiang Mai initiative for an Asian Monetary Fund, which is a useful step in the direction of the New Bretton Woods financial reorganization called for by LaRouche.

“All it takes is some unexpected shock, some trigger such as a U.S. bank in trouble, to set this one off,” said a nervous senior European banker. “It could happen when people least expect it. August to October will be a very ugly time in financial markets.”

Italians Look to a New

by Liliana Gorini

On July 13, the Italian Senate unanimously approved a bill for “debt relief for poor countries,” shortly after it had been approved by the Chamber of Deputies. There, the bill had been introduced in the Foreign Affairs Committee, and then on the floor, by Hon. Giovanni Bianchi. Bianchi, a member of Parliament from the Italian Popular Party (PPI), had introduced the bill on June 23, the same day that American economist Lyndon LaRouche was the main speaker at a conference entitled “Towards a New Bretton Woods,” in Cenacolo Hall in the Parliament building in Rome (see *EIR*, July 7, 2000).

Bianchi and the Italian Minister for Parliamentary Relations, Patrizia Toia (PPI), were the hosts of that conference, although they were unable to attend personally. In the following interviews, Bianchi and Toia comment on the passage of the bill, in the context of the Jubilee year and the failure of the Okinawa summit—which, unlike the bill, did not face up to the reality of the “financialization of the economy,” as Bianchi calls it—and also on LaRouche’s proposal for a New Bretton Woods financial and monetary system, which is seen as the natural outcome of such a debt reorganization for poor countries.

Minister Toia also comments on the upcoming visit to Virginia of a number of Italian Members of Parliament, led by Bianchi, to see Gov. James Gilmore (R), and to prevent the execution of an Italo-American citizen, Rocco Derek Barnabei, scheduled for Sept. 14. Toia, who has been very active in the fight against the death penalty and for human rights, recalls in the interview that Pope John Paul II has called on Governor Gilmore to stop the execution and to allow a DNA test which could prove Barnabei’s innocence.

The importance of the law on debt relief for poor countries, approved by the Italian Parliament, was emphasized also in the Catholic daily *Avvenire* on July 14 by Msgr. Attilio Nicora, who chairs the Committee on Debt Relief of the Italian Catholic Bishops Conference in the Jubilee year, and who was invited to testify before the Foreign Affairs Committee. Monsignor Nicora emphasized in particular Chapter 7 of the law, which “commits the Italian government to support in international venues, procedures which demand that the International Court of Justice change the present rules on international debt.”

Minister Toia emphasized to *Avvenire* the role that Italy can play to “wake up other members” of the Group of Eight, taking action, “if need be, unilaterally.”

Bretton Woods

Sen. Riccardo Pedrizzi, who is the author of a resolution backing a New Bretton Woods which is being discussed in the Senate, is quoted by *Avvenire*: “From today on we are more civilized. Until now, [International Monetary Fund] structural adjustment policies did not allow the development of poorer countries.”

The need for “bilateral agreements” with Third World countries, if multilateral agreements, such as the ones reached in Okinawa, go in the opposite direction, was also emphasized by Bianchi to *EIR*, particularly because Italy is in a special position with the Jubilee year still ongoing, and the next G-8 summit is scheduled in Genoa, Italy, in the year 2001.

Interview: Patrizia Toia

Unchecked Free Trade Damages Development

The Hon. Patrizia Toia is Italy's Minister for Parliamentary Relations. She was interviewed by Liliana Gorini on Aug. 1 in Rome.

EIR: In a comment to the Catholic daily *Avvenire* on July 14, on the passing of the law in the Senate on cancelling the debt, you said, “With this law, Italy comes in first, and unilaterally, and presents itself at the Okinawa summit in an excellent position. I hope this also wakes up the other [G-8] members.” The summit has concluded now, and the debt question has been raised also by some of the African representatives, such as Nigerian President Olusegun Obasanjo. Do you think that Italy obtained the results it had hoped for, and how do you judge the results of the summit?



Toia: It would be nice if a question as important and complicated as that of the debt of the poor countries could be resolved through a meeting among the “great” countries of the world. Unfortunately, this is not the case. We live in an extremely complicated world, in which everything is interconnected, and the ability to make decisions is, correctly, decentralized among various levels, while public opinion also plays an important role. I say this because, if both the citizen and the governmental figure truly recognize a certain issue—such as the generalized attention of the developed world on Africa during the middle of the 1980s—the support, as in that case, for the resolution of the problem, can be created without the need for a great deal of mediation by the political world. Nonetheless, on the question of the debt, there is still no mobilization even minimally comparable to what we saw in the past to defeat hunger. It is necessary to wait. In the meantime, as can be seen in the resolution approved at the end of the summit in Okinawa, those who have government responsibilities in the West must attempt to encourage the process toward a more just world; an objective which is not impossible, but is still, unfortunately, far off.

EIR: One of the problems raised by the African and Asian countries at Okinawa, is that of financial speculation, and blind faith in the “New Economy,” which certainly doesn’t favor poor countries. How do you judge, from this point of view, the proposals made by the American economist and Democratic Presidential pre-candidate Lyndon LaRouche for a “New Bretton Woods,” that is, for a reorganization of the financial and credit system in favor of cooperation and economic development rather than financial speculation?

Toia: There is no argument over the basic goal here. The damage done to development by unchecked liberalism is evident. When I met personally with LaRouche, I was able to discuss these issues, and on many points his ideas were quite convincing. We need to be clear, though: Theory is one thing, and the application of a theory is another. Experience teaches us that the human race acts very efficiently when profit is involved, and a lot less efficiently when what is involved is the collective well-being. Therefore, the current mechanisms which regulate profit need to be, for the most part, preserved. If I understand correctly, LaRouche does not condemn wealth in his proposal; rather, he proposes the increase of those who benefit from it, in terms of both individual persons and underdeveloped countries.

EIR: Another point on which Italy, and also you yourself, as well as other government ministers, have intervened repeatedly with the U.S Administration, as well as with Hillary Clinton, is the death penalty, for which a moratorium has been requested for the Jubilee year. What is your view on the case of Rocco Barnabei, the Italian-American death-row inmate in the United States, which is currently being discussed in the Italian Chamber of Deputies?

Toia: Given that I am a convinced abolitionist, and I think that capital punishment should never be used, I think that the Barnabei case forces us to reflect even further on this question. A young man who was convicted on questionable evidence is being sent to his death. In Italy, no one could be sentenced to life in prison—we don't have capital punishment, fortunately—on the basis of such thin evidence. Therefore, I believe that the Governor of Virginia should seriously consider the possibility of intervening, since even the Holy Father intervened on this question, in a beautiful statement. On the other hand, the death penalty is one of the points which most divides us from the United States. Here, there is a strong disapproval; there, the majority is in favor of the death penalty.

EIR: Speaking of human rights, what do you think of the decision of the U.S. Supreme Court regarding the Voting

Rights Act, the law which guarantees the right to vote, and was a victory of the Civil Rights Movement in the United States? As well, there is another shameful Supreme Court decision, which permits the application of the death penalty on procedural grounds, even if there are questions regarding the guilt of the individual?

Toia: The American judicial system is too different from ours for me to express a definitive opinion. Certainly, given the fact that the power of your judges expresses a more direct relationship between the institution and the citizen, it is also natural that these judges, in their actions, regard and influence political and social issues. In this sense, nonetheless, I certainly do not think that trampling on rights that have been acquired on a juridical and historical level represents progress. As for the fact that formal procedure prevails over doubts about the defendant's guilt, this is an aberration of a system which, by its nature, since it contemplates death, makes the

Russian Paper Notes Italian Steps Toward New Bretton Woods

Issue No. 29 of the Russian weekly *Ekonomicheskaya Gazeta*, published July 20, carried the last article by Prof. Taras Muranivsky, President of the Russian Schiller Institute, who died on July 17. The global financial system is doomed, Lyndon LaRouche's "New Bretton Woods" is the answer, and the Italian Parliament has taken steps in that direction, Professor Muranivsky told his readers.

The article was occasioned by "the complex and contradictory discussion of Russia's attitude toward foreign loans," contained in President Vladimir Putin's July 8 Message to the Federal Assembly. Professor Muranivsky gave the international setting for that policy question, providing one of his pungent summaries of developments in the world, especially in international finance and the economy, which *Ekonomicheskaya's* readers in the Parliament, political parties, and academic layers otherwise never hear about. He quoted the recent admissions of former International Monetary Fund (IMF) Managing Director Michel Camdessus, that the entire financial system was on the brink of total collapse in the fall of 1998. He pointed out that readers of *Ekonomicheskaya Gazeta* already knew that, thanks to the warnings of LaRouche (conveyed through the articles of Taras Muranivsky). It was only by the U.S. Federal Reserve's "throwing hundreds of billions of dollars into the fire," that the system was saved, wrote Muranivsky, "But, for how long?" Even Camdessus

admits, that no effective changes were made.

Meanwhile, Muranivsky reported, awareness is growing, that the existing system is just no good. He cited former World Bank chief economist Joseph Stiglitz, on the damage done to the economies of developing countries that take IMF loans. The debts of those countries continue to rise, he reminded his readers, pointing to the call of Pope John Paul II for debt forgiveness.

Professor Muranivsky wrote about the latest developments in the Italian Parliament: "The Foreign Affairs Committee of the Italian Parliament, of which Giovanni Bianchi is a member, undertook to find answers to the following questions: What are foreign debts? How do they grow? Why are the debts of Sub-Saharan African countries triple what they were 16 years ago? . . . These processes are rooted in the purposeless financing of the globalized economy and in those excesses of financial flows, which began with the eurodollars in the 1970s. . . ."

"On June 24, 2000, the Chamber of Deputies of the Italian Parliament unanimously passed a bill on a debt moratorium for the developing countries. The Senate is expected to approve the law, whereupon there will be an appeal for the government to take the corresponding actions. On June 23, LaRouche, candidate for the U.S. Presidency from the Franklin Roosevelt wing of the Democratic Party, gave a major lecture on the need for a New Bretton Woods system, to a seminar at the Italian Parliament. He supported the initiative of the Italian parliamentarians. That same day, Bianchi (one of the initiators of the invitation to LaRouche to visit Italy) intervened at the final June session of the Parliament, calling on the Italian government to take a leading role at the upcoming G-8 summit in Okinawa, to free the developing countries from their debts."

possibility of changing decisions very difficult. Yet, I seem to remember that one of the principles of Anglo-Saxon law was: Better to have a guilty person go free than an innocent in prison. . . . Well, then?

Interview: Giovanni Bianchi

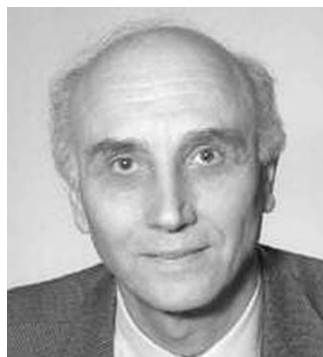
Extinguish the Cancer Destroying the Economy

Hon. Giovanni Bianchi is a Member of Parliament from the Italian Popular Party (PPI). Bianchi was the main speaker in Italy's Chamber of Deputies for the law which says that Italy will cancel \$6 billion of its bilateral debt with the poorest countries of the world. He was interviewed by Liliana Gorini and Andrew Spannaus in Milan on July 28.

EIR: The law passed by the Senate on debt remission was passed unanimously, which is an unusual occurrence. In the July 20 Catholic daily *Avvenire*, you said that it is not enough to only cancel the debt, but that more cooperation is needed, because otherwise the West risks thinking it has a clear conscience while the real problems have not been solved. How can the situation move forward now, and how, from this standpoint, do you see the summit at Okinawa? Are you satisfied?

Bianchi: No. And this is a resounding “no,” because all the big mountain of Okinawa produced was a little mouse, and a virtual mouse at that. The idea of bringing the Internet to places where there is a lack of water, electricity, food, health care, where there is the risk of epidemics, seems to me, frankly, a bad joke. Ethiopia, for example, is a country which is just coming out of a war, which has an average per-capita income of \$100, and where there is a terrible drought—this, in a country which is the source of the Blue Nile. These contradictions demonstrate that we can no longer even call these “developing” countries, but rather “underdeveloping” countries.

This [Okinawa result] is a line which seeks to promote the business of new technologies which interest Japan in particular, although not only Japan; but it is also a policy which is in contradiction with: the principles established by the G-8 in Cologne, the principles of the Italian law, and also the



orientation of the Italian Bishops Conference (CEI) in this year of the Jubilee, which is moving to intervene in Zambia and Guinea Conakry, but also to establish general and comprehensive principles, such as those which we heard from the chairman of the CEI Committee on Debt Remission, Msgr. Attilio Nicora.

What is this criterion? The criterion is that the funds which become available from the remission of the foreign debt be used to improve the conditions of the poorest segments of the populations of those countries. A somewhat tragic proverb was also used, in order to avoid being sarcastic, which goes: “The money of the poor in the rich countries risks going to the rich in the poor countries.” In those countries, which small elite will be able to use the Internet, if not the upper classes? It is therefore contradictory also to one of the ethical guidelines, in the view of the CEI. Therefore, in this sense, Okinawa, from my point of view, was a delusion, the mountain which produced a little, virtual, mouse.

In this situation though, Italy has done its part. Even the bicameralist system functioned perfectly, in the sense that the Senate passed the same bill as the House, despite the fact that there had been various discussions and even an attempt to change the law by adding macroeconomic criteria which would be used to intervene in highly indebted poor (HIPC) or medium indebted developing countries, or others. It is important to remember that we broadened the criteria of Cologne and the Paris Club, increasing from 41 to 72 countries, for which Italy will cancel its debt.

So, despite the fact that bicameralism functioned perfectly, the comprehensive action, or not-so-comprehensive action (I’m not quite sure what to call what happened at Okinawa) took another direction. Don’t get me wrong, there were some positive elements, such as the modification of tariffs, and therefore the possibility of increasing imports from developing countries. But, frankly, we were hoping for something more. Italy tried to get more, and will continue to try to lead in this direction, especially with regard to the United States, Canada, and Great Britain; and I hope that our country will find the courage and the opportunity to move forward in a bilateral way, since the multilateral situation is difficult. Clearly though, I don’t think we should move completely outside the rules which the G-8 established.

EIR: Given this situation from Okinawa, how do you view the very different position of the American economist LaRouche, in Cenacolo Hall, stated that without a reorganization of the economic system in the direction of a New Bretton Woods, it will be impossible to avoid an explosion of the speculative bubble which is also destroying the developing countries?

Bianchi: There are two or three elements here, which at first may seem a bit exaggerated, but which are actually very real. First, it is undoubtedly true that Okinawa demonstrated how this international economic system, whose aim is globaliza-

tion, cannot function, except in a certain way. In fact, the results of Okinawa are in response to these written and unwritten agreements on which the economy is currently based. I thought a lot about this situation after the meeting with LaRouche, and I must say that I find there is a great gap, even in attitude, between the economic operators and politicians in Europe, for example, and the predictions which LaRouche has made, which I think are correct.

Here, we're supposed to be going toward an economic boom, at the end of the year. Not only are all of the economic indicators seen as positive right now, such that every political faction is attempting to claim credit for the situation, but, by the end of 2000, the boom is even supposed to allow us to deal better with the problems we are discussing, by the time of the G-8 summit in Genoa in 2001.

I think that this is not the reality. I think there is a risk of a crisis, the date of which I obviously cannot predict, since I don't usually look into crystal balls, and I don't even have the data necessary to make such a prediction. What Okinawa demonstrated though, is that there are two risks in globalization: First, that politics is behind the economy, in the sense that the activity in the markets does not correspond with that of society; there is no finality, we have an aimless economy. Second, that this is a totally financialized economy. Every day there is a massive whirling movement, such that a lira in the morning is already a yen in the late morning, and then becomes a pound sterling, only to end the day as a dollar. All of this though, does not correspond to investments. And in fact, the result of Okinawa, support for a certain type of "New Economy" business, goes in this direction, and there is lack of real investment.

The highly indebted countries are the ones which suffer the most from this lack of investment. That is why our law says that the funds which are freed up must be used for the creation of infrastructure. Infrastructure means houses, dams; because, for example, the Horn of Africa suffers greatly from drought, there are areas of desertification.

I found, in my function as speaker for many measures dealing with refinancing the World Bank and the IMF, regarding Italy and its Foreign Affairs Committee, that there are many situations like this, in the Caribbean, Asia, as well as in the Middle East and North Africa. We found situations in which the interventions of the IMF and the World Bank had caused desertification and the migration of large populations. Therefore, in the meetings which we had with the IMF and the World Bank while considering these measures, my colleague [Hon. Marco] Pezzoni and I suggested that not only should these organisms monitor financial and banking procedures, but they should also look at the social consequences of these measures. This idea goes contrary to the financialization of the economy, the bubble. This means we need to rework international monetary relations.

We were not the ones who invented the idea of the New Bretton Woods, and I must say that I have found many people

who were quite sensitive to this idea. It has been mentioned in the Parliament, even before I met with Professor LaRouche, by Pezzoni and myself for example, since we think that this is the correct direction to move. We realize that the foreign debt comes from a specific situation, a situation in the 1970s in which the so-called petrodollar encouraged the elites of these countries to spend enormous sums—or, shall we say, those leaders who are less worthy of Shakespeare and more of [Titus Maccius] Plautus, or of certain types of comedies—impoverishing the population. Thus, there is a financial origin to the problem, and it developed throughout these years of serious financial problems.

The first problem is that these countries contracted their debt in dollars; if this hadn't been so, there would be no debt today. Second, these countries have already paid the debt twice over in interest payments. All of this presents tragic and obvious testimony against the financialization of the economy. Until this situation ends, there will be no solution. This is why we pay attention to LaRouche: Not just because we think he's a nice guy, but because, when we look at the data, and study the situation, we see that there is a cancer in the economy which we must extinguish, which is the total financialization of the economy, in the fact that there is a debt which is \$2.3 trillion, and entire continents (such as Africa, where I often go) which are dying, dying for these reasons, because of drought, because of AIDS.

These problems are due to not only the lack of investment in health care, but also the lack of specific research on the African strain of the AIDS virus, which is different from the strain in the West; and despite the promises which Clinton made, I'm not sure how much has been done toward research and development. It is in this sense, that the idea of a New Bretton Woods sometimes becomes a sort of invocation, on our part, of something completely different from the current, unsustainable situation.

EIR: I think you are referring to Article 7 of the law, which I think is very important. In fact, Monsignor Nicora stated that the government should go beyond merely cancelling the debt, and should ask the International Court of Justice to change the economic parameters, "the rules which regulate the debt of poor countries," and thus, change the economic system.

Bianchi: Here there is a certain element, of an unhappy conscience—yes, here the Hegelian term fits perfectly—the unhappy conscience with which I dispatched this bill from the House after having defended it from multiple attacks. And I must say that at the end, there was a great deal of loyal support from all of the members of the Foreign Affairs Committee, from both the Parliamentary majority and minority, and then the law passed unanimously. Why the "unhappy conscience"?

Certain parameters, including ethical parameters, should definitely have been introduced. At Okinawa though, what happened is that there was a risk that the West would attempt to clear its conscience, and then, through a precise and formal

application of these parameters, would not actually cancel the debt. I'll explain: The fact that the countries must not be belligerent, must not buy weapons, or foster ethnic conflicts, etc., are all certainly important criteria. However, if we look at certain examples, such as in Africa, in Congo there are no less than six foreign armies fighting. Thus, we have situations where the crisis is such that politics no longer has any control over the situation, and it explodes into war. There is a literal application of von Clausewitz, where war is the continuation of politics by other means. What can be done there?

One of the situations which we saw was that of Ethiopia and Eritrea right before the war, where food had been brought, with great difficulty in the distribution, from Somalia, or Djibouti. If that food had not been distributed though, under the justification that those countries were at war, 8 million people would have died of hunger. That is why, yes, the parameters are necessary, but most of all we need to develop a conscience. Because those who sell weapons there, are they not the same countries represented in the G-8? I believe that the ex-Warsaw Pact countries have cleared out their warehouses there, not to mention the British, American, French, and, of course, the Italian land-mines, which are found all over the world. This is the first element, which must be carried out, but with an unhappy conscience. Then there is the attempt to go beyond this economy, beyond the financialization, and call on a policy of new principles, new sources of rights, the Tribunal. In this sense, Italy has worked very well, through the Foreign Ministry, and has worked in this direction also with the help of many jurists.

EIR: Many people who have joined the campaign for the cancellation of the debt, are people whom one would not have

expected: Jeffrey Sachs, for example, the author of shock therapy for Russia, is now part of the Jubilee 2000 campaign. Are there different views among the various groups calling for cancellation of the debt?

Bianchi: Yes, and I must say something here, with a bit of bitter irony. There are a lot of people who convert only when they are already retiring.

EIR: Such as former IMF Managing Director Michel Camdessus?

Bianchi: That's the name that I was about to mention, as well as [Robert] McNamara, who did all of those technological horrors in the jungles of Vietnam, and then later changed his mind. Of course, it is never too late. The Gospel says that even the workers who arrive at the eleventh hour are paid as much as those who were there from the first hour, even though the latter get mad about it. Camdessus, in his conference at Catholic University, when he received the honorary degree there, is a perfect example: I wish he had done this thing when he was still in power. In any case, we would be too picky; it's better that the campaign grow as much as possible.

The problem, I think, is that there are some countries which are able to push forward, to accelerate on a bilateral basis. Because, otherwise, the multilateral action is not enough, someone has to pull the others along. On the other hand, if we look at the bracket which we introduced in our law (within three years Italy will cancel a minimum of \$4 billion and a maximum of \$6 billion), compared to Okinawa, this is a sum equivalent to what was discussed there. Therefore, someone has to lead, has to be the locomotive which pulls the others. Otherwise, we'll have a lot of conversions, but very little generosity.

Poor Nations Must Act for a New Bretton Woods

The Italian Senate has acted, now it's our turn, to move with the call for a New Bretton Woods, writes Dominican Republic columnist Jorge Meléndez in *El Siglo* on July 25 (which was published a day late, because of the electricity blackouts in Santo Domingo). Titled "Italian Senate Ratifies Moratorium," his weekly column reports on the July 14 vote in the Italian Senate, which endorsed an earlier, unanimous vote by the Chamber of Deputies for Italy to unilaterally grant a debt moratorium to the most impoverished developing countries.

Meléndez recounts that the law was proposed by Dep. Giovanni Bianchi, who, along with Parliamentary Affairs Minister Patrizia Toia, "hosted the seminar on the urgent

need for a New Bretton Woods, held on May 23 in the Cenacolo Hall in the Parliament, at which Lyndon H. LaRouche, the economist and U.S. Democratic Presidential pre-candidate, was the main speaker." After discussing the implications of the law for the G-8 summit in Okinawa, Meléndez writes:

"We, the citizens of the Third World, cannot remain passive when, in Italy, one of the world's chief economic powers, they are fighting for us. We must assume our share of the responsibility and support the Italian initiative. The way to do that is by signing the call of the Ad Hoc Committee for a New Bretton Woods, the gist of which we reproduce below. Enough griping about privatizations and globalization. Let's do something positive: I ask you, dear readers, to sign it, and to circulate it among your friends, in your churches, in your schools, in your clubs, and to get it to your Congressmen and Senators, and to other officials."

Germany's Tax Reform Is a Lethal Attack on 'Rhenish Capitalism'

by Rainer Apel

The main characteristic of the tax reform package which the German government managed to push through the Bundesrat (upper house of parliament) on July 14, is that it legitimizes the practice, increasingly commonplace over the last ten years, of private banks and insurance companies pulling out of financing real industry, for the sake of greater involvement in financial market speculation. The "reform" eliminates the income tax on sales of industrial stocks, thereby granting the banks and insurance companies a windfall profit in the range of at least 200 billion marks (roughly \$135 billion), according to modest estimates. Deutsche Bank, Germany's biggest private bank, alone currently holds about DM 110 billion of such industrial stocks.

But the tax reform has strategic economic implications beyond this "little favor" to the private banking sector: It will destroy the traditional link between the banks and real industry, which has been the secret of the historical success of the German social market economy model. With a striking directness, German Anglophile Josef Joffe, a longtime commentator for leading liberal publications in Germany, including *Die Zeit* and *Süddeutsche Zeitung*, addressed this point in the U.S. edition of the July 20 *Wall Street Journal*. Under the headline "Germany's Supply-Side Revolution," Joffe wrote, referring to the central aspect of the tax reform, that "this little item will do more to transform Germany Inc., or Rhenish Capitalism, than all the other measures." He forecast: "Expect the most brutal restructuring of German business in the country's history." Joffe was also most outspoken about the fact that it is a red-green, Social Democratic/Green party coalition government which has just passed this tax reform: "Outside of the U.S., it often takes a leftie to pull off right-wing economic policies. . . . In continental Europe, at least, only leaders of the left can reform the economy in the ways of [former U.S. President Ronald] Reagan and [former British Prime Minister Margaret] Thatcher."

Lafontaine Reemerges

This latter point was addressed by former Finance Minister and former Social Democratic Party (SPD) chairman Oskar Lafontaine, in a commentary in the July 23 Sunday tabloid *Welt am Sonntag*. He charged that the government of SPD Chancellor Gerhard Schröder is pursuing the same policy as Chancellor Helmut Kohl's government had, before it was ousted in the September 1998 elections; and that the same

Social Democrats who are in the government now, had, at that time, attacked it as "socially unjust." With the tax reform package, "the red-green government can now claim that it has met with friendly reactions at the currency exchange and on the markets," Lafontaine wrote. But, he said, quoting from a jubilant article on Schröder's tax reform which the weekly *Der Spiegel* had run, "it almost seems as if the Social Democrats were walking in the footsteps of the iron tax reformers Ronald Reagan and Margaret Thatcher."

SPD voters are becoming confused, when their government in Berlin is now praised for the very policies which the SPD had lambasted at the time of Reagan and Thatcher, Lafontaine wrote. Nobody should be surprised that voters are becoming disgusted and sitting out the elections. The SPD of Schröder, he warned, will come to recognize that its policies, which follow the "ideologies of the old right," will not receive support from a majority of German voters. He concluded his commentary with a famous remark by author Karl Kraus, from the turbulent Great Depression period of the Weimar Republic 70 years ago: "They believed they were in power, but they only were in the government." And, they will lose the government, was Lafontaine's warning to his fellow Social Democrats.

The fact that his article was published by Germany's second-largest Sunday tabloid, reflects the fact that the opposition to the government has grown visibly during the recent weeks of the tax reform debate. Germany's second national television channel on Aug. 1 reported on a poll which showed that 60% of those questioned, expected the tax reform to have a negative impact on their personal income. Only 27% saw any benefit. Concerning health-care reform, which is already in preparation, 75% saw disadvantages, against only 19% who saw benefits. And concerning the pension reform, another neo-liberal government project which would base future pensions increasingly on private revenues from investment fund activity, 77% of those polled were opposed to it, against only 15% who were for it.

Mid-Term Review Comes Early

This broad sentiment against the government, is the stuff from which its coming fall is made. And the government is aware of that danger: Propaganda about the economic upswing has increased, with fresh news-bytes daily on even the tiniest improvements in the stock and currency markets, or in some economic sector, as allegedly indicating that the tide

has turned, that the troubles of this spring have been left behind. The Chancellor even gave his rosy official mid-term review of his government's record at the end of July — three months before the mid-term had been reached, which is at the end of October (the red-green government took office only in late October 1998). And, as the events around August 1998, when the Russian economy almost defaulted, and around September 1998, when the New York-based Long Term Capital Management hedge fund defaulted and almost brought down the world banking system, showed, many unpleasant things can still happen between July and November.

There are more and more warnings in the German press, however cryptic, about a “cooling of the U.S. economy in autumn,” and about the consequences that that will have for German exports and financial prospects. Therefore, the fact that Chancellor Schröder set his “mid-term” in July instead of October, has prompted many people to begin asking questions, and some of the leading media have rediscovered anti-government critics in the establishment, to whom they have not paid much attention, over the last year. The Lafontaine article in *Welt am Sonntag* is evidence of that, as is the interview that he gave to Deutschlandradio, the national public radio station, on July 28. In the interview, not only did Lafontaine lash out again against the red-green government's tax reform package, calling it unjust and a windfall for tax evaders who are making millions or billions in profits. But he also said: “The word *investor*, today has become another word for international financial speculation, which has nothing to do any longer with real investments. On a world scale, what is called *international investment*, is nothing but a moving around of paper and money without any real investment made.” The government, he charged, is allied with those who move paper around, and the SPD of Schröder has broken with the policies which the party still had, when Lafontaine was its chairman in 1998. “There has always been the struggle between the line, which in England has been pursued by Tony Blair, and the line which has been pursued by the French Socialists. The struggle is solved now by the fact that the Labour Party in England is suffering massive losses in constituency support, at present, because — as Tony Blair has assessed himself — the government has lost contact with the innermost sentiments of the people. What, in a high-flying mood, was once announced as the ‘Third Way,’ is met with opposition among voters.”

Lafontaine said, “For my part, I stick to the first way, and that is: Social Democrats represent the interests of the great majority of the people, that is, the workers and the pensioners. And they are, if I am right, about 50 million people. With that, one always has an appeal to the majority.”

Why did Lafontaine say that? Is he, who resigned from Schröder's government in March 1999 in protest against its policies, and resigned from the SPD party chair as well, preparing a political comeback? Is he paving the way for his own ambitions to become Chancellor, succeeding Schröder in a new government?



Former German Finance Minister Oskar Lafontaine, who has criticized speculators, but has yet to come up with a proposal to deal with the global financial collapse.

These are questions that cannot be sufficiently answered at this point. More will certainly be known in the autumn, when the Schröder government is expected to be heading into bigger trouble on the financial markets, in unemployment, and among the population. One thing has to be kept in mind, however: The situation is becoming critical for the government, and because the new round of financial, economic, and political troubles will vindicate everything the LaRouche movement has been saying for some time, more Germans will be ready to listen to what LaRouche has to say; they will no longer be willing to respect the media taboo against LaRouche. As was the case in the summer of 1997, when the global financial crisis broke out in Asia, throwing the future of the global financial system into doubt, a part of the German elite that was looking for alternatives to the International Monetary Fund-based global financial system, built up Lafontaine as a big critic of speculators — a more acceptable alternative, from their standpoint, than LaRouche. But, Lafontaine was more acceptable only because he did not challenge the principles of monetarist policy. Lafontaine was on the mark in exposing the Schröder government for the monetarist regime which it is, in his media appearances on July 23 and 28; but, he did not offer a real alternative, which is what Germany needs. The alternative is there, in the form of LaRouche's call for a New Bretton Woods, and if Lafontaine were serious, he would sign onto it, as leading politicians in many other countries of Europe have already done. Lafontaine can still change his mind, and take a step forward.

Exhaustion: Russia's Precious Senior Intelligentsia Is Under Threat

by Konstantin Chermnykh

Six years ago, the Leontieff Center, regarded as a vanguard of liberal economic strategy, published research which forecast a decline in the population of St. Petersburg by 400,000 during the next decade. The tendency might change after a "positive social drift," wrote the authors. From the context, it was clear that the "positive social drift" meant the "natural" extinction of the aged part of the population.

The economic program of Yegor Gaidar's Democratic Choice Party, presented at its founding congress in 1994, included a proposal to raise the pension age by five years (above the age of 60 for men). By that time, the life-expectancy of men in Russia had dropped to 59 years.

As I had an opportunity to talk directly to one of the members of the research team, most of whom originated from the St. Petersburg Institute of Economy and Finance, I know precisely that the two above-cited examples are not accidental. They reflect the common viewpoint and intention of the masterminds of what was called the Russian liberal reform.

"You see," this person told me, "actually, these [Gaidar's] guys are not resolute enough. To my mind, people of so-called pension age should not be granted the right to vote. Because they cling to the outdated political system, and are unable to change themselves. Actually, pensions could be eliminated—"

"? ? ?"

"Why, their relatives should take care of them."

And what if the relatives are disabled or deceased, or never existed? I was too shocked to argue. This young, pleasant, and energetic person was talking about millions of people, with a careless smile that reminded me of something very relevant, though rather distant from white-collar theorizing in a cozy St. Petersburg flat.

The white-collar theoretician would find perfect mutual understanding with the practitioners, who appeared on the scene in Russia's big cities in 1992-93, in the period when the real estate market took shape—in the same anarcho-criminal way as any other market in newly transformed Russia, blessed by "progressive mankind" with a radical market change.

A person named Aleksei M., who began his career as a

journalist for real estate magazines, was exposed in 1994 as a serial murderer, his victims being mostly old people and alcoholics in the central districts of Moscow. He would find a lonely person, seeking to exchange his flat for a smaller one, then arrive at his place with a pile of prepared documents, which the victim needed only to sign. With a nice smile, he would offer to complete all the bureaucratic work. After the victim signed the documents, the young man would kill him and promptly resell the flat. The affair was exposed only after several corpses were dragged out of the garbage dumpster in a courtyard where the young man had several clients.

"Actually, President Boris Yeltsin should praise my work," Aleksei told the TV, with the same type of careless smile. "I've been carrying out sanitation work, eliminating unfit individuals."

The same "sanitation" was carried out by a number of criminal groups in St. Petersburg. One of them, a kind of "joint venture" between criminal types and policemen, was officially registered as a real estate agency. It is registered still today, although two of its founders are in jail, and the last director was murdered by a group of people, probably relatives of his former clients, who used pieces of drainpipe as a murder weapon. These anonymous Robin Hoods of the St. Petersburg real estate cesspool were apparently quite sure that it was useless to appeal to any law enforcement agencies.

If you enter any district court or almost any police station in St. Petersburg, avoiding a piece of plaster falling on your head, you will immediately get a sense of the atmosphere reigning in the local body designed to look after order and justice in the surrounding area. The scene at a local clinic or emergency rescue station is no less desperate.

I very seldom visit my local clinic center, which was lucky enough to acquire a new building shortly before the reforms started. The entire lobby is packed with small vendors who trade all kinds of small wares, like perfumes, stockings, shoes, porno magazines, and frying pans. It looks like a small market near a metro station, or anything but a medical institution. The traders pay rent, and the clinic thus manages to survive.

Most of the patients visiting the clinic are elderly, because a minority of the younger generation can afford to



Street vendors in St. Petersburg. Many of Russia's skilled workforce have been forced to become street vendors, or worse, to make ends meet.

visit private physicians, while the absolute majority, what is regarded as “middle class,” rushing between three or four jobs, has practically no time or opportunity to take care of their health. Many small private clinics, designed for patients with average or below-average incomes, have gone bankrupt during the last three or four years, as the “paying capability” of their clients could not keep up with their rent, not to mention the unofficial fees, which any director of a clinic, or of any enterprise or shop, is forced to pay to local racketeers.

In order to go on working under these humiliating conditions, and not to become an element of the ever farther penetrating criminal network, one needs specific human qualities. Regardless of the self-justifying complaints of those who failed to resist the pressure from the criminal milieu, it is a challenge more to one's moral integrity, than to physical security.

A resisting director, scholar, schoolteacher or physician constantly faces compromises with evil, such as being forced to rent a part of his building to a shady trading company in order to keep his institution alive; forced to use textbooks

provided by the Soros Foundation, while trying to compensate for their lies about culture and history, with his own knowledge and authority. Still, the most tragic choice faces a doctor who has no possibility of treating his patients, due to the lack of medicine or its exorbitant price, dictated by the thoroughly criminalized pharmaceuticals market. For him, the fact of ruthless and deliberate Darwinian selection is most obvious, and very often all he can say is the words of the old village woman from Solzhenitsyn's essay “Matryona's Yard”: “I am so tired of burying all of you. . . .”

Engineers as Fruit Vendors

Shortly before the 1996 elections, the Russian “democratic” leadership offered what should be regarded as a political kickback to the vast Russian criminal class, at the expense of other layers of society. According to the amended pension legislation, years of labor in prison were now included in the person's labor record, whereas years of higher education were not. Periods of work in the Far North and other areas with similar hard conditions, previously registered as two years for one in the personnel record, from which the amount of the pension is calculated, was now to be regarded like any other work.

This gift to organized crime, taken together with the humiliation of the intelligentsia, could be interpreted as just a recognition of the fact that the criminal class had become the ruling class in post-Soviet Russia, while various unnecessary intellectuals and useless skilled workers, were no longer regarded as an honored part of society.

In a way, this amendment was another version of Gaidar's proposal, noted above, for it forced millions of intellectuals, in order to earn a larger pension, to seek any job they could, after the age of 60. Often this was possible only by selling their intellect and experience to the new ruling class, which emerged (or, using the terminology of the Mont Pelerin Society's Vitali Naishul, was institutionalized) in the initial period of privatization.

During that process, the population of the big cities was divided by a red line, into a community of the filthy rich, with their own system of schools, clinics, and well-guarded clubs for a limited number of persons; the category of disabled and “hopelessly” aged people; and the majority, in between, filled with hostility and alienation, and always at risk of finding themselves on the bottom. This average working—or, rather, surviving—class coincides with the non-voting class, as most of them, despite hating the liberals profoundly, are able to survive due to possibilities provided by the petty, semi-anarchic and totally criminalized street market. Therefore they are terrified of the idea of a “society of order,” “dictatorship of law,” or anything like the former Soviet rule. The part of this majority which participates in local elections, usually expresses a preference for one racketeer or corrupt official over another. Only arbitrary police actions, as was the case in

Nizhny Novgorod, prevent the election of purely criminal figures to the posts of Mayor or Governor.

Striking up a conversation with a small-scale street vendor in the Luzhniki market of Moscow or Haymarket Square in St. Petersburg, you are startled at the academic language, surfacing through the superficial layer of street subculture. Soon you guess, although you're embarrassed to ask, that this woman with swollen hands and weather-beaten face is a former engineer, scientist, scholar, librarian, or archivist, thrown out of her milieu and left in the merciless wilderness of the street market, the only place where she, or he, is able to earn enough to support the family.

Those average former members of the intellectual professions, who missed the opportunity to sell themselves to George Soros, are hired by organized crime, with regard for their professional knowledge: a writer as an image-maker, an officer as a bodyguard, a chemist as a producer of synthetic drugs. All of them are treated like inferior beings, *Untermenschen*, or, if they're luckier, like servants. Most of them, however, have not yet forgotten that they once were more independent in their mind and behavior, despite the well-documented limitations of the Soviet system. Most of them realize that they have found themselves in a worse cage than the old one, but the everyday atmosphere of alienation, in which each is supposed to survive by himself, leaves no window of hope for some common purpose, which might suggest at least some higher justification of their efforts to survive. Nonetheless, most of them have not yet completely degenerated as human beings, as is evident from their desperate attempts to pull ends together for the sake of their children or grandchildren. And most of them would be happy, if some new political leadership were able to invent a labor exchange based on morals, not only on formal skills. The system of selection in the state bureaucracy, however, remains based on formal criteria of "professionalism," according to foreign teachers of recruiting (this term has been recently adopted into modern Russian), who worship at the Leontieff Center and related "strategic" entities, as well as PR services ("Don't *pi-ar* me!" is a common Russian expression these days), image-making companies, and so forth.

Beyond the 'Cadre Problem'

The new Russian leadership is either too busy at the heights of geopolitics, from which a single human being is not quite discernible, or is blindly relying upon the intelligence community's principles of personnel policy — a combination of these same criteria of "professionalism," with some record-based personal confidence. These principles are relatively functional for purposes of building up a small team for immediate tasks, including on the level of state policy, not for the objective of organizing the vitally necessary mobilization of the nation, its most efficient generations and communities, and their combined human potential. Instead of appealing

directly to the population, the majority of which expressed support for the new leadership, this leadership is bogged down in the linear logical calculations of a chess game, moving figures back and forth, and seemingly seeking some magic combination or mystical remedy for setting scattered elements into motion.

Playboy politician Boris Nemtsov, who arouses public hatred primarily with his permanent careless smile, is energetically pushing a proposal for a relatively large increase in salaries for the bureaucracy, although his experience as a model democratic Governor should have made him quite aware of the fact, that larger official incomes do not suppress the appetite for still larger off-the-books earnings. Even if the salaries of ministers were increased a dozen times over, they would still be remote from the incomes of the real elite, formed during the process of "liberal reform."

This real elite is comprised not only of the scandalously famous oligarchs, whose names are common in our newspapers, from the respectable *Vedomosti* to a yellow rag like *Moskovsky Komsomolets*. The business figures, who assembled at the Kremlin to meet the President on July 28, are not the richest people in Russia. The most luxurious country house, really a country castle, on the outskirts of Moscow is said to belong to the director of a former state trading entity, transformed into a foreign economic association (VEA), and then into a private concern, with a monopoly on such a "bottomless" branch of exports as the timber trade. His name does not appear in the mass media, nor does the name of the president of the Diamond Exchange, nor do the names of a lot of other former semi-state monopolies, founded in the late Gorbachov period of "the big sell-off." Names like Roskontrakt, Mashinoeksport, Raznoimport, Interprivatizatsiya, Rosvnesh-this, Rosvnesh-that, or the recently founded Rosspirtprom, are not on the surface of political struggle or media analysis. But, any Prime Minister has to contend with the fact of their existence, and his own complete inability to change anything in this sphere — because each of these semi-official, semi-private entities is needed for a potential occasion, especially in the election period, when the state leadership urgently needs to lay hands on easily accessible funds — even if he understands quite well, that immense financial flows, directed by the shadow "gray" and "black" oligarchs, are siphoned out of the real economy. The country's real economy remains underfinanced, undersupplied, underdeveloped, and *exhausted* for years and years — while the leadership fails to solve the notorious "personnel" issue in a way that would eliminate the unofficial practice of a 40% or larger kickback to a fat, semi-state, semi-official Ivan Ivanovich for each project, program, or venture.

The Salt of the Earth

Sooner or later, the official authorities acquire enough courage, if not to gather the scattered stones, then at least to count them.

A recently published report in *Kommersant*, authored by businessman Mikhail Khodorkovsky and based on reliable data from still functioning academic institutions, presented a horrible picture of the attrition of industrial facilities, which creates a chronic and increasing danger of all kinds of technological catastrophes. Fully half of the industrial facilities are out of service, and more than 10% of them are closed down each year, being completely destroyed or just stripped. The necessity of raising this issue has been evident for years to any honest specialist, or former skilled worker, turned bodyguard or a fruit vendor. A second horrible chapter must be added, however, in order to complete the realistic picture of today's Russia: about *human exhaustion*.

Most of all, this syndrome affects those decent persons who are strategically necessary for the existence of the state and its future, but remain neglected and overlooked. They are the people who don't need a thick packet of hard currency or a police order to make them work for the nation—those who take responsibility for the cause to which they have dedicated their lives (that is how they regard the results they achieved in the pre-reductionist era), and for the personal problems of their close colleagues and their families. This syndrome affects aging directors and senior specialists, who spent their whole lives in the real economy, for the sake of their country and people. This syndrome affects the veterans of war, who interpret the year 1991 as a second 1941, the year of the Nazi invasion. This syndrome affects all those who haven't abandoned their work, despite being underpaid or not paid for months, and forced to find supplementary jobs, often boring and disgusting, in order to preserve the results of their former work.

For such a person, the feeling of his own necessity in his job, the personal responsibility for the health of patients, or for the minds of pupils, works a powerful anti-entropic impetus, enabling a person, even in a most physically worn-out condition, to pull together and feel much younger and stronger. As long as an older, devoted physician or teacher still has a job, and, therefore, some possibility for serving the good, his spirit and body remain integrated. Sometimes you can witness a miraculous transformation of a person, emerging from inside and shining through his eyes.

One person of this type is often sufficient to keep a whole laboratory, workshop, clinic or school alive, attracting honest colleagues to himself and his cause by his personal example. And more and more often, when such a person passes on, a whole unit of scientific, educational, or social work falls apart. The vacuum is filled by petty younger persons, faceless lazybones or energetic swindlers, who sooner or later destroy what had been left by the predecessor and his generation.

Will Russian eye surgery survive after Svyatoslav Fyodorov? Does the Russian cinema for children exist after Rolan Bykov? Can Russian historical science recuperate after the deaths of Lev Gumilyov and Igor Dyakonov? What

is the St. Petersburg theater after Georgi Tovstonogov and Igor Vladimirov? Who can replace Yevgeni Mravinsky in Classical music, and Mikhail Anikushin in sculpture? Are there still figures of the scale of Yevgeni Yukhnin in ship-building technology? Are there really prominent figures in the St. Petersburg school of psychiatry after Dmitri Ozeretskovsky, Fyodor Sluchevsky, and Boris Lebedev? The teachers are leaving bleak shadows behind them, and that is the best case. More often than not, the careless heirs are capable sooner of distorting and falsifying the original thought of the founding father of their institution or the fundamentals of his contribution in art or science.

In economic management, where the "liberal reforms" have ousted the most capable figures, the picture is even more disastrous. Some of the experienced and highly moral and responsible figures were dismissed on ideological pretexts, others passed on from suicide or homicide. The degeneration of St. Petersburg, from a major industrial center to a capital of tourism and services, with the foreign-owned Baltika Brewery as the champion in production and incomes, is the result of an intentional extinction of top management cadres: the discharge of Baltic Shipyard's General Director Viktor Shershnyov, the murder of the St. Petersburg Fuel Company's Dmitri Filippov, the death of the Northern Machine-Building Plant's General Director German Gardymov, the unlawful incarceration of Baltic Shipping Company President Viktor Kharchenko. There are no appropriate figures to replace them. The new generation of managers cannot protect themselves and each other from the vicious epidemic of criminal violence, which is already carrying away the lives of the few skillful younger managers. There is a vacuum, left by the exhaustion of what had been the salt of Russia's earth.

A Vicious Circle

The first months of the new leadership of Russia made clear that the energy of youth cannot compensate for lack of education, experience, and morality. The new leaders will fail to live up to their capability, unless they make an emergency effort to save the remaining part of the older generation of specialists, before the merciless conditions of everyday survival eliminate them, one after another.

There is no more time left to wait, before addressing the problem of human exhaustion, than there is for the revival of exhausted industry.

The collapse of the physical economy, causing the deterioration of budget revenues; the wear on industrial facilities, resulting in accidents; the collapse of morality and responsibility in law enforcement bodies, making them an accessory of organized crime; the collapse of quality in public services, multiplying the challenges for physical survival—all this, taken together, disrupts the tissue of society and separates the surviving islands of thought and decent creativity from each other. It is a vicious circle, which revolves like Kafka's peni-

tentiary machine in the desert of public medical and social care, leaving the most precious and unique personalities, still surviving and still fighting for the survival of their institutions and their families, completely unprotected from any kind of emergency, whether it might come from a car driven by a drunk “new Russian,” from an incompetent surgeon, from an unscrupulous business partner, from a corrupt policeman, or from a careless paparazzo.

Sometimes, so little is needed to keep them safe: an audience of interested students; a good old movie on TV, at least once a week to provide an island of optimism and spiritual health in the ocean of hard porno, soft soap operas, and killer thrillers; a bus not packed like a can of fish; a suburban train which arrives on time; a doctor who is attentive enough to concentrate on his patient’s condition, despite his own hurry to get to a second job. . . .

“The greatest danger is far from the most evident,” it was sadly put by the author of *Kommersant*’s report on industrial attrition. How many years of Darwinist selection of the national human potential must pass, before the issue of human exhaustion, and primarily the exhaustion of the intellectual force, is raised on the level of state policy?

Sunstroke

My grandfather died in the hot and weary summer of 1954, which was later called “the year of the academicians”; one summer wiped out a whole galaxy of outstanding scientific minds. Popular explanations of this wave of deaths pointed to peculiarities of the calendar or the weather, but there was apparently a more significant underlying factor. When years of constant psychological tension, with a brother-in-law in exile and a lot of friends jailed, suddenly ceased, in what was later called the thaw, this weakened the threads that had been keeping the body and spirit on high alert, and provided an entryway for the vicious rot of entropy. Sunshine, hitting the separating seams, broke his heart, which he did not suspect was exhausted.

The implicit belief that the year 2000 was a kind of boundary which, in some miraculous way, would put an end to the disaster, along with a simple superstition associated with the turn of the millennium as a finish line in a sports race, after which one might, finally, have a little rest, was very common among the older generation of intellectual Russians, for whom 1991 marked the beginning of the new, ruthless era, in which knowledge was neglected, morals undermined, and human life, especially of an aged or disabled person, depreciated.

This year has carried away Professors Boris Zanegin and Elmer Murtazin, two of the most decent specialists in foreign relations, the founders of Russia’s Anti-Colonial League. One more of the League’s founders, Nikolai Korolyov, died last summer.

“I am so tired of burying all of you . . .”

On the night of July 17-18, Russia and mankind lost

Prof. Taras V. Muranivsky, the President of the Schiller Institute for Science and Culture in Moscow. A day later, Prof. Sergei B. Lavrov, President of the Russian Geographic Society, followed him to the Heavens. Both men had taken little care of their hearts, and disliked visiting doctors, and never had a physician on hand to monitor their health.

Late that night in the Schiller Institute’s Moscow office, I woke up, hearing somebody turning the key, walking along the lobby, coughing and opening doors. “Taras Vasilyevich?” I called out, forgetting in my sleep that he had been taken to the hospital. It was silent, still, and terribly hot.

I have never believed in anything mystical, and so I am just sure of the fact that before leaving this world, the soul of Taras entered the place of his creative work, which had become his cause and had been keeping his body and spirit alive and committed throughout these disastrous years in Russia, despite exhaustion, and against the entropy of despair. And I am still feeling giddy from this stroke of discovery, of this tragic and powerful evidence of the other world, where the heavenly Russia gathers its best sons, leaving the results of their labor for those who may once get up from their knees to raise the dropped banner of national and public dignity.

GENOCIDE RUSSIA AND THE NEW WORLD ORDER



Russia in the 1990s: “The rate of annual population loss has been more than double the rate of loss during the period of Stalinist repression and mass famine in the first half of the 1930s . . . There has been nothing like this in the thousand-year history of Russia.”

—Sergei Glazyev

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Economist Dr. Sergei Glazyev was Minister of Foreign Economic Relations in Boris Yeltsin’s first cabinet, and was the only member of the government to resign in protest of the abolition of Parliament in 1993.

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'Lucky Country' Torn into Two Nations

Behind the "new economy" facade of unprecedented prosperity, lies growing poverty and despair.

Australia, once known as the "Lucky Country" for its high standard of living, is now being torn apart socially by a soaring income gap, which is afflicting the majority of the population with rising poverty levels, increased homelessness, long-term unemployment, and a skyrocketing suicide rate.

On June 25, the Organization for Economic Cooperation and Development (OECD) hailed Australia's economy as one of the top six performers for the past decade, in a class with the United States. *The Australian* newspaper, in a special "study," chipped in to claim that, since 1983, Australia's living standard has risen by 50%; that the number of "salary-earning rich" has doubled; and that the top 10% of these have enjoyed a \$200 *per week* salary increase since 1983.

However, every gain in wealth for the wealthiest minority has come at the expense of the majority, as indicated by the following statistics: While the top 20% receive 48% of the gross weekly income, the lowest 20% receive just 3.8%; while the number of salary-earning rich has doubled, so has the number of wage-earning poor; 700,000 or 14.2% of Australian children were classified as living in poverty in 1997-98, up 12.5% from 600,000 in 1995-96; the welfare agency St. Vincent De Paul in Adelaide reported an 18% increase in the demand for welfare assistance this year over last, as have other welfare agencies Australia-wide. The country's 1.7 million pensioners, 599,000 disabled pensioners, and 397,000 single parents have seen their pensions or welfare payments fall far

behind the rate of inflation over the past four years. A "silent epidemic" of dental disease has struck low-income earners thanks to government budget cuts, to the point where dental health has become indicative of the wealth divide, with low-income workers half as likely as better-off Australians to have natural teeth. And, most tragically, 50 Australians now commit suicide each week, 80% of them male, and the suicide rate for men aged 20-39 has soared by 70% in the past 20 years.

On June 26, an alarmed Australian Council of Trade Unions (ACTU) committed Australia's union movement to halting the spread of the wealth divide. "There is a widening income gap between rich and poor, between regions and between social groups," ACTU Secretary Greg Combet said. Australian Labor Party (ALP) Opposition leader Kim Beazley picked up the theme: "Under [Prime Minister] Howard, the rich are getting richer, the poor are getting poorer, and the middle is getting squeezed. . . . We are seeing the growth of two Australias," he charged in a televised address on July 4.

However, Beazley and the ALP are utter hypocrites, for two reasons: First, they have committed their party to shift Australia into the "new economy" of information and communication industries, away from its traditional strength in primary and secondary industries. One of these "new economy" (or "knowledge economy" as the ALP prefers to style it) policies, is the promotion of stock ownership among Australians, the current rate of which is already the highest in the

world. This is setting ordinary citizens up for ruin, when the speculative stock market bubble melts down.

Secondly, Beazley and the ALP are the major architects of the "two Australias," because it was the Hawke/Keating Labor governments of 1983-96, of which Beazley was a senior member, whose free trade, deregulation, and privatization policies, blew out the current account deficit and national debt; dismantled the bulk of the country's manufacturing industries, particularly in textiles, clothing and footwear, and machine tools, through tariff cuts; and shrank the real wages of working people, while unemployment hit record official levels of 11.2%.

Beazley's hypocrisy is most evident in his and the ALP's continued commitment to free trade, which has provoked outrage in the party's trade union constituency. Beazley's old boss, former ALP Prime Minister Paul Keating, further angered unions on July 21 by claiming that people "are not seeing their jobs disappear. They are seeing a new job appear." Julius Rowe, the president of the Australian Manufacturing Workers Union (AMWU), whose industry has lost 60,000 jobs in the past two years, blasted Keating's claims as "nonsense." "The reality is that most people who lose their jobs in manufacturing end up either unemployed or in low-skilled, low-paid casual jobs such as making hamburgers," he said.

Instead of heeding their own constituency, Beazley and the ALP have stuck with Keating's free-trade policy. "We can't go backwards," Beazley told the ALP's Federal Council in Hobart on Aug. 1, speaking against an AMWU resolution to replace free trade with "fair" trade. However, even sections of his own party are disgusted with free trade, and the resolution was only narrowly defeated, 105 votes to 82.

Business Briefs

Corporate

U.S. Firms Are Cutting Worker Pension Benefits

An increasing number of U.S. firms, including IBM, Kmart, Lucent, Ameritech, Dow Chemical, Duke Energy, and Motorola, are slashing employee pension benefit accounts, some by up to 50%, the July 17 *Wall Street Journal* reported. Often, the worker is only dimly aware of the change, because the company sends out an announcement in language which is deliberately deceptive.

Many companies are adjusting the formula upon which a pension is based. David Finlay, an engineer who works for IBM, for example, said that he will retire in ten years with an annual pension of \$57,700, as opposed to the \$71,200 he would have earned before IBM "revised" its retirement plan in 1995.

Companies are using the pension money to boost profits. For example, in 1996, Kmart froze its pension plan, and it became "overfunded" by \$63 million, which it added to its bottom line in 1998. Companies are allowed to apply any amount of their overfunding of their pension plan, to their earnings.

Energy

Russia To Double Use of Nuclear

In May, the Russian government approved a massive 30-year nuclear-energy program, Russia's Minister for Nuclear Energy Yevgeni Adamov confirmed in an interview with the German radio station Deutschlandfunk on July 24. During the first five years, the effort will focus on a complete overhaul of existing power plants, and then Russia will build 30 new nuclear power plants of different types. Adamov said that Russia is ready to cooperate with Western producers such as Siemens and Framatome.

Adamov said that because of the Social Democratic-Green coalition in Germany and the sentiment against building nuclear plants in the West, exporting electricity to the West, in particular to Germany, could be

an option to help finance the program. Russia is also negotiating with several European and Asian nations, including Germany, Switzerland, Spain, South Korea, and Taiwan, to build a nuclear-waste depository in Russia that would be open for nuclear waste from abroad. Adamov said that Russia is doing in 30 years what France had done in 20, that is, to increase the share of nuclear power in overall power production from 14% to 33%.

Die Welt commented that this is "the most ambitious and extended nuclear program" that Russia has ever undertaken. In addition to the construction of large, traditional nuclear plants, Russia is also working on new types of power plants. When Vladimir Putin was in China on July 17-19, he signed an agreement for the joint development of a 60 megawatt nuclear reactor based on fast neutrons. Also, Russia has just completed its first floating nuclear plant, which could be shipped to the Arctic regions.

Oil

Speculators Driving Up Prices, Says OPEC

Members of the Organization of Petroleum Exporting Countries are increasingly focusing on speculators as the cause of volatility in oil prices. In mid-July, Libyan Secretary of the National Oil Corp. Abdalla Salem El-Badri and Venezuelan Energy and Mines Minister Ali Rodríguez Araque charged that "continuous daily speculation in the futures market is the cause of the current volatility in the international oil market," in a press release issued following their meeting in Tripoli, according to OPEC's news agency OPECNA. They said that "the hike in oil prices was not the result of market fundamentals."

In the final statement coming out of their meeting in Vienna on June 21, OPEC members stated that "the conference stressed that the current high level of crude prices was not due solely to market fundamentals, crude oil stock levels remaining adequate, but was also the consequence of market speculation, whilst higher product prices were, in part, the result of new environmental regulations

applicable in the U.S.A., where the legislative introduction of reformulated gasoline has resulted in supply bottlenecks for consumers."

Meanwhile, a Reuters wire printed in the Arabic press, cites OPEC officials expressing concern that "derivatives traders" might be playing a major role in price fluctuations. These sources say that speculators are manipulating the new OPEC mechanism, whereby OPEC members increase their output when the prices exceed the \$30 per barrel limit and reduce the output when the prices go below a specified limit.

Philippines

'It's the IMF-World Bank, Stupid!' Says Journalist

Journalist Herman Tiu Laurel incisively located the major reason why the Philippines economy is dying: "It's the International Monetary Fund-World Bank, Stupid!" he writes in the July 28 *Manila Times*. The assessment came as Philippines President Joseph Estrada, in his July 24 State of the Nation address, warned of a "new Asian currency contagion," but called for a "radical restructuring" of the economy "to put the country squarely on the path of the information superhighway," and other free-market reforms.

Former Philippines President Diosdado Macapagal's "acquiescence to the IMF's 'structural program' in 1962" started the problem, Laurel writes. Every President since, has significantly increased the country's foreign debt, which "is the single most loathsome legacy from all past Presidents and continued by Estrada, on the Filipino people."

Laurel insists, "No future national leader can escape this debilitating burden, unless one comes along ready to take it by the horns and wrestle it down with currency, capital, and import controls." In sharp contrast to Estrada's lament that the "sunset industries" are the nation's burden, Laurel writes, "The other legacy weighing down the Filipino [people] is the 'de-industrialization' as a result of 'decontrol' or 'liberalization,' i.e., the gradual and progressive obliteration of our

capacity for domestic manufacture.” This fact, he argues, “because of the value-added capacity of manufacturing to enhance the economy,” has turned the country back into “an exporter of raw materials or reprocessor of processed imported raw materials. The incipient industrialization in the 1950s is now only a memory.”

Laurel concludes, “If all of [the impotent naysayers] would learn to shut up and stop blaming each other and just agree on pointing at the real culprit, then they’d cease being the wimps that they are. . . . It’s the IMF-WB, stupid! The exploitative financial global system the Anglo-Americans have imposed. Only countries [whose leaders] have addressed this root cause, such as [Malaysian Prime Minister] Mahathir, have escaped its ravages. We have yet to see any Filipino leader come up to the standard of Mahathir.”

Central Asia

Russia Offers Proposals on Caspian Sea Disputes

Russia is suggesting that the countries that ring the Caspian Sea (Russia, Kazakstan, Turkmenistan, Azerbaijan, and Iran) set up a permanent five-party committee to solve the problems relating to the condition and use of the Caspian Sea. The offer was made during the recent visit of Russia’s Deputy Foreign Minister and Presidential envoy for Caspian Sea status issues, Viktor Kalyuzhny, to Kazakstan, Azerbaijan, and Turkmenistan.

On July 28, the Paris daily *Le Monde* commented that Russia “is trying once again to reestablish its dominant role in Central Asia,” and is beginning to gain the upper hand in the “oil and geostrategic ‘Great Game’ with the United States, for control of the energy resources of the Caspian Sea.”

Vincent Fourniau, director of the French Institute for Central Asian Studies in Tashkent, Uzbekistan, is quoted: “It seems that the United States has, for the moment, lost the game for control over the gas and oil of the Caspian.” Russia recently signed an agreement with Kazakstan for quota increases for export of Kazak oil through its pipelines, which is seen as a blow to the U.S.-

backed Baku-Ceyhan pipeline. In June, Royal Dutch Shell and its American collaborators pulled out of the Trans-Caspian natural gas pipeline, for transporting natural gas from Turkmenistan to Turkey via Azerbaijan. Turkmenistan had announced in May that it would double deliveries of gas to Russia.

Space

Zvezda Docking Moves Space Station Forward

The successful docking of the Russian Service Module Zvezda with the International Space Station (ISS) on July 25, doubled the mass of the station, and now clears the way for missions to outfit the facility and send the first long-duration expedition crew. Zvezda will provide initial living quarters for expedition crews, electric power, propulsion to keep the station in a proper orbit, docking ports, and communications, navigation, and control capabilities.

On Aug. 6, Russia will launch an unmanned Progress vehicle to deliver fuel and supplies to the station. Progress will dock automatically, and will await the arrival of a Shuttle crew, which includes two cosmonauts, who will launch on Sept. 8. That crew will unload the supplies from Progress and equipment from the Shuttle, and check out all of the systems on the newly expanded station.

About a month later, another Shuttle mission will deliver a metal framework, or truss, to the station, which will be used to support large solar arrays to supply additional power to the ISS. The first expedition crew will launch on a Russian Soyuz vehicle about the end of October, with the plan to spend four months on the orbiting facility. By early next year, the U.S. Destiny module, which will be the first dedicated science laboratory, will be launched to the ISS, and an ambitious scientific research program will begin.

At a briefing at the Kennedy Space Center in Florida, scientists outlined the research in tissue culturing, growing plants in space, materials processing in microgravity, as well as Earth science, that will be carried out on the station.

IRAN is scheduled to sign a contract with a foreign firm to develop the fourth and fifth stages of South Pars Gas-Field soon, the Oil Ministry announced on July 23. The Iranian News Agency commented that Italy’s ENI is the firm. The Arabic daily *Al-Hayat* reported that the contract is worth \$4.3 billion, the biggest to be awarded to a Western firm since the Iranian Revolution in 1979.

KENYAN Manufactures Association chairman K.S. Bedi called for nuclear power to ensure a sufficient electricity supply for industry. “South Africa has 14 nuclear power generating plants, which produce 19,000 megawatts, while we are struggling to get 800 megawatts,” he said. Kenyan industrialists cannot compete, because the cost of power is too high. “We are buying a unit of electricity for 10¢, while manufacturers in Egypt are paying only 2.5¢.”

K-MART announced in July that it plans to lay off 5,000 workers and close 72 stores. The U.S. chain, which put many independent local shopkeepers around the country out of business, is itself being driven into trouble by the Wal-Mart chain.

IRRADIATED hamburger patties went on sale two months ago in Minnesota and sales have spread to 1,000 supermarkets in several states, despite anti-nuclear protests. Sales are surpassing expectations of retailers and producers, the *Minneapolis Star Tribune* reported on July 29. Irradiation eliminates 99.9% of food-borne pathogens, including salmonella and *E. coli*.

THE LONDON *Economist* says: Shut down U.S. dams. A heated fight is occurring in the United States over the future of its more than 2 million dams, of which 5,500 are at least 50 feet high. Since 1999, two dozen dams have been destroyed, and another 18 are scheduled to be torn down this year. Four major dams have been targeted on the Snake River. Says the *Economist*, “It seems obvious that the dams should go.”

Millions Died Because LaRouche's Warnings on AIDS Were Ignored

by Jeffrey Steinberg

In 1974, and again, on a far grander scale, in 1983-86, Lyndon LaRouche launched a worldwide campaign to defeat the evolving global biological holocaust, brought on by the willful policies of such oligarchical institutions as the International Monetary Fund (IMF), the World Bank, the Club of Rome, the World Wildlife Fund, and sub-agencies of the United Nations Organization, including the World Health Organization (WHO) in Geneva.

On both occasions, LaRouche's warnings were not only ignored by much of the public-health community, world leaders, and the scientific establishments on both sides of the Iron Curtain. But also, LaRouche was targeted, slandered, vilified, and, ultimately, thrown in jail, by agents and assets of that Anglo-Dutch-American oligarchy, after attempts to assassinate him and destroy his political movement failed.

As the direct consequence of those attacks against LaRouche, tens of millions of people have died unnecessarily, through the spread of pandemic diseases, geopolitical wars, and famine, that could all have been prevented, had LaRouche's warnings been heeded and his policy solutions adopted.

Now, nearly a quarter-century after LaRouche first issued the clarion call warning of a biological holocaust, world leaders, public-health professionals, and even in some cases the media, are waking up to the horrors that they have allowed to transpire, and are now panicked that they may have waited too long to act. As a result, billions of human beings may be condemned needlessly to early death, unless, even at this late date, LaRouche's solutions are rapidly implemented.

First among the four horsemen of the present-day Apocalypse is HIV/AIDS. At the July 9-14 Thirteenth International AIDS Conference in Durban, South Africa, it was estimated that there are now 40 million people infected with the HIV virus worldwide, and the number is growing at such a rapid rate in Africa, Asia, Russia, and even in so-called "advanced sector" countries like the United States, that Sandra Thurman, director of the White House Office of National AIDS Policy, recently declared: "We are at the beginning of a pandemic, not the middle, not the end. We certainly know that before we're able to stop this pandemic, we'll have hundreds of millions of people infected and dead, and that's the best-case scenario."

James Sherry, director of program development for UNAIDS (the Joint United Nations Program on HIV/AIDS), was even more blunt, in a July 5 interview with the *Washington Post's* Barton Gellman: "I can't think of the coming of any event which was more heralded to less effect. It still hasn't changed. It hasn't changed. In terms of real redeployment of resources, it hasn't changed. The bottom line is, the people who are dying from AIDS don't matter in this world."

What Was LaRouche's 'Crime'?

On Labor Day 1974, LaRouche issued a memorandum, directing a team of his colleagues to produce a study, forecasting the consequences of a revival of "zero-growth" policies by the IMF, the World Bank, and, in the infamous *Limits to Growth* study of the Massachusetts Institute of Technology's Forrester and Meadows, issued by the Club of Rome. LaRouche identified these policies as a revival of the eco-



A demonstration against LaRouche's Proposition 64 in San Francisco, June 29, 1986. The ballot initiative called for the use of traditional public health measures to prevent the spread of AIDS. If LaRouche had been heeded then, millions of lives would have been spared worldwide.

conomic policies of Adolf Hitler's Economics Minister Hjalmar Horace Greeley Schacht, the "liberal" architect of the Nazi slave-labor genocide policies, who was backed by the British-led financier oligarchy. LaRouche warned that the revival of Schachtian economics on a global scale, first targeting the darker-skinned races of the developing world, would have murderous consequences far beyond anything that Hitler ever imagined.

Preliminary findings, based on LaRouche's specified method of investigation, were presented at the founding conference of the Fusion Energy Foundation on Nov. 23, 1974, and a more detailed report was released on Dec. 28, 1974 at an international conference in New York City.

The study warned that, by the early 1980s, unless there was a change in global policy away from the dogmas of "zero growth," the world would be facing the first wave of a global "ecological holocaust," characterized by growing famine in parts of the planet, and the emergence of new forms of virulent disease, as well as recurrences of such known diseases as cholera, bubonic plague, and malaria, in new drug-resistant strains, that would overwhelm the human immunological system. That study warned that, by the end of the 1980s, nearly a billion people could potentially die, with a large percentage of those deaths in Sub-Saharan Africa, and with pandemic disease being one of the principal sources of the genocide.

Back in 1974, no one had ever heard of HIV-AIDS. But, LaRouche and his colleagues understood that, if the genocidal policies of people such as Prince Philip, Maurice Strong,

Henry Kissinger, and the late Lord Bertrand Russell were allowed to prevail, new forms of disease would evolve, and, eventually, no one would be immune from a new Black Death, more horrific than the plague of the fourteenth century.

Russell and Kissinger

In his 1951 book, *The Impact of Science on Society*, the evil Bertrand Russell had written: "At present the population of the world is increasing at about 58,000 per diem. War, so far, has had no very great effect on this increase, which continued throughout each of the world wars, . . . but perhaps bacteriological war may prove effective. If a Black Death could spread throughout the world once in every generation, survivors could procreate freely without making the world too full. The state of affairs might be unpleasant, but what of it?"

Russell's ideas were promulgated inside the U.S. National Security establishment by Kissinger, parallel to LaRouche's efforts to expose the consequences of "zero growth."

On April 24, 1974, Kissinger, who was serving then as both National Security Adviser and Secretary of State for President Gerald Ford, issued a directive mandating a study on the impact of population policy on U.S. national security interests abroad, focussing on "the trade problems the U.S. may face arising from competition for resources," and "the likelihood that population growth or imbalances will produce disruptive foreign policies and international instability." Kissinger mandated that the study take up "economic and



Henry Kissinger's National Security Study Memorandum 200 defined Third World population growth as a "national security threat" to the United States.

political implications of population growth, rather than its ecological . . . aspects."

The study that Kissinger commissioned was completed on Dec. 10, 1974, but it was not declassified until late 1989. National Security Study Memorandum 200 (NSSM-200) stated, "The political consequences of current population factors in the LDCs [lesser developed countries] . . . are damaging to the internal stability and international relations of countries in whose advancement the U.S. is interested, thus creating political or even national security problems for the U.S." The study bluntly targetted the developing sector for population reduction: "Clearly development *per se* is a powerful determinant of fertility. However, since it is unlikely that most LDCs will develop sufficiently during the next 25-30 years, it is crucial to identify those sectors that most directly and powerfully affect fertility." "World population growth," the Kissinger study proclaimed, "is widely recognized within the government as a current danger of the highest magnitude, calling for urgent measures."

Ironically, even the United States was not exempted from the population reduction quotas, detailed in the NSSM-200 study. Kissinger advocated a one-child-per-household policy for the U.S.A., in order to achieve, by the end of the century, "zero population growth" in America.

PANIC Is Appropriate

By the mid-1980s, AIDS was on the minds of billions of people, on every continent, as the first tens of thousands of

horrible deaths were recorded, and the rate of spread of the infection was taking on epidemic proportions. On Oct. 25, 1985, colleagues of LaRouche held a press conference in California, launching of the Prevent AIDS Now Initiative Committee (PANIC). PANIC would launch a petition drive to place a referendum on the California ballot in November 1986, mandating that AIDS be treated as a communicable disease (see box). The referendum, Proposition 64, would have treated AIDS like other infectious and contagious diseases, while providing optimal treatment for those already infected. These standard public-health measures had been used effectively in the past, to halt the spread of tuberculosis and many other contagious diseases.

The initiative followed a statement by LaRouche on Sept. 15, 1985, in which he admonished, "Spread panic, not AIDS," and warned that panic is "entirely justified. AIDS is the most deadly global pandemic since the bubonic plague." He proposed that a mass screening program, a worldwide economic recovery, and a crash research program were all urgently needed to halt the AIDS spread.

On Oct. 5, 1985, LaRouche announced his decision to seek the Democratic Party Presidential nomination in 1988, in large measure because of his anger over "the continued cover-up of the rapid spread of AIDS," a disease he described as "potentially more deadly than a full-scale thermonuclear war." Striking a note of cultural optimism in the face of the AIDS cataclysm, LaRouche forecast that the "explosion of rage over government cover-up of the risk of AIDS, to all sections of the population will probably trigger an explosion of traditional American moral and pro-scientific values."

The launching of the PANIC initiative also came in the context of two other stunning developments on the AIDS front, one of which was featured prominently in *EIR*.

In October 1985, *EIR* revealed that doctors and workers at the Centers for Disease Control (CDC) in Atlanta, Georgia had concluded, based on a study of the AIDS outbreak in Belle Glade, Florida, a poor southern Florida community of migrant workers, that "poor sanitation [and] economic squalor are significant co-factors for generating deadly new pandemics." Dr. Mark Whiteside developed strong evidence that AIDS was being spread by mosquitos, under the conditions of poverty and squalor which were widespread in Belle Glade.

On Nov. 25, 1985, Gus Sermos, the CDC public-health adviser for Florida, was relieved of his post for "overzealous" reporting of the AIDS crisis. In January 1986, Sermos told *EIR* that he had specifically been fired to make sure that the Belle Glade evidence was "covered up or shuttled aside."

The Sermos firing was a metaphor for a far more vast effort by public-health officials—at the CDC, the WHO, and elsewhere—to suppress evidence of the true nature of the AIDS catastrophe, and to avoid the costly effort that would be mandated, were the public made truly aware of the reality. Thus, the public-health establishment, with a few exceptions,

joined with the Anglo-Dutch oligarchy in willfully committing genocide. LaRouche, at the time, warned that bureaucrats at the IMF, the World Bank, the CDC, etc., were sentencing millions of people to an early death with the flick of a pen.

Heterosexual Transmission

The second dramatic development occurred in Africa. The *Washington Post* belatedly admitted, on July 5, 2000, that a team of AIDS researchers, led by 37-year-old American doctor Jonathan Mann, had spent 1984-86 in Zaire, tracking the spreading circle of HIV infection. According to Robert W. Ryder, who took over the project from Mann, the 1984-86 work proved, conclusively, that AIDS was not a “homosexual disease,” but that large numbers of heterosexuals had contracted the disease as well. As the *Post* noted, “With heterosexual transmission established, AIDS might go anywhere.” Yet, “early in 1986, the World Health Organization in Geneva still regarded AIDS as an ailment of the promiscuous few. Halfdan Mahler, the organization’s Danish-born director general, enraged [Dr. Peter] Piot with a casual suggestion in one

early meeting that other diseases were far more important than AIDS.”

Mann warned that the finding of heterosexual transmission had “transcendental importance.” The *Post* reported, “AIDS was not merely another infectious disease, Mann argued. It seemed to flourish in — and reinforce — conditions of poverty, oppression, urban migration, and social violence. It therefore could not be solved as a biomedical problem. . . . In an interview with filmmaker Robert Bilheimer before Mann’s Sept. 3, 1998 death in the crash of SwissAir 111, Mann said discrimination ‘isn’t just an effect, it’s actually a root cause of the epidemic itself.’ ”

Mann’s remarks should recall to readers the statement of Bertrand Russell, and similar statements by Britain’s Prince Philip, who, at the height of the AIDS panic, according to the German Press Agency on Aug. 8, 1988, said: “In the event that I am reincarnated, I would like to return as a deadly virus, in order to contribute something to solve overpopulation.”

Given the full-court press by the genocide lobby to accelerate the spread of HIV as an explicit population reduction

California’s Proposition 64

The following is the full text of the 1986 California ballot initiative, Proposition 64, submitted to the voters by the Prevent AIDS Now Initiative Committee (PANIC). The initiative was defeated, thanks to an enormous propaganda campaign by opponents of LaRouche, who was the initiator of the referendum.

Section 1

The purpose of this Act is to:

A. Enforce and confirm the declaration of the California Legislature set forth in Health and Safety Code Section 195 that acquired immune deficiency syndrome (AIDS) is serious and life threatening to men and women from all segments of society, that AIDS is usually lethal and that it is caused by an infectious agent with a high concentration of cases in California;

B. Protect victims of acquired immune deficiency syndrome (AIDS), members of their families and local communities, and the public health at large; and

C. Utilize the existing structure of the State Department of Health Services and local health officers and the statutes and regulations under which they serve to preserve

the public health from acquired immune deficiency syndrome (AIDS).

Section 2

Acquired immune deficiency syndrome (AIDS) is an infectious, contagious and communicable disease and the condition of being a carrier of the HTLV-III virus is an infectious, contagious and communicable condition and both shall be placed and maintained by the director of the Department of Health Services on the list of reportable diseases and conditions mandated by Health and Safety Code Section 3123, and both shall be included within the provisions of Division 4 of such code and the rules and regulations set forth in Administrative Code Title 17, Part 1, Chapter 4, Subchapter 1, and all personnel of the Department of Health Services and all health officers shall fulfill all of the duties and obligations specified in each and all of the sections of said statutory division and administrative code subchapter in a manner consistent with the intent of this Act, as shall all other persons identified in said provisions.

Section 3

In the event that any section, subsection or portion thereof of this Act is deemed unconstitutional by a proper court of law, then that section, subsection and portions thereof shall be stricken from the Act and all other sections, subsections and portions thereof shall remain in force, alterable only by the people, according to process.



World Health Organization Director Dr. Jonathan Mann (center) at the Third International AIDS Conference, 1987. Mann was one of those principally responsible for blocking effective action against AIDS at that time.

policy, it was no surprise that when PANIC organizers submitted 690,000 signatures of California voters to put the PANIC initiative on the ballot, on May 22, 1986, all hell broke loose.

On June 25, 1986, California authorities officially placed the PANIC initiative on the November 1986 ballot, as Proposition 64.

In a Sept. 10, 1986 introduction to a National Democratic Policy Committee pamphlet promoting Proposition 64, LaRouche reviewed the evidence that AIDS is not exclusively transmitted via homosexual sex or intravenous drug use, warning, “All of this evidence is known to every responsible medical official and public-health agency. Therefore, those who say there is very little danger from ‘casual contact’ are liars. They are guilty of one of the most evil cover-ups in medical history.” Refuting the claim that adequate medical care for AIDS victims is “not cost-effective,” LaRouche wrote, “Americans today are spending more on illegal drugs than the Pentagon is spending for national defense; with a small part of what Americans are now spending on drugs or rock music, we could fund the medical care and research needed to conquer AIDS.”

Instead, the Hollywood mafia, led by Elizabeth Taylor and Patty Duke, launched a campaign against LaRouche and Proposition 64, spending more than \$5 million over several months to defeat the referendum — which indeed was defeated by a margin of nearly two to one. In the pages that follow, you will find a “who’s who” of who was behind that campaign to destroy LaRouche, and make the world “safe” for the out-

of-control spread of AIDS—just as Bertrand Russell and Kissinger demanded.

Anglo-Dutch Preach Genocide for Africa

To focus exclusively on the role of the polymorphous-perverse crowd in Hollywood in defending AIDS as a “human right,” would be a grave error. Lest there be any doubt that the spreading of HIV was a conscious policy of factions of the financier oligarchy, just consider the recent admissions of Peter Schwartz, former head of scenario planning at Royal Dutch/Shell Group, who later founded the Global Business Network.

In a July 13, 2000 conversation with *EIR* economist Richard Freeman, during a New York Council on Foreign Relations conference on Global Financial Vulnerabilities, Schwartz boasted that, in 1986, he “did a study on [AIDS] for AT&T, Royal Dutch Shell, and Volvo. We concluded that people who have AIDS in Africa should not be kept alive; they spread the disease. It is better they should die quickly.”

The fact that Shell, the crown jewel of the Anglo-Dutch financial oligarchy, had commissioned Schwartz to conduct such a study of the AIDS epidemic in Africa, and preach early death as the solution, *at precisely the moment that LaRouche was making a strategic intervention to force governments to adopt a sane policy to defeat the pandemic*, proves, again, that the battle against AIDS is not a fight against nature, but a fight against the oligarchy!

John H. Loudon, Schwartz’s boss at the Anglo-Dutch oil conglomerate for many years (although he was no longer

CEO of Royal Dutch/Shell Group at the time), was Prince Bernhard's handpicked successor to serve as president of the genocide-preaching World Wide Fund for Nature, and a charter member of Prince Philip's 1001 Club, the piggybank for most of the "deep ecology" and eco-terrorist organizations operating in the world today.

In July 1997, Schwartz and Peter Leyden co-authored a widely circulated article for *Wired* magazine, the semi-official house organ of the Global Business Network, promoting the preposterous idea of "The Long Boom: A History of the Future, 1980-2020." The article boasted, "We're facing 25 years of prosperity, freedom, and a better environment for the whole world. You got a problem with that?"

While arguing that the so-called "New Economy" could produce infinite inflation-free growth, through the application of Information Technology, Schwartz projected a far-less rosy picture for Africa:

"An even more disturbing crisis hits Africa. While some parts of the continent, such as greater South Africa, are doing fine, central Africa devolves into a swirl of brutal ethnic conflict, desperate poverty, widespread famine, and disease. In 2015 the introduction of biological weapons in an ethnic conflict, combined with the outbreak of a terrifying new natural disease, brings the death count to unimagined levels: an estimated 5 million people die in the space of six months—this on top of a cumulative death toll of roughly 100 million who perished prematurely over the previous two decades."

Even today, faced with the reality of the AIDS pandemic wiping out much of the population of Sub-Saharan Africa, and driving life expectancies in some countries below 30 years of age, Schwartz still dismisses the idea of applying standard testing and quarantine public-health measures as "concentration camps."

The Fight in Washington

High-level sources in the U.S. national security establishment have confirmed that, paralleling the brawl over Proposition 64, the LaRouche intervention around the AIDS pandemic had also triggered a ferocious behind-the-scenes battle within U.S. intelligence agencies and at the White House.

According to a July 5, 2000 front-page story in the *Washington Post* headlined "World Shunned Signs of the Coming Plague," in 1987, CIA national intelligence officers-at-large Katherine J. Hall and Walter L. Barrows had petitioned their bosses for permission to prepare an estimate on the national security consequences of the AIDS crisis worldwide. It took the pair three years to get permission to conduct the study, and, when they finally produced their "Interagency Intelligence Memorandum 91-10005" the next year, which forecast 45 million cases of HIV infection by 2000, there was scarcely a whimper in reply. The study's principal author, Kenneth Brown, described the reaction as "indifference—that's the right word."

Worse, some high-ranking national security policymakers, obviously aware of Kissinger's NSSM-200 dogmas, hailed the advent of AIDS. Brown told the *Post* about one unnamed military colleague at the National Intelligence Council: "His penetrating analysis was, 'Oh, it will be good, because Africa is overpopulated anyway.'" The *Post* continued, "Still others, Brown recalled, discounted the likelihood of damage to allied militaries. If officers began dying of the disease, they said, 'That boosts morale, because there's more room for advancement.'"

Such behind-closed-doors warfare sabotaged any effective global campaign against AIDS at the World Bank and the WHO. Former Norwegian Prime Minister Gro Harlem Brundtland, who became WHO director general in 1998, has placed tobacco and tuberculosis at the top of her list of priorities, virtually ignoring the AIDS pandemic since her arrival in that post. Last year, as AIDS became the number-one cause of death on the African continent, the WHO annual report did not even make mention of this stunning fact.

And several years ago, the World Bank produced an internal policy memorandum arguing that there is a "silver lining" to be found in the AIDS pandemic sweeping Africa. South African economist Alan Whiteside described the June 1992 World Bank document to the *Washington Post*: "If the only effect of the AIDS epidemic were to reduce the population growth rate, it would increase the growth rate of per capita income in any plausible economic model." Whiteside lamented, "Only the World Bank would put that on paper."

The Death Toll Is Rising

Since doctors first described the symptoms of HIV, less than 20 years ago, 53 million people have been infected with the HIV virus and 19 million have already died. With drug "cocktails" now on the market that can at least slow the rate of spread of HIV into full-blown AIDS, some specialists estimate that \$3 billion a year for a global program of medical care for those already infected, could prolong their lives and curb the spread of the disease. Yet, that figure, which is less than what Americans spend every day of the year on health care, is ten times the current worldwide AIDS budget. The WHO today has 2,000 fulltime professional staff, and only three are assigned to work on AIDS.

Clearly, the battle that LaRouche launched a quarter-century ago—against the oligarchy's policies of population genocide, through the willful spreading of AIDS and other pandemic diseases—rages on. LaRouche's enemies are responsible for the greatest genocide in human history, and they should be held accountable for their crimes.

In the pages that follow, you will be introduced to these mass-murderers, and brought into the escalating battle to forge a sane policy for dealing with this pandemic, before humanity is wiped out. You will see the kinds of measures readily available, even at this late date, to win the war to prevent a New Dark Age.

Poverty Causes AIDS: The Actual Message of the Durban Conference

by Paul Gallagher

On July 10 in Durban, South Africa, a senior demographic expert of the United States Bureau of the Census spoke to the 13th International Conference on AIDS; what she said was a shock heard around the world.

Karen Stanecki was co-developer in the early 1990s of the first demographic model for measuring the AIDS pandemic's impact on populations. She gave the assembled experts and elected officials this horrific news: In a few years, people in four African countries — Zimbabwe, Namibia, Swaziland, and Botswana — will have an *average* life-span of only 29-33 years; and many other African countries will have average life-spans below 40 years.

Nations with such incredibly low average life-spans cannot survive as nations. They cannot sustain an adult labor force, the time and talents to educate children, or any ability to care for the health of their citizens. Stanecki said that such low life-spans have not been seen for a century; but in fact, such astonishing mortality has not been widespread among peoples for six centuries, since the feudal Dark Age.

For the first time at Durban, the U.S. Census Bureau was publicly forecasting negative population growth for some African countries, including South Africa, by 2003, due to tremendous disease mortality (a few nations already are depopulating due to the wars raging in Central Africa). For an idea of how terrific the sweep of plagues has become, consider that only two years ago, the Census Bureau and the United Nations Population Fund (UNFPA) were forecasting that the falling life-expectancies of Sub-Saharan Africa would stabilize about now, and would remain at an overall average of 47.4 years until 2005, then start to rise again. These analyses from 1998 are shown in **Figure 1** and **Table 1**, and they are terrible enough; but they are rose-colored compared to the reality announced at Durban.

Debt and Poverty

Revelations came from every quarter at the time of the Durban conference, that the AIDS pandemic is completely out of control and accelerating rapidly worldwide. There are now 25 million cases in Africa; 5 million in India, according to unofficial estimates at the Durban conference; well more than 1 million in Russia; perhaps as many as 1 million between

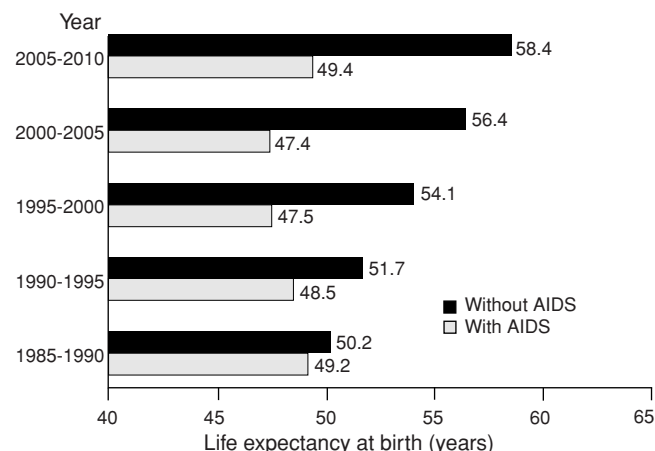
Haiti and the Dominican Republic which share the Caribbean island of Hispaniola; probably there are 40 million cases worldwide.

There were two other notable new developments which put the spotlight on the 1980s policy battles over AIDS led by Lyndon LaRouche and this news service.

First, Dr. Peter Piot, now head of the UNAIDS agency and one of the discoverers of the etiology of the pandemic in the 1980s, opened the Durban Conference with a call for the entire foreign debt of the African nations to be cancelled at once, so that \$15 billion per year that accumulates in interest alone on this debt, could be used to develop public health capabilities to fight the pandemic. "Developing countries," he said, "who carry 95% of the HIV/AIDS burden, owe in total around \$2 trillion."

In effect, Dr. Piot was pointing to poverty and the lack of

FIGURE 1
Life Expectancy at Birth in 29 African Countries, With and Without Aids (1985-90 and 2005-10)



Source: United Nations Population Division, *World Population Prospects: The 1998 Revision*.

TABLE 1

Demographic Indicators With and Without AIDS: 1998

Country	Growth Rate ¹		Life Expectancy		Crude Death Rate ²	
	With AIDS	Without AIDS	With AIDS	Without AIDS	With AIDS	Without AIDS
Botswana	1.1	2.4	40.1	61.5	20.9	8.6
Burkina Faso	2.7	3.2	46.1	55.4	17.7	13.1
Burundi	3.5	4.0	45.6	55.4	17.4	12.2
Cameroon	2.8	3.2	51.4	58.6	14.0	10.6
Central Af. Republic	2.0	2.5	46.8	56.3	16.8	12.0
Congo (Brazzaville)	2.2	2.7	47.1	57.2	16.5	11.3
Congo (Kinshasa)	3.0	3.3	49.3	54.4	15.2	12.7
Côte d'Ivoire	2.4	3.0	46.2	56.5	16.1	10.7
Ethiopia	2.2	2.9	40.9	50.9	21.3	15.0
Kenya	1.7	2.5	47.6	65.6	14.2	6.2
Lesotho	1.9	2.3	54.0	62.0	12.8	9.2
Malawi	1.7	2.7	36.6	51.1	23.7	14.4
Namibia	1.6	2.9	41.5	65.3	19.8	7.5
Nigeria	3.0	3.2	53.6	57.8	13.0	10.9
Rwanda	2.5	3.2	41.9	53.9	19.0	12.2
South Africa	1.4	1.9	55.7	65.4	12.3	7.8
Swaziland	2.0	3.2	38.5	58.1	21.4	10.1
Tanzania	2.1	2.6	46.4	55.2	16.7	12.1
Uganda	2.8	3.5	42.6	54.1	19.0	12.5
Zambia	2.1	3.3	37.1	56.2	22.6	11.4
Zimbabwe	1.1	2.5	39.2	64.9	20.1	6.2
Brazil	1.2	1.5	64.4	71.4	8.5	5.6
Guyana	-0.5	-0.3	62.3	65.7	8.7	7.3
Haiti	1.5	2.0	51.4	55.5	14.2	12.6
Honduras	2.3	2.5	65.0	69.2	7.0	5.5
Burma	1.6	1.8	54.5	57.1	12.5	11.2
Cambodia	2.5	2.7	48.0	50.7	16.5	15.0
Thailand	1.0	1.1	69.0	71.3	7.1	6.1

1. Growth rate is given as a percentage.

2. Deaths per 1,000 population.

Source: U.S. Bureau of the Census, International Data Base and unpublished tables

public health capabilities, as the number-one factor in the AIDS pandemic. Attack the cause of the increasing immiseration of these Third World nations over the past 30 years, build the infrastructure of public health, sanitation, adequate housing, etc., and there is a chance yet to stop the pandemic. By tying this directly to the need to cancel foreign debt, Dr. Piot made a serious connection between this civilizational crisis of disease mortality, and the need for a new international monetary arrangement which begins by declaring the bubble of international debt to be bankrupt.

His call was, in addition, a very polemical address: to the European and American AIDS experts in attendance, who were insisting that South African President Thabo Mbeki and everyone else toe the line, that AIDS is caused entirely by transmission of the HIV virus through unprotected sexual

intercourse; and to the representatives of the World Bank, the pharmaceuticals, etc., insisting that Africa has to keep paying its debt service and world market drug prices.

The second notable new development was the U.S. government's declassified CIA report, which defined the AIDS pandemic as a national security threat to the United States. Shockingly to some, the CIA report made clear that the devastating course which the pandemic has taken was clearly forecast ten years ago in reports from the National Security Council and the Census Bureau.

Thus, during the Reagan and Bush Administrations, the threat of the global AIDS pandemic was consciously covered up by the U.S. State Department, the U.S. Centers for Disease Control in Atlanta, Georgia, the World Health Organization—which particularly denied then that AIDS was epidemic in Africa. LaRouche and his collaborators, such as Dr. Jonathan Tennenbaum, who served on *EIR's* Biological Holocaust Task Force (see his article, in this section) were called Nazis for insisting on universal testing and rigorous measures of public health.

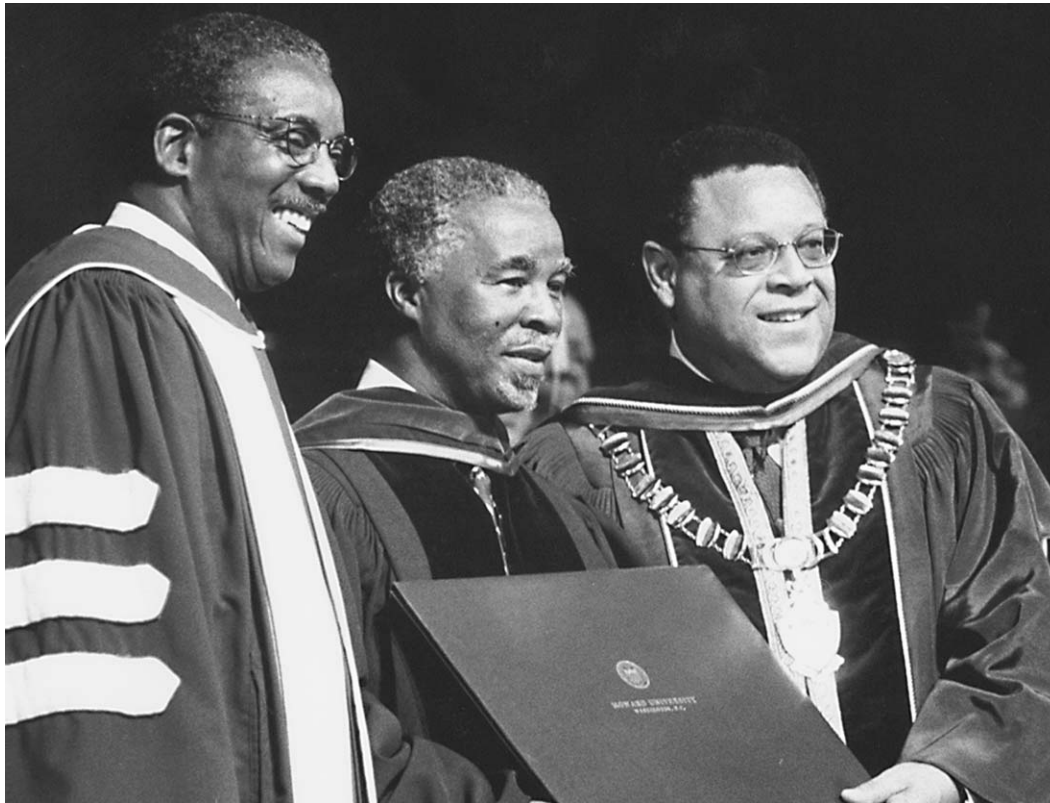
Now the CIA's national security threat report forecasts, as its "most likely scenario," that the AIDS pandemic will continue to spread unchecked and devastate nations around the world for another ten years. It is another strong suggestion, that the spread of AIDS through the nations of the Third

World has been consistent with the Malthusian policy of powerful British-American-Commonwealth factions.

In the face of the catastrophe, most painfully shown in Sub-Saharan Africa, the U.S. budget for stopping the spread and effects of AIDS in the Third World is only \$200 million—just doubled with great fanfare from \$100 million—and U.S. Treasury Secretary Lawrence Summers contemplates allowing cancellation of only \$870 million of developing sector nations' debt.

Mbeki: Not Just One Virus

South Africa's President Mbeki was under continual attack by the "experts," before and during the conference, for supposedly claiming that the HIV virus does not cause AIDS—something he has never suggested—and that the anti-



South African President Thabo Mbeki (center) insists that AIDS is primarily the result of poverty, and its spread cannot be stopped until poverty is eradicated. He is shown here receiving an honorary degree at Howard University in Washington, D.C., May 23, 2000.

retroviral “cocktail” of AZT and other drugs is not the solution for the African pandemic. Rockefeller University sent Dr. David Ho to Durban, specifically to launch direct attacks on President Mbeki; Dr. Ho has conducted studies of the effectiveness of the drug “cocktail” (which costs patients \$15,000 a year) on Americans infected with AIDS, and insisted that it was the only way for Africa to go.

But President Mbeki, who spent many years as a leader of the fight against the apartheid regime in his country, was not intimidated. It was announced that South African scientists have made a breakthrough in developing the anti-retroviral drug nevirapine, now produced by Boehringer Ingelheim Pharmaceuticals. The drug can prevent transmission of HIV/AIDS from mothers to their babies (South Africa has 60,000 HIV-positive babies born each year), requires only two doses per year at a cost of \$60, and can be stored at room temperature, a crucial advantage there.

Mbeki gave a powerful and uncompromising address to the conference, insisting that the fundamental cause of the catastrophic scope of the pandemic in Africa, is the “Fourth World” immiseration into which the continent has been driven, and the proliferation of so many disease epidemics at once, which can be controlled by the public health systems Africa lacks.

“I heard,” he said, “stories being told about malaria, tuberculosis, hepatitis B, HIV-AIDS, and other diseases. I heard also about micronutrient malnutrition, iodine and vitamin A

deficiency. I heard of syphilis, gonorrhea, genital herpes, and other sexually transmitted diseases. . . . I also heard of cholera, respiratory infections, anemia, bilharzia, river blindness, guinea worms, and other illnesses with complicated Latin names.

“As I listened even longer to this tale of human woe, I heard the name recur with frightening frequency—Africa, Africa, Africa! And so, in the end, I came to the conclusion that as Africans we are confronted by a health crisis of enormous proportions.

“One of the consequences of this crisis is the deeply disturbing phenomenon of the collapse of immune systems among millions of our people, such that their bodies have no natural defense against attack by many viruses and bacteria.

“Clearly if we, as African countries, had the level of development to enable us to gather accurate statistics about our own countries, our morbidity and mortality figures would tell a story that would truly be too frightening to contemplate. As I listened and heard the whole story told about our own country, it seemed to me that we could not blame everything on a single virus. . . .

“And thus I came to conclude that we have a desperate and pressing need to wage a war on all fronts to guarantee and realize the human right of all our people to good health.

“The world’s biggest killer, and the greatest cause of ill health and suffering across the globe, including South Africa, is extreme poverty.”

HIV-AIDS Can Be Stopped!

by Jonathan Tennenbaum

After a decade of covering up the HIV-AIDS pandemic, mass media and leading institutions in the West and elsewhere are now attempting to create the impression, that the continued spread of HIV infection, and the deaths of tens or hundreds of millions of people from AIDS in the coming period, cannot be prevented. “Africa will be depopulated,” we are told, as if this had been ordained by heaven, and nothing could be done about it.

On the contrary. The reality is, that the worldwide HIV-AIDS epidemic could be brought to a stop within a few years, by a combination of:

1. universal mass testing and tracking of disease spread, identifying all sources and modes of transmission of infection;
2. rigorous action to interrupt transmission of infection, including measures to restrict contacts of infected persons with uninfected persons, wherever and so long as a significant danger of further spread of infection exists;
3. speedy treatment of infected and sick persons, using the most advanced methods available, to prolong their lifetimes and reduce their infectiousness to others;
4. corresponding measures to control “co-factor” diseases and other diseases interacting with HIV-AIDS (including tuberculosis, malaria, venereal diseases, etc.) and corresponding disease vectors (including insects) on a worldwide basis;
5. a military-style national and international mobilization—akin to large-scale disaster-relief operations, but sustained over a longer period—to restore basic hygiene, nutrition, and minimum living conditions of endangered populations, focussing on food and medical supplies, water systems, energy supplies, transport, health and education, and other basic infrastructure.

These urgent measures—which amount to little more than a rigorous application of standard, long-established public health and epidemic-control principles to the case of HIV-AIDS—were all put forward by Lyndon LaRouche and widely circulated internationally, in the context of his 1986-88 political campaigns. At the same time, LaRouche emphasized two additional programmatic points:

First, a crash program of fundamental biological and medical research must be launched, to deal with the existential threat posed to the human race, by the current worldwide

explosion of classical epidemic diseases and “emerging” new diseases, including multiple drug-resistant bacteria and virus strains. This effort must include, in addition to current approaches of “molecular biology,” the potentially far more powerful methods of optical biophysics and related approaches, which focus on the fundamental distinction in the physical characteristics of action, between living and non-living processes.

Second, under the present conditions of accelerating collapse of the physical economy in most parts of the world, the task of carrying out and sustaining the above-mentioned public health measures against HIV-AIDS, becomes inseparable from the necessity for radical financial reorganization and physical reconstruction of the world economy: LaRouche’s “New Bretton Woods” policy.

It should be noted, in this connection, that the large-scale infrastructure projects (transport, water, energy, etc.), envisaged by the “New Bretton Woods” policy—projects such as the Eurasian Land-Bridge and similar projects in Africa and elsewhere—provide the most advantageous conditions for modernizing the health care systems of participating nations, and upgrading the level of the labor force. In this respect, the experience of the Tennessee Valley Authority (TVA), in which water projects, electrification, and agricultural development were combined with public health measures, including the elimination of endemic malaria, provides a useful point of reference for Africa and other parts of the world today.

Other useful references include the history of the fight against tuberculosis in the United States and Europe; the successes of the followers of Louis Pasteur, including Versin, Nicolle, Roux, Metchnikoff, Calmette, Jamot, and others in combatting countless diseases in Europe, Asia, and Africa from the 1880s up to World War II; and the public health campaigns mounted in the context of postwar reconstruction in Europe, the Soviet Union, and parts of Asia, South America, and Africa.

These successes can be repeated today, against HIV-AIDS. It is a question of *political will* only. The resources, manpower, and technology exist, or can be created, to do the job. The only “inevitability” in the present situation, is the fact, that to mount an effective all-out war against HIV-AIDS

means breaking radically with the “rules of the game,” which have dominated the economic and financial policies of most governments over recent decades. Either “the system” goes, or the human race goes.

Public Health Measures Work! The Example of Cuba

The HIV-AIDS epidemic could have been stopped already in the mid-1980s, and tens of millions of lives saved, if governments had moved decisively to implement the kinds of classical public health measures which have been proven effective in combatting dangerous epidemics in the past.

One of the very few countries that did act effectively against HIV-AIDS, was Cuba—a relatively poor developing nation, but with a strong public health policy. There, the government treated the appearance of HIV in the country realistically, as a *public health emergency*. Starting in 1986, Cuba introduced mass screening using domestically produced testing kits. In an initial period, rigorous measures of contact-tracing and quarantine were enacted, to reduce the risk of transmission, provide medical treatment, proper hygiene, and education. Later, with the epidemic under control, the quarantine measures were relaxed, and treatment in special sanatoriums (analogous to those created for tuberculosis victims in former times) took place on a semi-voluntary basis. Today, Cuba has one of the lowest HIV infection rates in the world. The major HIV problem for Cuba now, is that posed by growing tourism from outside, including from the United States!

This case demonstrates, that although HIV-AIDS is extraordinarily dangerous, bringing the epidemic under control does not require a “medical miracle” in the form of a final cure or vaccine. The key lies in elementary public health measures, of the sort which have proven effective time and time again in the battle against tuberculosis and other infectious diseases.

Unfortunately, due to the sabotage of effective anti-AIDS measures in other countries, HIV has spread into general populations all over the world. The infection rate has reached 20% or more in many countries of Sub-Saharan Africa, and infection is rapidly spreading in Asia, the former Soviet Union, and eastern Europe, accelerated by a parallel explosion of tuberculosis and other “classical” pandemic diseases. Meanwhile, after a period of relative stagnation, the HIV epidemic is again on the rise in the United States, fed by the collapse of health care, nutrition, and hygiene levels in a growing section of the population.

Although HIV-AIDS can still be stopped, the scale of the effort required is orders of magnitude greater than it would have been, had governments acted decisively in the early- to mid-1980s, when the number of HIV carriers was relatively small. But already in 1988, LaRouche emphasized that a general economic mobilization would be needed to overcome the disastrous effects of the HIV-AIDS pandemic.

An Arsenal of Medical Technology

On the positive side, the medical arsenal for combatting the HIV-AIDS pandemic has in the meantime expanded considerably, thanks to research, technological progress, and a vast accumulation of clinical experience. In particular:

1. Simple, inexpensive, quick, and accurate tests for HIV infection are now available, greatly facilitating the mass screening of populations and tracking of HIV spread. It is also possible to efficiently combine HIV testing with testing for other infectious diseases, thus laying the basis for comprehensive treatment, prevention, and control measures against an entire range of health threats.

Top Health Officials Blocked Mass Testing

In late July 1987, the Director of the World Health Organization (WHO) AIDS Program and former top U.S. health official, Jonathan Mann, gave a prominently reported press conference at the WHO headquarters in Geneva, declaring that mass testing for HIV was “useless,” and denouncing nations that intended to implement HIV screening.

An article in the British press by Alan McGregor, reported from Geneva:

“The World Health Organization has come out strongly against AIDS screening programs now advocated in several countries, that could be ‘misconceived, inadequately prepared, intrusive—even threatening fundamental human rights—and most likely extremely expensive and very ineffective.’ Jonathan Mann, director of the WHO’s program against AIDS, said yesterday that in addition, ‘these kinds of programs can have a negative effect on overall AIDS prevention and control work by diverting resources away from educational programs and other HIV prevention activities.’ . . . Even blood donor screening had its test procedure limitations.”

The German newspaper *Süddeutsche Zeitung* reported on the same press conference, on July 31, 1987:

“According to the UN World Health Organization, testing for AIDS has nothing to contribute to stopping the spread of the deadly immune deficiency disease. Speaking before the press in Geneva, WHO Director Jonathan Mann sharply criticized this approach and characterized it as ‘useless.’ The WHO expert announced that the WHO would offer no more AIDS consultations in those countries which demand an AIDS test or corresponding certification for foreign visitors.”

2. In recent years, significant success has been achieved, in developing anti-viral and adjunct treatments that can markedly reduce, if not altogether suppress, the activity of HIV in infected persons, slowing the progression toward AIDS and AIDS-related disease and considerably extending the life expectancy of HIV-infected persons, while at the same time reducing their infectiousness to others. In addition, an enormous scope remains for developing promising new types of anti-viral treatments, including novel so-called integrase inhibitors which may include substances that could be made readily available.

3. Effective treatments are available for a wide range of diseases and conditions connected with HIV-AIDS, making it possible to prolong useful life even among persons who have reached the symptomatic stage.

To cite the supposed “prohibitively high cost” of treating HIV-AIDS, as a reason for the supposed “inevitability” of the deaths of tens or even hundreds of millions of people in the coming period, is to make oneself an accomplice of genocide. In the context of an all-out war against HIV-AIDS, the world’s governments possess the scientific-technological and economic potentials, and constitutional powers, to make the most effective medications available to *all* HIV-AIDS victims worldwide.

4. A first generation of operational vaccines are currently in advanced stages of testing and development. These vaccines promise at least a limited—albeit probably not complete—protection against HIV infection. Vaccines, even increasingly effective ones, cannot substitute for elementary disease-control measures indicated above; but they can contribute, in combination with the latter, to controlling and eventually eliminating HIV-AIDS.

In addition to what can be done with the present-day approaches of biology and medicine, much more powerful methods could be brought to bear against HIV-AIDS, if the revolutionary potentials of optical biophysics (the nonlinear spectroscopy of living processes) were to be tapped. Optical biophysics opens the way, in principle, to attacking the problems of disease and aging of tissue at a much more fundamental level than molecular biology, namely, at the level of changes in the characteristics of electromagnetic action underlying the living process as a whole.

Murderous ‘Objections’ to Public Health Measures

As LaRouche emphasized, periodic mass testing and tracking of HIV spread is the number-one priority and precondition for stopping the HIV-AIDS pandemic. Without mass

How Cuba Controlled the HIV-AIDS Pandemic

The following is excerpted from a report by Tim Holtz, MD, MPH, on a tour of Cuba in August 1997, by a delegation of the American Public Health Association.

Since the beginning of the epidemic in the Western Hemisphere, Cuba’s approach to the HIV problem has been integrated into its comprehensive, nationalized health care system. Its policies toward HIV have been consistent with its policies toward other diseases and epidemics. In short, Cuba treated the introduction of HIV into the country as a public health emergency, instituting traditional public health control measures to contain the spread of the disease. They have been rewarded with one of the lowest prevalence rates of HIV infection in the world (approximately 0.02%).

In 1986, Cuba introduced a national screening program using domestically produced kits. So far, more than 19.5 million ELISA tests for HIV infection have been performed, and many Cubans now regard getting an HIV test

at their family physician’s office as a part of routine health screening.

Since the beginning of the policy in 1986, the potential “HIV epidemic” was treated like any other contagious, infectious disease, employing traditional public health measures. It was viewed as a health problem/public health problem with human rights dimensions, rather than a social problem/human rights problem with health repercussions. Quarantine was the initial reaction to a public health threat whose scope was unknown, which soon led to semi-isolation for patients known to be infected. The goal was to reduce the risk of transmission through case finding, isolation, medical treatment, education, and contact tracing. In 1989, with the arrival of Jorge Pérez as the director of the Institute of Tropical Medicine, curtailment of civil rights was relaxed to allow patients to leave sanatoriums for extended periods without guides. Finally, in 1993, the ambulatory care treatment program was started, which allows patients to choose between living within a sanatorium, or living at home.

Sanatorium residents are provided with high caloric diets (not possible on the outside due to the economic situation), free medications (what is available), a partial salary, and care from a team of physicians, nurses, social workers, and psychologists.

testing, repeated at appropriate intervals, it is impossible to identify with certainty all the modes of spread of the virus, to detect and interrupt the chains of infection, and to ensure speedy treatment of all victims and infected persons. The necessity for mass testing was obvious to every clear-headed and informed person by 1986 at latest, and was known to leading governments. Why, with the exception of Cuba and a few other places, was this not done?

From the very beginning in the early 1980s, a massive effort has been mounted, with complicity of major governmental agencies such as the U.S. Centers for Disease Control (CDC) and the World Health Organization (WHO), to *prevent* effective public health measures from being applied to stop HIV-AIDS. From the very beginning of the HIV-AIDS epidemic, and continuing under the guise of countless government-sponsored “AIDS information” campaigns, the public has been systematically misinformed and misled concerning the nature of HIV-AIDS and the danger it poses.

The key purpose of the disinformation campaign, as LaRouche repeatedly stated in the 1980s, was to block any effort to implement mass testing for HIV infection. Repeated mass testing and tracking of HIV spread would not only have revealed all the channels and modes of transmission of AIDS, and provided the basis for quickly bringing the epidemic under control, but *it would also have revealed any actions to deliberately spread the virus into certain populations*. This sheds crucial light on the possible motivations behind the policy to prevent mass testing.

The effects of the disinformation campaign can still be seen today, in the form of various bogus objections to the kind of public health measures outlined above.

From the very beginning, and even long after the spread of HIV into general populations through multiple transmission routes (including transmission via contaminated blood) had been well established, AIDS was still portrayed as an exotic disease affecting only people with particular sexual habits, rather than a public health emergency. Persons calling for mass testing, such as LaRouche, were denounced for threatening the “human rights” of homosexuals and other HIV-infected persons. Meanwhile, health officials such as the late Jonathan Mann, director of the WHO campaign against AIDS, declared that mass testing was “unnecessary” and “not cost-effective,” and claimed that “we already know how AIDS is transmitted.” The perverse argument was thrown in, that since no cure was available for AIDS, informing infected persons about their situation would undermine their “quality of life” and lead to “discrimination.” Even as late as 1986-87, the necessity of testing all blood donations met stubborn resistance at high levels inside the health bureaucracies of the United States, Germany, France, and other nations, amid claims that the danger of blood transmission had “not been proven,” and that large-scale testing of blood reserves was not “cost-effective.” Meanwhile, hundreds of

thousands of hemophiliacs and others were needlessly infected.

Instead of sounding a general public health alarm, the CDC, WHO, and other governmental authorities went to great pains to “prevent panic” and to assuage legitimate concerns, that AIDS might spread into the general population. Key in this was the attempt to ridicule the idea that HIV might be transmitted in ways other than the official “sex and needles” dogma—thereby ignoring not only the demonstrable biological possibility of alternative routes, but also a large and growing number of concrete cases of infection, which cannot be accounted for by the usual explanations.

(In fact, it is known that the concentration of infectious HIV-particles in the blood and other body secretions of HIV-infected persons can reach very high levels at certain stages of infection; at those periods of high virus load, the efficiency of all modes of transmission, including by “unlikely” routes, is greatly enhanced. Under conditions of poor hygiene, poor nutrition, a preponderance of other infections and medical conditions, and a high concentration of HIV-infected persons, the alternative routes of infection can become very significant. The full extent of such transmission could only be revealed by mass testing of the general population.)

Nothing exhibits the murderous perversity of the campaign of deliberate disinformation and sabotage against public health measures more clearly, than the huge international publicity campaigns for so-called “safer sex.” Besides spreading the dangerous lie, that condoms protect against the transmission of HIV, so-called “safer sex” signified that the U.S. and other governments would stand by and tolerate the continued spread of infection of an incurable, deadly pandemic disease into the general population, on the pretext that it was a private affair of the individual to protect himself or herself from the risks of becoming infected, or of infecting others in turn! This display of criminal indifference and negligence by the U.S. and governments, blatantly evading their responsibility to care for the general welfare, encouraged the corresponding attitudes at all levels of society, as well as internationally.

The world has now come to a point, where the lives of hundreds of millions of people, and possibly even the survival of the human race itself, depends on radically reversing the trends of policymaking, that are reflected in the toleration, and even witting encouragement, of the spread of HIV-AIDS around the world—trends otherwise embodied in the toleration of public menaces such as Al Gore or George W. Bush, as candidates for the U.S. Presidency. The time has come to restore the Constitutional principle of the General Welfare, and the commitment to applying public health measures against HIV-AIDS and other dangerous pandemic diseases, which flows immediately therefrom.

The Mass-Murderers Behind the AIDS Cover-Up

by Michele Steinberg

The police-state attacks and 1989 jailing of American economist and Presidential candidate Lyndon LaRouche is among the primary reasons why millions of human beings have unnecessarily died from the AIDS epidemic. On Oct. 6, 1986, just one month before a LaRouche-backed initiative, Proposition 64, was put before California voters, giving them the opportunity to make public health measures such as universal testing for the AIDS virus into law, the U.S. Justice Department led a 400-person military raid on the town of Leesburg, Virginia, to eliminate LaRouche, in a Waco-style assassination under cover of law enforcement.

The October 1986 raid was the culmination of a more than decade-long assault on LaRouche. The following timeline is a partial record of those efforts to silence LaRouche as a policy voice, in part because of his warnings about AIDS.

1971

In answer to the Malthusian Club of Rome's "Big Lie" that there are "limits to growth," LaRouche associates publish a pamphlet, "Blueprint for Extinction." It warns that the international oligarchy is pushing mass extermination under the guise of "population control."

1972

Following a United Nations conference on the environment, Canadian millionaire Maurice Strong and British noblewoman Barbara Ward, Lady Jackson, issue a memorandum demanding that collaborators of Lyndon LaRouche be silenced and barred from international meetings.

1974

November: A Biological Holocaust Task Force initiated by LaRouche forecasts the outbreak of new epidemic diseases in the developing sector, unless the economic austerity policies of the World Bank and the International Monetary Fund are overturned.

December: U.S. National Security Study Memorandum 200, "Implications of Worldwide Population Growth for U.S. Security and Overseas Interest," prepared under the direction of National Security Adviser Henry A. Kissinger, mandates population reduction as a national security goal.

1979

Oct. 2: Robert McNamara, president of the World Bank, declares that population must be cut, saying: "There are only two possible ways in which a world of 10 billion people can be averted. Either the current birth rates must come down more quickly, or the current death rates must go up. . . . There are, of course, many ways in which the death rates can go up. In a thermonuclear age, war can accomplish it very quickly and decisively. Famine and disease are nature's ancient checks on population growth, and neither one has disappeared from the scene."

1980

July 24: The U.S. State Department publishes *The Global 2000 Report to the President*, advising that the world's population must be reduced by 2 billion people by the year 2000.

1981

March: Interviewed by *EIR*, Thomas Ferguson, of the Office of Population Affairs in the U.S. State Department, comments on *Global 2000*: "We must reduce population levels. . . . The quickest way to reduce population is through famine, like Africa, or through disease, like in the Black Death. . . . Population reduction is now our primary policy objective."

1983

Early in the year, AIDS becomes widely recognized as a rapidly spreading disease; but a cover-up begins immediately. Dr. Joseph Bove, chairman of the American Association of Blood Banks Committee on Transfusion-Transmitted Diseases, sets a policy of not screening blood and blood products for HIV before use.

Sept. 16: LaRouche and associates warn that AIDS is a "new bubonic plague" and the "harbinger of a series of holocaustal epidemics." At a conference of the Club of Life in Washington, D.C., LaRouche calls for the President to declare a national health emergency.

1984

Spring: The Atlanta Centers for Disease Control (CDC) says AIDS is just a peculiar biological "curiosity" among New York City homosexuals.



A 1987 demonstration by LaRouche supporters in Philadelphia against Surgeon General C. Everett Koop, who denounced Proposition 64 and said the main focus of anti-AIDS efforts should be sex education.

1985

April 15: J.W. Curran of the AIDS task force at the CDC, estimates 300,000 to 1 million Americans are AIDS-infected, but anticipates a vaccine by 1990.

May-June: *EIR* publishes "Order of Battle for a Global War on Disease," followed by a *Special Report*, "Economic Breakdown and the Threat of Global Pandemics."

July: *Life* magazine headlines: "Now No One Is Safe from AIDS."

August-September: AIDS becomes the leading killer of men aged 30-34 in New York City. Demonstrations take place against admitting AIDS-infected children to public schools. The LaRouche-founded National Democratic Policy Committee calls for mass screening to detect the virus, and for an Apollo Project-style biological research program.

Sept. 8: Dr. Richard Restak, author of *The Brain*, criticizes the Los Angeles City Council's passage of an anti-discrimination law for AIDS victims. "The AIDS virus has no civil rights," he declares.

Sept. 15: LaRouche issues a statement, "Spread Panic, Not AIDS," calling popular panic "entirely justified," and warning that "AIDS is the most deadly global pandemic since the bubonic plague."

Sept. 26: Dr. William Haseltine of Harvard Medical School reports that an estimated 10 million Africans are infected with the AIDS virus.

Sept. 27: *EIR* breaks the story of Dr. Mark Whiteside's study of the AIDS epidemic in Belle Glade, Florida, with the hypothesis that poor pest control, "poor sanitation, and

economic squalor are significant co-factors for generating deadly new pandemics."

Oct. 3: Dr. Myron Essex of Harvard School of Public Health says, "We need to act fast if the numbers are not to be 40 to 50 million infected and 4 to 5 million with outright AIDS. . . . Our blood supply is not safe."

October: Dr. John Seale of the Royal College of Medicine calls for a "worldwide Manhattan-style crash program" to fight spread of AIDS. U.S. Armed Forces begin mass screening.

Oct. 25: The Prevent AIDS Now Initiative Committee (PANIC), organized by LaRouche associates, announces a drive to place referendum on the California ballot to mandate that AIDS be treated as a communicable disease.

Nov. 25: Gus Sermos, CDC public health adviser in Florida, is dismissed for "overzealous" reporting on AIDS, and is charged with leaking information about inadequacy of state's monitoring program. (Sermos later endorsed PANIC's Proposition 64, despite massive pressure on him not to do so.)

Dec. 5: *EIR* publishes a *Quarterly Report*, "The Political Economy of Aids and How to Fight It," a 150-page report on the collapse of U.S. living standards.

Dec. 14: LaRouche calls for 100% screening of the U.S. population.

1986

Jan. 13: Dr. P.V. Admiraal of the Netherlands, a leading spokesman for the death lobby, predicts that "AIDS victims will ask for euthanasia."

Jan. 21: Dr. Mathilde Krim of the American Foundation for AIDS Research (AFAR) attacks the PANIC initiative, saying that to quarantine AIDS victims would be “biologically unsound, illogical, and dangerous.”

Feb. 15: *EIR* publishes a *Special Report*, “An Emergency War Plan to Fight AIDS and Other Pandemics,” calling for a declaration of national emergency on AIDS.

Feb. 18: A New York Supreme Court judge rules that Queens public schools cannot bar students with AIDS.

February: After investigating Lyndon LaRouche since October 1984, Massachusetts U.S. Attorney William Weld convenes a meeting of law enforcement personnel from nearly a dozen states, and numerous Federal agencies, to plan out a campaign to shut down organizations associated with LaRouche on bogus charges. After 16 months of intense investigation and intimidation, Weld had failed to convince a grand jury to indict LaRouche or associates.

March 14: The U.S. Public Health Service recommends screening for every male homosexual, prostitute, and intravenous drug user, and reports that 5 million persons may be infected, but says it can’t pay for tests.

March 18: LaRouche Democrats in Illinois win the primary election for Lieutenant Governor and Secretary of State. AIDS was a central issue in the campaign. The victory triggers an avalanche of slanders against LaRouche in the U.S. media.

March: NBC television, Soviet propaganda outlets, and Swedish and Danish newspapers accuse LaRouche associates of being behind the Feb. 28, 1986 assassination of Swedish Prime Minister Olof Palme.

April: The Paris office of *EIR* is bombed. An unknown group called “Black War” claims credit.

May 22: 690,000 signatures of Californians are filed to put the PANIC initiative onto the ballot.

June 23-25: Thirty million Africans may be infected with AIDS, according to reports at the second International AIDS Conference in Paris.

June 25-30: The PANIC initiative is officially placed onto the California ballot as Proposition 64. Dr. John Seale, a prominent British physician, endorses it.

July 8: The Soviet newspaper *Izvestia* attacks the LaRouche-affiliated European Labor Party, as a “fascist” group behind the assassination of Olof Palme.

July: California Secretary of State March Fong Eu petitions the State Supreme Court to censor PANIC’s political description of the AIDS epidemic in a voter handbook. On July 20, a judge censors the handbook, distributed to all California voters, ruling that it cannot say that the AIDS virus might be transmitted by insects, despite evidence in Belle Glade, Florida, of mosquito-borne transmission. By now, Hollywood celebrities have launched an anti-LaRouche group called “No on 64 — Stop LaRouche.”

August: Attorneys for NBC TV launch a court case to collect \$200,000 in fines against LaRouche in a civil law suit

dating back to 1984. NBC attorneys want to throw LaRouche in jail for “contempt of court.”

Aug. 12: The *Wall Street Journal* publishes a full-page article on the PANIC initiative, warning that if elections were held today, Proposition 64 would win by 2 to 1.

Mid-August: Boston U.S. Attorney William Weld becomes head of the Criminal Division of the Department of Justice. His number-one criminal case will be against LaRouche.

Aug. 23: A California judge rules that a homosexual who bit two police officers must take an AIDS test. Two days later, when PANIC organizer Ron Taylor is bitten by a Proposition 64 opponent, Attorney General John Van de Kamp refuses to investigate.

Aug. 25: Dr. Jean-Claude Chermann of the Pasteur Institute in Paris reports the HIV virus has been isolated in mosquitoes, cockroaches, ants, and tse-tse flies, suggesting that the disease can be transmitted through insect bites to humans.

Sept. 1: The London *Observer* repeats the *Wall Street Journal*’s warning that Proposition 64 would win by 2 to 1.

Sept. 2: An *EIR* study reports that AIDS is the deadliest disease ever. The AIDS mortality-communicability index is 9,600, the next-worst being malaria, at 240.

Sept. 7: A car belonging to a PANIC leader is sabotaged. Again, the California Attorney General refuses to investigate or protect PANIC activists.

Sept. 9: Radio Moscow revives the slander that Swedish officials are investigating LaRouche in the murder of Swedish Prime Minister Olof Palme.

Sept. 10: Associated Press issues a false story accusing the Fusion Energy Foundation, associated with LaRouche, of charitable tax code violations.

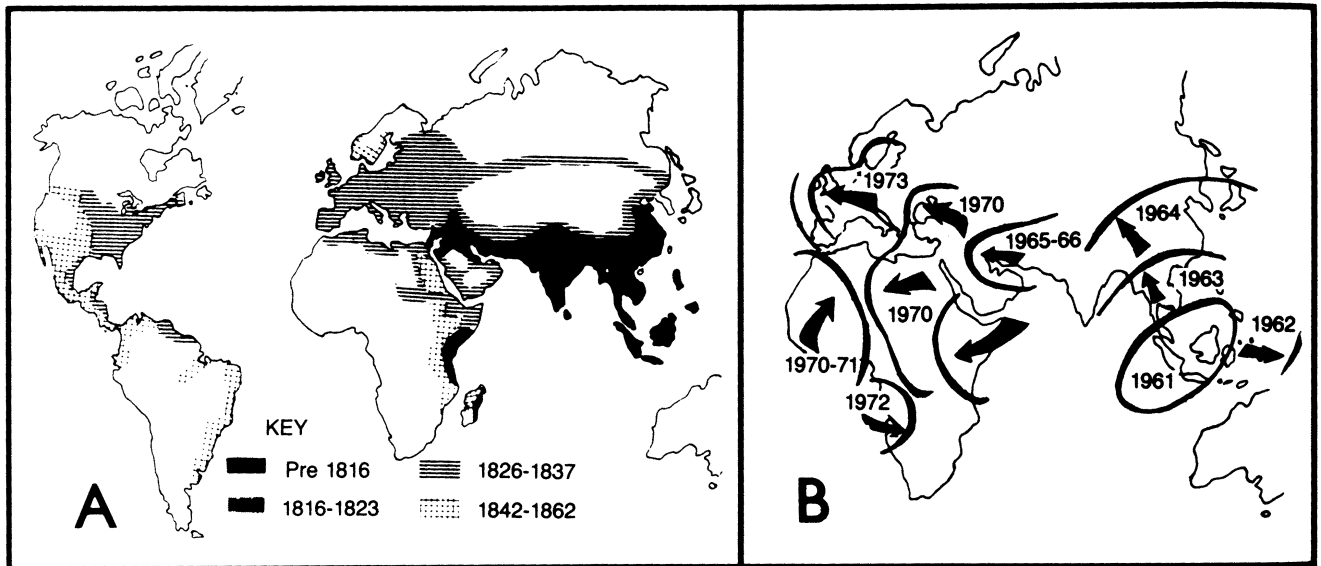
Sept. 12: PANIC’s central office receives a death threat letter from a self-avowed Satanist. California Attorney General John Van de Kamp again refuses to investigate.

Sept. 15: A group called “Stop AIDS Quarantine Committee” plans a march against PANIC offices. The group is backed by Hollywood stars, including Patty Duke, President of the Screen Actors Guild; Richard Dreyfuss; Liz Taylor; and Cybill Shepherd; and is financed by homosexual pornography publisher Klinger International.

Sept. 15: The Soviet Union’s cultural magazine *New Times* prints a five-page story by leading KGB intelligence operative Ernst Henry titled “Nazis Without the Swastika,” which labels LaRouche and associates as neo-fascists.

Sept. 22-26: California Attorney General Van de Kamp begins a witch-hunt against PANIC. The *National Law Journal* reports that Van de Kamp called LaRouche “the most notorious neo-fascist in the U.S.,” citing Proposition 64 as the “proof.”

Sept. 29: The California State Senate convenes hearings on Proposition 64. Attorney General Van de Kamp’s office uses the hearings to slander PANIC for “illegal petitioning.”



LaRouche's Biological Holocaust Task Force released a report in November 1974, forecasting the outbreak of new epidemic diseases, unless the austerity policies of the International Monetary Fund were scrapped. These maps, taken from the report, show the spread of pandemic cholera in the nineteenth century (A), and of the El Tor cholera pandemic (B). Geographical progress of the two pandemics is markedly similar, except that the 1970s pandemic hit Africa much harder.

Leading endorsers of PANIC, including Dr. John Seale, also testify.

October: Klinger International, publisher of homosexual pornography magazines, runs an editorial in four of its magazines, calling for \$5 million to be raised in 30 days to stop Proposition 64.

Oct. 6: Over 400 Federal, state, and local police raid LaRouche publications offices, in Leesburg, Virginia, seizing 1 million documents and arresting three people.

Oct. 14: LaRouche releases a program for U.S.-Soviet negotiations on the AIDS pandemic, proposing strategic collaboration to fight deadly threat.

Oct. 22: U.S. Surgeon General C. Everett Koop reverses his pro-screening policy and denounces Proposition 64, calling the approach cost-prohibitive. Instead, he proposes sex education and condoms as the chief anti-AIDS focus. The statement follows Koop's trip to the Soviet Union in the company of top U.S. officials, including the U.S. Information Agency director Charles Wick and researcher Herbert Romerstein. Following the Koop trip, the USIA launches an intense drive in London and the United States, to denounce leading doctors who supported PANIC, as agents of Soviet disinformation. (Romerstein, a longtime FBI informant, had been running FBI dirty tricks against the LaRouche movement for a decade.)

Oct. 30: The National Academy of Sciences demands a \$2 billion annual budget to fight AIDS.

Nov. 3: The USIA issues a three-page memorandum denouncing Dr. John Seale, who had travelled to the United

States to support Proposition 64, as a Soviet disinformation operative.

Nov. 4: Proposition 64 receives 30% of the vote, nearly 1 million votes, but is defeated.

Nov. 19: World Health Organization Director Dr. Halfdan Mahler says AIDS is "of pandemic proportions," and that 100 million will be infected in five years. He confesses there was "a gross underestimate" of the danger.

Nov. 20: California Attorney General Van de Kamp's office leads police raid on PANIC offices in Los Angeles and San Francisco.

Nov. 26: The *Sunday Times* of London says the defeat of Proposition 64 "would in no way calm the sense of panic which brought it into public view."

Nov. 29: French health authorities report that one baby born every day is infected with AIDS.

1987

Jan. 16: New York City health authorities estimate that 500,000 are HIV-infected. "No matter what happens, 150,000 are doomed," says the New York State's health commissioner.

Feb. 3: The Atlanta Centers for Disease Control admit that AIDS screening is insufficient, and call "open hearings." CDC Director James Mason says, "If this were not AIDS, with its social and political aspects, I don't think that there's any question that we would be testing at the time of hospital admissions. In the past, we have used these tools, because it has made public health sense."

February: Fifty-two percent of Americans polled by *Newsweek* support universal screening.

Feb. 25: The CDC holds closed hearings dominated by “gay rights” groups, and announce “no support” for any program of mass testing for AIDS.

February-March: More than 40 LaRouche associates are arrested in nationwide raids on financial fraud frame-ups brought by the states of Virginia and New York. Most of the charges are dropped before trial.

April 1987: Justice Department officials hold secret *ex parte* hearings to seize *New Solidarity* newspaper, Campaigner Publications, and the Fusion Energy Foundation, all of which were involved in leading the fight to stop AIDS. More than two years later, the illegal seizure is overturned by a Federal judge.

Dec. 16: The U.S. Department of Defense issues the “Wohlstetter Report” on U.S. strategy, titled “Discriminate Deterrence.” It states: “The WHO estimates that 5 to 10 million people are infected with the [HIV] virus worldwide, a count that could reach as high as 100 million by 1991. Some analysts argue that if 100 million people were infected, total deaths from AIDS in the 1990s could be 50 million. The number of infected could then double several times after that and wipe out some countries in 10-20 years.”

1988

April: Supporters of Democratic Presidential pre-candidate LaRouche announce a drive to place a referendum similar to the 1986 Proposition 64 onto the California ballot for the June 1988 primary elections.

April: The World Health Organization reports that AIDS is sweeping Central Africa.

May: An 18-month trial of LaRouche prosecuted by William Weld, ends in mistrial, due to government misconduct.

May: U.S. Surgeon General C. Everett Koop’s pamphlet on AIDS, which lies that the virus cannot be spread through “casual contact,” is sent to every household in United States. LaRouche supporters file 725,000 petition signatures to place new anti-AIDS referendum, Proposition 69, onto the California primary ballot.

June 4: LaRouche’s Presidential campaign airs a national half-hour television program called “Nothing Short of Victory: A War Against AIDS.” The broadcast shakes up the health policy establishment.

June 7: Proposition 69 is defeated in the California primary elections.

July: At an *EIR* conference in Bangkok, Thailand, Dr. Mark Whiteside reports that the CDC and WHO have systematically avoided studies on insect-borne transmission of HIV.

August: *EIR* publishes a *Special Report*, “AIDS Global Showdown: Mankind’s Total Victory or Total Defeat.”

September: Surgeon General C. Everett Koop sets hospice policy for AIDS.

October: LaRouche is illegally re-indicted on same old charges, in a new Federal jurisdiction in Virginia.

November-December: The New York State Supreme Court turns down a petition by the Medical Society of New York to have AIDS listed as a communicable disease. Gov. Mario Cuomo rejects a call by the New York State Health Department for a state of emergency declaration on AIDS.

1989

January: LaRouche and six associates are jailed in Virginia, in one of the biggest political frameups in U.S. history.

February: A study of emergency room patients in two South Bronx hospitals in New York City, shows that 23% are infected with AIDS.

March: West German state television predicts that the African nation of Burundi will be wiped out by AIDS. Soviet Health Minister Chazov calls the virus “an ecological bomb.”

April: Philadelphia civil rights activist Sam Evans issues an open letter, asserting that AIDS is being used as an instrument of genocide against darker-skinned people in the United States and developing sector.

April 20: The *San Francisco Chronicle*, the San Francisco AIDS Foundation, and other groups reverse their position, and call for HIV testing of high-risk people.

June: Sixty-two percent of New York City homeless people tested are HIV-positive. Jonathan Mann of the World Health Organization tells the Fifth International Conference on AIDS that 5-10 million are infected.

August: Estimated costs of a national program to monitor and treat the HIV-infected population before the development of full-blown AIDS, could range from \$2.5 to \$10 billion, according to the *Journal of the American Medical Association*.

October: French experts attending a Marseilles conference on AIDS in Africa, warn that trade and tourism will spread the HIV virus from Africa into developed sector.

November-December: *EIR* issues an updated edition of “AIDS Global Showdown.” LaRouche, from prison, issues a three-point program to fight AIDS: research mobilization, mass testing, and construction of hospitals.

1990

March: President George Bush tells business leaders in Washington, D.C. that Americans should abandon “irrational fear of the virus.”

April: A CDC study shows that one out of every four men aged 25-44 admitted to surveyed hospitals in New York City, tested positive for HIV infection.

May: Associated Press reports the spread of AIDS in India. In Bombay alone, 10,000 prostitutes carry the HIV virus, and a 1989 survey showed that the amount of AIDS-infected donated blood was 40 times more than in 1987. In the United States, the CDC estimates that about 1 million

Americans are carriers of HIV, but as yet show no AIDS symptoms.

June: Eighty-nine prominent physicians in West Germany support a call by the LaRouche-founded Club of Life for reporting AIDS cases and mass testing.

July 11: Cable News Network reports AIDS is now the fifth-largest killer of women of childbearing age in the United States.

July: The CDC admit that AIDS has been transmitted in a surgical setting where no apparent transfer of bodily fluids had occurred.

December: AIDS cannot be stopped in Africa, according to Dr. Peter Piot of the Antwerp Institute for Tropical Medicine.

1991

May: More than 6 million Africans are infected with AIDS, the WHO announces.

The state of Illinois announces that 126 health-care workers have died of AIDS since 1981.

The *New England Journal of Medicine* calls for mandatory screening for AIDS, and systematic tracing and notification of the sexual partners of HIV-infected persons.

Postscript

Nearly a decade has passed since these apocalyptic warnings were made about AIDS. The forecasts which LaRouche was the first to make, have, tragically, come to pass. In April 2000, in a sudden reversal of years of cover-up, President Bill Clinton declared AIDS to be a national security emergency for the United States, for Africa, and for the world. Shortly thereafter, South African President Thabo Mbeki issued a letter to world leaders, bluntly stating AIDS is spread by poverty, by lack of health infrastructure, and by economic misery—as LaRouche had warned in 1974.

The world has lost more than 25 years in the fight against AIDS. Isn't it time to listen to LaRouche?

Why Al Gore Does Not Fight AIDS Holocaust

by Scott Thompson

In a deviation from President Clinton's policies that has received surprisingly little attention, Vice President Al Gore, Jr. has actively intervened for years to block an effective policy for combatting the HIV/AIDS holocaust, especially in Sub-Saharan Africa, where some 11 million people have already died from this pandemic disease. Beneath his wooden

exterior, Vice President Gore has proven himself to be a genocidalist beyond Adolf Hitler's wildest dreams. His intent to reduce the world population by some 2 billion people is a matter of public record, in his own writings and the writings of others whom he has endorsed. Yet, the major media are silent in the face of Gore's Nuremberg Crimes against humanity.

The Ehrlichs: Gore's Genocidal Gurus

Take the case of Paul R. and Anne H. Ehrlich, whose stated goal is to reduce the world's population by several billion people. They are both gurus and supporters of Gore; they are leaders of the Sierra Club, which recently endorsed Gore's campaign for President. Gore wrote the introduction to the Ehrlichs' book *The Population Explosion: From Global Warming to Rain Forest Destruction, Famine and Air and Water Pollution—Why Overpopulation Is Our #1 Environmental Problem* (New York: Simon and Schuster, 1990), and he enthusiastically endorsed the Ehrlichs' demand for radical population reduction measures in the world's poorest countries.

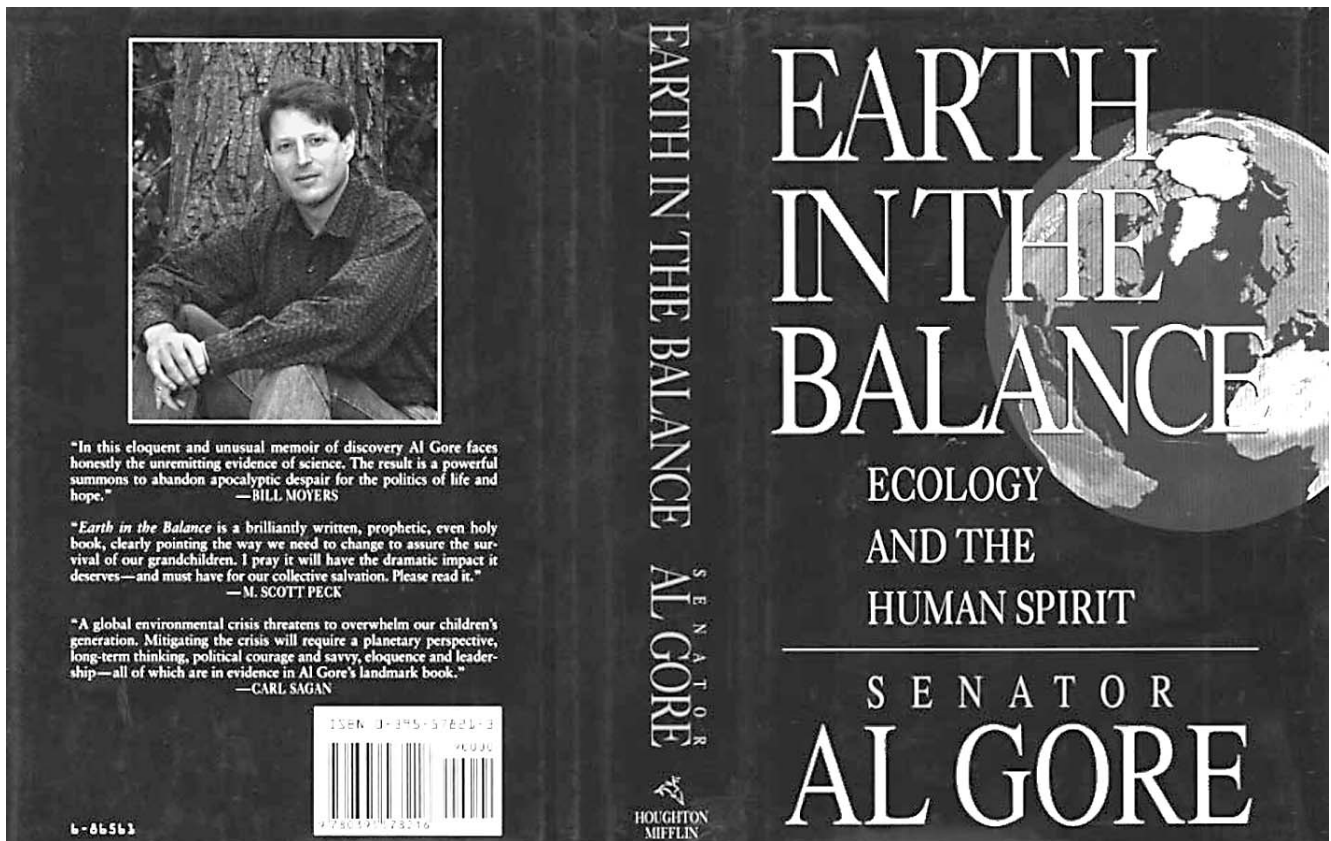
The Ehrlichs argue that AIDS is merely the latest of numerous pandemic diseases that have resulted from overpopulation in places such as Africa, where they believe that AIDS originated. But in reality, Africa is vastly *underpopulated*, relative to its productive potential. The problem is not overpopulation, but the financial policies of the International Monetary Fund and related institutions, which have plunged the continent into perpetual backwardness, war, and epidemic disease.

On the dust jacket of *The Population Explosion*, the Ehrlichs tout their endorsement by Gore: "Senator Albert Gore, Jr. says, 'Paul and Anne Ehrlich point out that humankind has entered into a brand-new relationship with Planet Earth. For the first time, our numbers threaten the ecological system that supports life as we know it. . . .

" 'The time for action is due, and past due. The Ehrlichs have written the prescriptions. . . . If every candidate for public office were to read and understand this book, we would all live in a more peaceful, sane, and secure world.' "

And, inside, the Ehrlichs give political kudos to Gore: "Taking on bad politicians is not the only effective action you can take. You can encourage good ones. . . . For example . . . write to them and let them know how grateful you are for their efforts. Do [this] . . . for Albert Gore . . . and others who have made the effort to become well informed on population/environment problems."

In *The Population Explosion*, the Ehrlichs blame every human catastrophe, real or imagined, upon "overpopulation." They state: "Global warming, acid rain, depletion of the ozone layer, vulnerability to epidemics, and exhaustion of soils and groundwater are all, as we shall see, related to population size. They are also clear and present dangers to the persistence of civilization. Crop failures due to global warming alone might result in the premature deaths of a billion or more people in



Al Gore's eco-fascist manifesto.

the next few decades, and the AIDS epidemic could slaughter hundreds of millions. Together these would constitute a harsh 'population control' program provided by nature *in the face of humanity's refusal to put into place a gentler program of its own*" (emphasis added).

The Ehrlichs, as well as Gore, even blame AIDS on "overpopulation."

In *The Population Explosion*, the Ehrlichs sound—like Britain's Prince Philip (who once expressed his desire to be reincarnated as a "deadly virus," in order to contribute to reducing the world's population) and the late Lord Bertrand Russell—disappointed that AIDS has not done enough to reduce human population: "Computer projections suggest that, even in Africa, mortality from the disease alone (as opposed to social breakdown or economic effects) is unlikely to bring an end to population growth. While AIDS *could* turn out to be the global epidemic that brutally controls the population explosion by raising death rates, the strains of the virus that have so far been observed seem not to have that capacity. In truth, it is impossible at the moment to predict what will happen."

The Ehrlichs deride as "fringe groups," those who call for the quarantine of AIDS victims, to assure both that the contagion's spread is contained, and that AIDS victims receive the most advanced treatment available.

'Mein Planet'

In the latest edition of Gore's book *Earth in the Balance: Ecology and the Human Spirit* (New York: Houghton Mifflin Company, 2000), which was issued in the midst of his campaign for the Democratic Presidential nomination, the Vice President demonstrates that he has by no means given up these genocidalist views. The book might better be titled *Mein Planet*.

In a chapter euphemistically called "A Global Marshall Plan," Gore states that "the absolute numbers are staggering" for population growth in several African nations, whose populations will double or triple over the next 30 years. As a result of this, Gore states: "Already new epidemics—from cholera to the Black Plague to AIDS—have emerged in societies knocked off balance by rapid population growth and consequent disruption of their traditional patterns of living, and the degradation of their surrounding environments."

While the Clinton National Security Council has acknowledged that poverty expedites the spread of HIV/AIDS, Gore says nothing about the United States helping to engender the technological and scientific progress essential to increase the population-carrying power of the Earth; instead he opts for population control measures under the "Big Lie" of "sustainable development."

In the new foreword to the second edition of *Earth in the*

Balance (the first was issued in 1992), Gore states: “None of our measures will fully succeed unless we achieve population stabilization — one of the most important environmental challenges of all. An overcrowded world is inevitably a polluted one. Since I wrote this book, the earth’s population has increased by 500 million people; 800 million people go hungry each day; 2 billion live without electricity; 2 billion don’t have access to sanitary facilities; 1.3 billion are without clean water; and 1 billion live on less than one dollar a day.” Rather than a true “Marshall Plan” to alleviate this poverty, Gore calls for population control measures to reduce the population by 2 billion or more people, as he advocated as head of the U.S. delegation to the 1994 UN Conference on Population and Development in Cairo.

Brass-Knuckle Tactics toward South Africa

U.S. government documents show that, as Vice President, Al Gore practices what he preaches. He has used every bullying tactic short of war to stop the Republic of South Africa from leading a revolt within global institutions for poor nations to gain access to the production of affordable, generic anti-retroviral drugs, to prolong the lives of those who are either HIV-positive or suffering from full-blown AIDS. Gore has been a party to threats to punish South Africa, which is facing an HIV/AIDS emergency, because it has threatened to break the death-grip of the pharmaceutical cartels on these life-prolonging drugs, not only in Sub-Saharan Africa, but throughout the Third World.

Al Gore is lying, when he claims that South Africa is not

Maurice Strong, Gore, and Malthusian Genocide

Canadian oligarch Maurice Strong is one of Vice President Al Gore, Jr.’s closest collaborators, one of Lyndon LaRouche, Jr.’s most long-standing oligarchical opponents, and a leading proponent of the policies of Malthusian zero growth that have propelled the AIDS pandemic forward.

Born in 1929, Strong is a member of Queen Elizabeth II’s Privy Council for Canada; chairman of the Earth Council; senior adviser to World Bank President Sir James Wolfensohn (Strong’s protégé); Foundation Director of the World Economic Forum; and on the board of directors of several major corporations, including Toyota Motor Corp. He was a co-founder with Britain’s Prince Philip of the secretive 1001 Club, the “piggybank” of the World Wildlife Fund (WWF). Strong hand-picked the Canadian members of the Club, known as the “Strong Kindergarten,” of 80 or so top promoters of ecological fascism in Canada.



Strong’s record as an eco-fascist appears to have begun when he left his job as chairman of Power Corp., to take over Canada’s External Aid program in the late 1960s. There, through combined public-private institutions, he spread eco-fascist propaganda and ran clandestine operations internationally.

In 1969, he went to New York as an Undersecretary

General of the UN. He served as Secretary General of the UN Conference on the Human Environment, the “Stockholm Conference,” which took place in 1972, and was one of the main international launching pads for the green fascist agenda of zero growth and environmentalism. It was there that he first crossed swords with LaRouche, being one of the first oligarchs to attack LaRouche publicly as a danger to their Malthusian agenda. In 1992, Strong served as Secretary General of the UN Conference on the Environment and Development (UNCED), known as the “Rio Summit.”

He was made a trustee of the Rockefeller Foundation in 1971 (and serves still today as a board member), which gave him a grant for running his Stockholm Conference office. He hired British political intelligence operative Barbara Ward, Lady Jackson of Lodsworth, who wrote much of the preparatory materials for the conference.

After associates of LaRouche intervened against Strong’s genocide policy at the 1972 Stockholm Conference, Strong issued a slanderous memorandum, compiled by himself and Lady Jackson, which he circulated among the Anglo-American oligarchy.

More than anyone else, it was Strong who drew Al Gore into the orbit of radical Malthusianism and ecological fascist zealotry. He has worked closely with Gore since Gore was a Senator and founded an organization of global parliamentarians for the environment. Strong worked closely with members of Gore’s staff who assisted Gore in writing the first edition of *Earth in the Balance: Ecology and the Human Spirit* (New York: Houghton Mifflin, 1992), especially Gore’s Senior Legislative Assistant for Energy and Environmental Policy, Katy McGinty. She also served as Congressional Staff Coordinator for the U.S. Senate delegation to the Rio Summit. According to Strong, it was through Gore’s intervention that the United States participated in that Summit at the heads-of-state level.

—Scott Thompson

obeying international law. Even the World Trade Organization permits patent right infringement under conditions of a “national emergency,” and the United States and European Union have repeatedly done this for far less reason.

The following chronology of events since the founding of the 1994 U.S.-South Africa Bi-National Commission (BNC), shows that Gore has worked consistently to keep South Africa from producing generic anti-retroviral medications, despite its national emergency.

July 29, 1997: During a BNC meeting, Secretary of Commerce William Daley, who is now Gore’s campaign chairman, voiced opposition to the proposed amendments to South African Medicines Act of 1965, Section 15(c), which would permit compulsory licensing (generic production) and parallel purchasing (finding the lowest possible price).

Feb. 13, 1998: U.S. Trade Representative (USTR) Joe Papovich attends an inter-agency meeting chaired by Gore’s aide Leon Fuerth, to discuss ways of short-circuiting Section 15(c) at the upcoming BNC meeting. As Gore’s National Security Adviser and longest-serving staff member, Fuerth is in charge of policy formulation for all of the five Bi-National Commissions run by Gore.

Feb. 23, 1998: Pharmaceutical Research and Manufacturers of America (PhRMA) asks the USTR to designate South Africa as a “Priority Foreign Country” under the special 301 Review. PhRMA says: “South Africa has become a ‘test case’ for those who oppose the U.S. government’s long-standing commitment to improve the terms of protection for all forms of American intellectual property, including pharmaceutical patents.”

March 17, 1998: USTR Charlene Barshefsky vows that U.S. “agencies with both trade and health policy responsibilities will continue to press South African government in all possible fora as long as possible.”

May 1, 1998: USTR puts South Africa on the 301 “Watch List,” because it has threatened to abrogate patent rights in order to produce generic anti-retroviral drugs to help its AIDS-stricken people.

June 30, 1998: The White House announces that four items, for which South Africa had requested preferential tariff treatment, will be held in abeyance, pending progress on “intellectual property rights” protection in South Africa.

August 1998: During BNC meetings in Washington, Gore makes the issue of pharmaceutical property-rights protection the central focus of his discussions with Deputy President Thabo Mbeki.

Oct. 21, 1998: HR 4328 passes the House of Representatives. It contains a provision inserted by Rep. Rodney Frelinghuysen (R-N.J.), who represents major pharmaceutical industry interests, that would cut off aid to the government of South Africa, pending a Department of State report outlining its efforts to “negotiate the repeal, suspension, or termination of Section 15(c) of South Africa’s Medical and Related Substances Control Amendment Act No. 90 of 1997.”

Feb. 5, 1999: The State Department sends a report to Congress, stating that “all relevant agencies of the U.S. Government . . . have been engaged in a full-court press with South African officials from the Departments of Trade and Industry, Foreign Affairs, and Health, to convince the South African Government to withdraw or amend the offending provisions of the law.”

February 1999: Gore again raises the issue with Mbeki. South Africa is placed on the trade “Watch List” for intellectual property-rights violations.

April 30, 1999: USTR schedules an “out-of-cycle review” for South Africa, to conclude in September 1999. According to the USTR, South Africa’s “barriers to trade” are parallel imports, compulsory licensing, and speaking out at the World Health Assembly, during which South Africa was accused of fomenting a faction of nations in the World Health Organization (WHO), calling for a reduction in the level of protection provided for pharmaceuticals.

Although President Clinton subsequently reversed this murderous sanctions policy against South Africa in a May 10, 2000 Executive Order, entitled “Access to HIV/AIDS Pharmaceuticals and Medical Technologies,”¹ South Africa is still unable to produce generic anti-retroviral drugs to combat HIV/AIDS, because of a lawsuit by the pharmaceutical cartels before the nation’s High Court.

Gore’s Pharmaceutical Friends

Several top members of the Gore Campaign 2000 team are lobbyists for the pharmaceutical cartels, and they have been trying to line up major funding from the very cartels that are suing South Africa.

Gore’s chief campaign fundraiser, **Peter Knight**, is a high-paid lobbyist for PhRMA, which represents several of the firms that have been demanding sanctions and issuing injunctive suits against South Africa. In 1998, Knight earned \$120,000 from the pharmaceutical cartel of Schering-Plough alone.

Anthony Podesta, a close friend and top adviser to Gore, is one of the PhRMA’s chief lobbyists. His firm was paid \$160,000 by PhRMA to lobby on patent issues, among other matters, between January 1997 and June 1998. He was also retained by Genentech, a major biotech firm, to the tune of \$260,000, for the same period. Gore’s chief domestic policy adviser, **David Beier**, was previously the top in-house lobbyist for Genentech.

No matter what campaign rhetoric Gore peddles nowadays about the need to combat HIV/AIDS in Sub-Saharan Africa, both he and top campaign officials are lining their pockets with money from the pharmaceutical cartels that are suing South Africa to stop generic affordable drug production.

1. Scott Thompson, “Clinton Issues Order Allowing Africa to Produce AIDS Drugs,” *EIR*, May 26, 2000.

Where Do We Attach the Head?

Until a new approach is taken to scientific work, there is no way the AIDS epidemic can be effectively countered. By Lyndon H. LaRouche, Jr.

May 8, 2000

“It,” as the laboratory’s night-janitor described that eerie contraption, was known as “Doctor Ike,” a marvel of blended genome patent-work and silicon. Each sub-assembly had been duly benchmarked, and outsourced for cost-savings, with each step of the assembly carefully plotted by the World-Wide Committee. At the official unveiling, the Committee had presented it as the definitive breakthrough to the Arrival of the Age of Artificial Intellects (AAAI). The Committee named the final result “Isaac Galileo Newton,” but the Nerds, who assembled the thing, referred to it as “Doctor Ike.”

The initial claims were definitive, but, as time passed, the claimed success was clearly not.

Perhaps the second big mistake, was the decision to make “Doctor Ike” look like a living human being: sort of. The compromises were perhaps inevitable, the tensions between the Committee and the Nerds being what they were. Take, for example, the decision to attach the head of “Doctor Ike” to his midriff, and the addition of a functionally unneeded rectum-port, as what one Committee member referred to wryly, as “a mere air of verisimilitude.” There were other complications.

The net result was, as its least worst, that nothing was really in the right place, neither from the standpoint of aesthetics, nor function. Speaking plainly, “Doctor Ike” was both ugly, and, as a problem-solver, worse than useless. For that reason, the Nerds liked him all the more; as the seasoned Committee member, speaking *sotto voce*, made the point, the Nerds took him for one of their own.

The lesson which was finally, one might say belatedly, learned from the “Doctor Ike” project, was, that it was most fortunate, that neither that Committee, nor those Nerds, had had anything to do with the earlier designing, and building of the Solar System. You might say, the very name of the project doomed it from the start; no system designed in the spirit of either Galileo, or any Isaac Newton, would ever, actually work as specified. It had been a snipe-hunt, from the start. That had been the first mistake. The folly of the “Doctor Ike” project was systemic.

‘Doctor Ike’ Is a Typical Case

The relevance of the example of this case, that of “Doctor Ike,” is pointed up by the implications of a recent CIA report, the one underscored recently by the U.S. National Security Council.¹

For reasons which my associates and I have stressed, repeatedly, since my first policy-memorandum on that matter, issued back in early Spring 1973, the world now faces a complex of threats from so-called AIDS and other epidemic disease, which constitutes, in effect, an active, major strategic security threat to the U.S.A., among all other nations. The CIA report repeats, essentially, the general arguments which my associates and I have issued repeatedly during the course of the recent twenty-seven years, including our mid-1980s assessment of the so-called AIDS pandemic.

In addition to the traditional measures, learned largely from the modern military medicine of total wars, measures which are needed for a global public health mobilization against this present strategic security threat, the world urgently requires the opening of new dimensions of scientific work, to supplement, and even largely supersede, the methods currently used for countering deadly combinations of pathogens of both old and new types and varieties.

The roster of relevant, much needed terminology, features such terms as “biophotons.” The latter term, by itself, takes us into a new dimensionality of biological and related experimental systems, as the work of Bernhard Riemann gave more exact meaning to the proper scientific use and application of the term systemic. Thus, in the setting of this strategic security threat, for the U.S. and other nations, the urgency of the problem does not permit scientists and relevant others to continue their customary, actually, childish prattle about “generally accepted classroom methods of mathematical physics.”

Specifically, in dealing with certain among the relevant aspects of living processes, we are operating in a systemic domain which does not permit reliance upon those varieties

1. “The Global Infectious Disease Threat and Its Implications for the United States,” NIE 99-17D, January 2000, unclassified CIA report.



in all trends in U.S.A. health-care policy, since the initial introduction and adoption of the HMO law, during 1971-1973. We must restore the depth of defense of public health, which we had learned from the experiences of total wars over the period from the U.S. Civil War, through the experience of World War II and its aftermath, reversing every recent politically imposed trend in U.S. health-care policy, for example, since the mid-1970s. Anyone who opposes that, is an enemy of U.S. national security.

That summarizes what is merely the most obvious, first level of response required by the situation described in the CIA report. That will not be adequate for dealing with the new quality of threat which has emerged over the recent quarter-century. The fostering of new systemic thinking about the threat, and the methods which must be mustered to combat it, are now of the highest priority, for every nation on this planet.

It is time to attack the conventional academic evasiveness on the matter of defining the relevant classes of problems properly classed as systemic.

Systems: Plato to Riemann

The strict meaning of the term mathematical-physical system, is that defined in Professor Bernhard Riemann's famous 1854 habilitation dissertation, the work which completed Carl Gauss's development of orderable series of what are termed hyper-geometries, or multiply-connected manifolds. The relevant significance of that use of the term system, arises in the concluding portion of that Riemann dissertation. There, Riemann supplies mathematics (geometry) with a new, strictly experimental-physical basis.

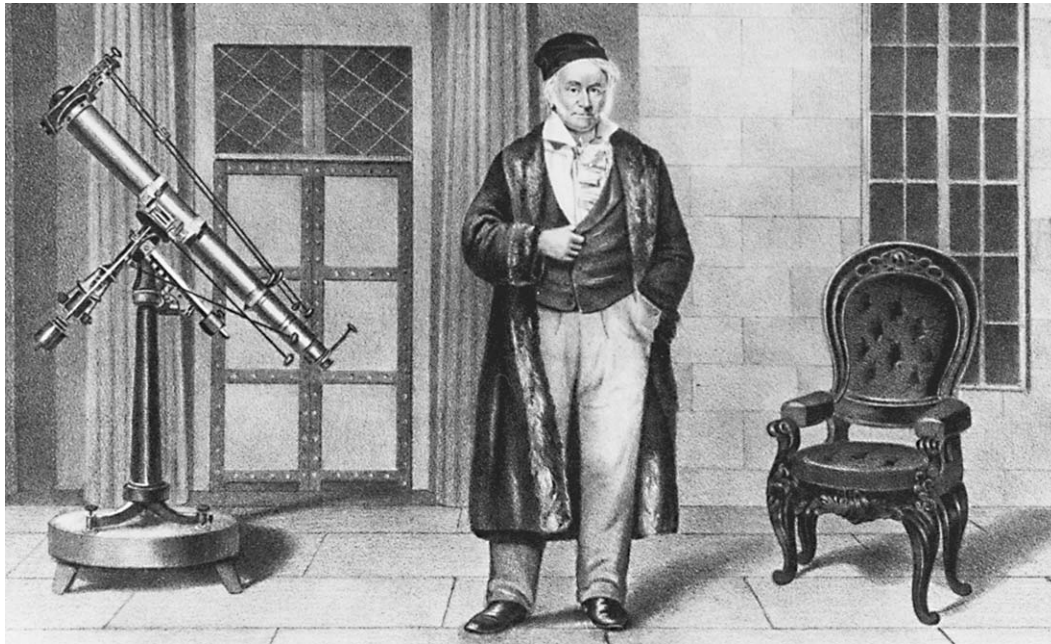
Riemann's revolutionary discovery brought to an approximate completion, a long history in the development of mathematical physics. For our purposes here, the most relevant highlights of that development, feature the names of Plato; Nicholas of Cusa; Cusa followers Luca Pacioli and Leonardo da Vinci; follower of Cusa, Pacioli, and Leonardo, Kepler; Leibniz; Gauss; and Riemann. The rigorous use of the term system, emerges from tracing that historical process of development marked by that series of names.

The consequent, literate use of the term system, emphasizes the axiomatic difference between so-called *a priori* geometries, such as those of commonplace secondary-school

of mathematical physics, the which have been developed as subjects of Clausius-Kelvin-Grassmann-Helmholtz-Rayleigh-Boltzmann statistical thermodynamics. By definition, living processes do not conform to the reductionist's choice in statistical-thermodynamical mathematical methods. In approaching the kind of challenge which the CIA report implicitly specifies, the subject-matter is comparable to the case I make for defining non-linear transformations in physical-economic processes.

Essentially, there is nothing in the CIA report which I have not personally stated, repeatedly, to be the global nature of the problem, over the course of the 1970s and 1980s. In my attacks on the IMF's and related policy-dictates imposed upon developing and other nations, I have warned explicitly of the epidemiological threat, and related increases of morbidity being produced by such presently continuing, policies of practice. The difference in the situation today, as marked by the CIA report, and the emphasis placed upon it by the U.S. National Security Council, is the outcome of what the IMF and others have done to Africa, for example, where the effects of the cruelty inflicted upon that continent, have now reached the level of being an undeniable, immediate, epidemiological, and related threat to the national security of the U.S.A. itself.

This now global and immediate threat, requires a reversal



Carl Friedrich Gauss
(1777-1855).

Euclidean geometry, and a geometry, that first defined by Riemann's habilitation dissertation, whose axiomatic dimensions of space, time, and matter, are based strictly upon evidence of what are best identified as unique physical experiments.

Keeping the CIA report in the corner of our mind's eye, let us begin by focussing on the most crucially relevant feature of the work of Riemann. Then, trace the development of that conception, from Plato's *Timaeus* dialogue, through the specifically relevant work of Cusa, Pacioli, and Leonardo, into the work of Kepler, and from there, through Leibniz, to Gauss and Riemann. Having thus reached the point of Riemann's work, proceed to what I have to add of relevance to the situation today.

Were we to assume, that the definitions of mathematics and geometry, began at approximately the level of today's generally accepted secondary-school and university-undergraduate classroom mathematics, the term system would appear to be little more than a literary convention. The axiomatically significant use of that term begins, once we seriously doubt the arbitrary, childish presumption, that space and time are extended, self-evidently and infinitely, in simple, linear, straight-line directions. The beginning of the modern, functional notion of a system, is found in a topic featured in Plato's *Timaeus*, in which Plato emphasizes a discovery developed by his Academy at that time. The strictly functional notion of a system arises with the demonstration, as in that location, that physical space-time is, functionally, a characteristically curved space-time, not straight-line space and time.

The *Timaeus* is not the first location in which Plato takes up that matter; but, it is the most relevant from the standpoint of that later work of Cusa, Pacioli, and Leonardo, which leads

directly into the chain of discoveries by Kepler, Leibniz, Gauss, and Riemann. The critical proof, that there exist physical space-times which are characteristically, which is to say axiomatically curved, rather than defined, elementarily, by pair-wise action at a distance along straight-line pathways, is the beginning of all serious discussion of axiomatically pervasive, systemic distinctions among differing qualities of real processes. It is Plato, for example, who emphasizes the systemic differences of this sort, between non-living and living processes.

Plato demonstrated two closely related, but distinct such points. First, that the astrophysical universe is curved, not four-square. (For example, try to map the distances as measured on a flat map of the Earth, in correspondence with the actual distances on the surface of the globe.) Second, however, he also demonstrated, that the difference between living and non-living processes, is that living processes are, systemically, subjects of the kind of curvature implied by the so-called Five Platonic Solids, as Plato followers Pacioli, Leonardo, and Kepler did later. Such differences in curvature, give us the most elementary mathematical definition of distinctions in the geometry of physical systems.

Kepler began where the known work of his predecessors, Plato, Eratosthenes, Cusa, Pacioli, and Leonardo apparently stopped. The modern scientific notion of systemic characteristics of entire systems, centers around Kepler's writing of his *New Astronomy*, the work which Isaac Newton attempted, rather unsuccessfully, to plagiarize. The turning-point is found, most simply and directly, by viewing all of Kepler's development of the foundations of modern astrophysics, as pivoting around the implications of his approach to the measurement of the Mars orbit.

The significance of Kepler's contribution to our modern understanding of systems, is highlighted most efficiently, by considering the fact that Newton's so-called laws, which were simplified versions of what are commonly misnamed "Kepler's three laws," led poor Newton into the systemic paradox of the so-called "three-body problem." This poses the question: why does Newton's bowdlerized version of Kepler's discoveries, result in a "three-body" paradox which does not in exist in the original astrophysics, Kepler's, from which bleary-eyed Newton poorly copied? That deserves to be regarded as typical of the systemic fallacy of Newton's system.

Now, we are on the track of discovering why the Nerds ended up attaching poor Doctor Ike's head to that dummy's midriff.

Kepler's astrophysics defines the lawful ordering of the entire Solar system as determined by a single, systemic principle, rather than assuming that there is some simple abstract law, such as assuming, falsely, that Galileo's "pair-wise action-at-a-distance" gimmick, which can be freely moved about in four-square space-time, could be adopted, to determine the interrelationship among the Solar bodies. Kepler defined the orbits as determined by harmonic principles consistent with, and pervasively subsumed by the characteristic curvature of a Solar system in which the Sun was located at one of the two centers of an ellipsoidal field.

One feature of Kepler's work would, nearly two centuries after *The New Astronomy*, totally vindicate Kepler's work, against the attempted revisions by Galileo, Newton, and their followers. That proof came in the form of Gauss's determination of the orbit of the asteroid Ceres, to conform to harmonic-orbital values projected for a missing, disintegrated planet, which Kepler proposed must have lain, in the past, between the orbits of Mars and Jupiter.

The importance of the latter connection, is not merely that Gauss's work verified Kepler's method experimentally. The point is, that Gauss's method was based on the successive work of Leibniz and others, in their continuing the related work which Kepler had bequeathed publicly to future mathematicians.

The crucially relevant point is, therefore, the following.

Kepler's method defined a principle of curvature for the internal "structure" of the Solar system as a unified whole. When this method is contrasted with that of Galileo and Newton, one recognizes the same issue posed successively by Plato's *Timaeus*, and Cusa, Pacioli, and Leonardo before Kepler. Newton's astronomy is Cartesian; Gauss's and Riemann's, like Kepler's and Leibniz's, what is to be strictly defined today, as that of an anti-Euclidean, multiply-connected manifold, a so-called physical hyper-geometry.

The Principled Difference

As the most ancient known Zodiacs indicate, mankind's first systematic astronomy measured the angular changes, not



Statue of Johannes Kepler (1571-1620) in Weil der Stadt, Germany.

assumed distances, in the positions of celestial bodies. There was no arbitrary assumption of straight-line distances, only angular measurements implicitly reducible to approximations of a spherical universe. The significance of the related role played by the Five Platonic Solids in Plato's dialogues, is that the derivation of those solids as characteristic of spherical physical space-time, showed that we have means for determining, conclusively, as a matter of principle, whether the universe is organized as a four-square or (approximately) spherical universe. Indeed, as Eratosthenes' measurement of the Great Circle of Earth, and estimates of some intra-Solar distances, as by aid of eclipses, show: well-defined, principled notions of adducible distances, were developed as by-products of investigations of the systemically distinct curvatures of the relevant processes.

The same tactic presents life as consistent with the universe, and non-living processes as inferior to living ones. The same method defines Classical beauty, as Plato and the poet John Keats define it, as superior to non-Classical forms of art. These notions are already notions of systemic qualities of fundamental difference among different kinds of physical geometries.

With the continuation of this approach, through Gauss's work on asteroid orbits, or geodesy, and on general principles of curved surfaces, the root-conceptions met in Plato's work have become more richly comprehended. Riemann's revolu-

tion is the direct outcome of the state of the matter coinciding with the approaching moment of Gauss's death.

The evidence presently at hand, directs us to define the most general kinds of systems in the following way.

There are three primary distinctions among systems of physical behavior in the presently known universe: 1) Qualitative differences as scale is increased, or decreased, a) from macrophysical toward astrophysical, or, b) from macrophysical into microphysical directions; 2) the difference between living and non-living processes; and, 3) the systemic uniqueness of physical processes ordered by individual cognitive processes, relative to all other behavior of living systems.

Thus, we have, presently, four primary classes of systemic deviation from mechanical-like ordering of sense-perceived events on the scale of simple macrophysics. At specific levels of scale, there are systemic changes (e.g., molecular, atomic, nuclear, etc.). Living processes are distinguished as classes, in a similar fashion, as are cognitive processes. At the base of each of these four classes, so to speak, there are multiply-connected arrays of experimentally validated universal physical principles, known, or yet to be discovered.

Respecting each universal phase-space so defined, there is a measurement of curvature, which coincides with the validation of any multiply-connected array of the principles presumed to be effective in that phase-space. Experiments which test for the necessary inclusion of any one such proposed universal principle, within that phase-space, are unique experiments, which thus validate the existence of the principle. Those experiments are distinguished from, and superior to the frequently sophistry-ridden forms, those of mere classroom and related forms of demonstration-experiments.

As Riemann emphasizes, within the concluding portion of his habilitation dissertation, we can never define the curvature of a specific physical-space-time, by ivory-tower methods of *a priori* geometry, or axiomatic algebra. Those curvatures must be defined and validated by unique experimental methods which show the necessary existence of the relevant principle within the phase-space in which it is suspected to be efficiently situated.

The fact that what is otherwise the same apparent quality of material, may be encountered in two or more of the four classes of axiomatic phase-spaces I have listed above, poses such questions as: how must we distinguish, in these terms, between living and non-living processes? It is precisely in such matters, that the difference between some material as functionally part of a living process, or not, should attract our attention. How must we distinguish, so, between the behavioral characteristics of living processes in general, and living processes expressing the cognitive characteristics unique to the human species?

The general answer to such types of questions, is that there must be some functional difference in the characteristic of a process operating under the regime of one class of phase-space, as compared with the characteristic of what is other-

wise ostensibly the same material, operating under the regime characteristic of a different class of phase-space. Such, of course, are the measurable differences, by means of which validatable universal physical principles are to be incorporated into an axiomatic class of phase-space. Such are the implications of an acceptable standard for unique experimental proofs of principle.

These characteristic differences otherwise define a systemic characteristic, as Kepler defines the entire Solar system as subject to a single, pervasive, set of orbital-harmonic characteristics. There lies the awesome importance of Gauss's Keplerian solutions for the asteroid orbits.

Bring Back the Entrepreneurs!

Capitalism, as defined by the pro-satanic Mont Pelerin Society, the American Enterprise Institute, and Ayn Rand fanatic Alan Greenspan, is a giant, pro-feudalist fantasy and fraud. The timely imperative today, is to purge our agriculture, manufacturing, and government of the C.E.O.'s, and bring back the entrepreneur. Free civilization from the grip of the Invisible Hand of that Great Pickpocket which serves as the puppet-master for such poor wretches as Lady Margaret Thatcher, the modern New Babble-On's Magicians. What is urgent, is to free society from the neo-feudalist high priests of infinitely licentious Bernard Mandeville and François Quesnay's *laissez-faire*.

The object of a viable form of agro-industrial economy, is constant technological progress of the type which is dependent absolutely on an ongoing flow of validatable discoveries of new universal physical principles. Or, to state the same thing in other words, on an ongoing flow of progressive changes in the characteristic curvature of the rate at which mankind's potential relative population-density is increased, in the universe, per capita and per square kilometer of the Earth's surface-area.

It is solely from gains in curvature defined as increase of potential relative population-density, per capita and per square kilometer, that true gain, legitimate profit, is defined, and in no other way. This gain never occurs through mystical tricks of invisible hands; it occurs solely through willful innovations to the effect of increasing mankind's power, per capita and per square kilometer, in and over the universe.

In our American System of political-economy, as Hamilton, the Careys, and List defined it, and as I have raised that knowledge to a higher, more powerful level for practice, the function of the state is the following.

1. To promote the general welfare of all the living and their posterity, as the sole basis for the legitimate functions and authority of government. This is the universal principle of natural law, to which all government, and all law-making is properly subordinate.

2. To create the preconditions for those forms of technological progress through private enterprise, which will increase the potential relative population-density of the human

species, per capita and per square kilometer. This means developing the conditions of the entire land-area and of the population, in such ways as will foster both such general welfare and the potential for useful forms of private enterprise.

3. To give preferential consideration to those kinds of private enterprise which do, by their nature, foster the relatively higher rates of scientific and technological fecundity of the total economy's rate of increase of its potential relative population-density.

4. Any contrary standard for performance and for making public policy, is folly, and probably also an abomination to be abhorred. In other words, any contrary policy were a systemic folly.

In summary, therefore, the situation is this.

The U.S.A. requires no C.E.O.'s, as such curious creatures are customarily defined and much overpaid today. We require a return to power of the private entrepreneurs, as in the tradition of the Thomas Edison who proved infinitely wiser, and a more electrifying contributor to our nation's cultural life than his envious, science-hating critic, that pseudo-literate, quasi-gentrified co-thinker of the Nashville Agrarians, the *New York Times*.

To that end, we require the development of the basic economic infrastructure of our land-area and of the cultural conditions of social life, the which are in accord with high rates of such increase of the physically defined productive powers of labor. This public responsibility for ensuring the suitable development of the potential for growth represented by the development of all of the land-area and all of the inhabitants, creates the indispensable preconditions for the proper role of leadership provided by the true entrepreneur as opposed to today's rentier style of C.E.O. in the private sector.

In the private sector, we require relatively high rates of net capital formation (after calculating for depletion and attrition), as capital formation is defined in physical, rather than financial terms. We favor credit, banking, and taxation policies which encourage high rates of such net capital formation, as to be measured per capita and per square kilometer; we encourage relatively high rates of capital formation, insofar as this reflects increase of potential relative population-density through the functions of such enterprises.

Restated summarily, these considerations are subsumed by a commitment to a systemically high rate of increase of the potential relative population-density of the society, and of humanity as a whole. This expresses an efficient commitment to the promotion of the general welfare for the living and their posterity.

The focal point of the system of statecraft so defined, is the intersection of fundamental scientific and technological progress, a point of intersection which coincides with the required systemic characteristic of the society as a whole. The functional characteristic of that point of intersection, is

located in the interface between fundamental scientific progress (i.e., the discovery of validatable new universal physical principles) and the quality of machine-tool design-work which overlaps the construction of the proof-of-principle experimental apparatus, upon which the experimental validation of newly discovered physical principles depends.

As the case of the circles associated with Philadelphia's Henry C. Carey and Alexander Dallas Bache, situates the 1861-1876 U.S. economic miracle, and the resulting emergence of such results as the work of Thomas A. Edison, this interface of fundamental scientific discovery and immediately related machine-tool development, is the essence of effective entrepreneurship. The form of private ownership associated with that quality of interface, is what our government should prefer to protect and foster, against all opposing, predator forms of private economic activity.

Precisely there, is where Doctor Ike failed as miserably as that project did. One must never simply paste systems together according to bench-marking, outsourcing, and related foolishnesses. If this precaution is overlooked, one never knows where and when the body's sundry organs will come out, or for what purpose.

Above all else, there is the human factor, which the World-Wide Committee, and its Nerds, alike, never considered. Indeed, they seem to have hated even the mention of that topic. The highest known systemic ordering in the universe, is that defined by the ordered self-development of those cognitive processes of the individual human mind, by means of which, man, and no other species, increases its species control within and over the universe at large. The propensity of the universe to obey such commands, when expressed as systemically validated discoveries of principle, is the highest known ordering of every other process in the universe yet known, or knowable, to man.

What the Nerds hated so viciously, was the proposition, that they could not succeed in building a mere machine which could out-think, and enslave mankind. The satanic lust to build an electromechanical God-machine, the goal of those satanists known as the fanatics of "information society," was the new, doomed Tower of Babel, which the Committee proposed, and its Nerds set out to build. So, Doctor Ike's head, like certain other parts, came out in inappropriate places. Such incidental incongruities were inevitable; but that was not the worst of the matter. "Information society," the cult which prefers to worship Gaea's dirt, rather than the Composer of this universe, is but another in the long list of ill-fated insolences of the satan-worshippers of Babble-On. Once, the satanists worshipped idols of gold; today, the idols are less vulnerable, and cheaper: they exist only in the realm of virtual unreality.

The Nerds have always hated God. Since they never knew God personally, they directed their hatred against a more accessible target, the human species and that species' systemic characteristic, cognition.

Fujimori Bucks Wall Street, Tells Peru, 'People Come First'

by Gretchen Small

Inaugurated for his third term as Peru's President on July 28, Alberto Fujimori proposed to the nation that the next five years be dedicated to the progressive industrialization of the country. The task, he told Peruvians, is to bring infrastructure and development to the furthest corners of the national territory, and the state must play a role in directing the economy toward this end. "This government will promote industrial activities in the coast, in the *sierra* [mountainous regions], and in the jungle," he promised.

Fujimori invoked the spirit of optimism and decision which the country had rallied to defeat narco-terrorism in the 1990s, as the qualities now to be brought to bear on this great national task. He reminded Peruvians of how, when he was first inaugurated ten years ago, Peru was in the midst of its worst national crisis of the 20th century, and defeatism and pessimism dominated its political class. The majority of Peruvians, however, had not lost hope, and mobilized sufficient courage required to face the battle. "Peru demonstrated itself to be greater than its enormous problems," he reminded them.

So, today, Fujimori proposes that Peru turn the desire for progress of the poorest Peruvians into "a motor for the economy."

Fujimori's 40-minute inaugural speech, excerpted below, demonstrates the quality of leadership which the Wall Street and London financiers most fear in the President whom Peruvians chose to re-elect, despite threats of international blockade against the country, should they do so. Although there are weaknesses in the strategy Fujimori proposes to follow (such as a misguided emphasis on exporting into a collapsing world market), which will be exploited by Peru's foreign enemies, these are of lesser importance than the decision to focus the nation's energies on building its physical economy, and on the urgency of providing for Peru's people, as the issue which will decide whether the country will survive. The specifics of

how that can be accomplished, are matters that will be defined on the global battlefield over the coming months of international financial disintegration.

The international media's lies aside, President Fujimori is respected around the world for his firm and successful defense of Peru's national sovereignty during the 1990s, when the nation nearly fell to some of the most feared narco-terrorists which have ever operated anywhere. With his inaugural speech, Fujimori has announced that he intends to extend that battle for national sovereignty into the sphere of economics.

The change now occurring in Peru has been blacked out of the international media, by and large, out of fear that it could embolden others in other countries considering breaking from globalization's destruction. Instead, the international media have focussed its reports on puffing up the violence provoked on inauguration Day by Project Democracy's favored tool, defeated Presidential candidate Alejandro Toledo, as if that reflected some kind of powerful national opposition to Fujimori, rather than what it was: the opening of a campaign by desperate foreign financiers, to re-launch a terrorist war inside Peru. Toledo's Presidential bid was shamelessly backed by Madeleine Albright's State Department, and was run by a bunch of drug legalization activists working with speculator George Soros. But Peruvians defeated Toledo in the recent elections, and his support within Peru has been dropping precipitously ever since then.

'How Dare He!'

The recognition that neither President Fujimori nor Peru intends to capitulate to globalization's dictates, has produced a fearful hysteria within the ranks of Wall Street and London. Economic warfare has already begun against the country. Even before his inaugural address, the shark financial interests were up in arms over 11 "urgent" economic measures passed



Peruvian President Alberto Fujimori, shown here inspecting the Japanese ambassador's residence in Lima in 1997, after the Peruvian Army's successful raid on the MRTA narco-terrorists who were holding hostages there.

by Congress in the closing days of Fujimori's second term (see *EIR*, Aug. 4, 2000). A July 25 article in the London *Financial Times* urged investors to pull out of Peru, lying that these measures signalled that Fujimori had "turn[ed] his guns on international investors."

That statement is a flat-out lie. The measures are in no way "anti-foreign," but simply set out to limit the shameless looting of Peru by the foreign mining cartels, to channel some of the profits from national electricity production into shoring up Peru's pension program, and the like.

That alone, the *Financial Times* makes clear, is unacceptable under globalization. Fujimori's policies are unacceptable because they look like they may head toward "heavy state intervention in industry and unrestrained spending on the poor, . . . seeming to put" — oh, horror of horrors! — "domestic interests above foreign ones."

To mollify international financial critics, on the day after his inauguration Fujimori named Mont Pelerin Society advocate Carlos Boloña Behr as his Economics and Finance Minister, returning him to the post he held from 1991 to early 1993. That period of Fujimori's regime was marked by strict adherence to the International Monetary Fund's debt-and-paper-come-first policies, much favored by Boloña. Under what terms Boloña returns to the government, remains to be seen, as President Fujimori has already opened battle against the foreign powers to whom Boloña has always answered.

Nor is the issue simply one of President Fujimori alone. The war which Project Democracy and its financial sponsors launched against Peru during the Presidential election period

sparked an intense spirit of national defense which is spreading through much of Peru's national elite, and which is changing the way many think about the world. Exemplary was a homily given by the Roman Catholic Archbishop of Lima, Msgr. Juan Luis Cipriani, during the July 28 Independence Day mass, attended by the diplomatic corps, as well as by the country's civil, religious, and military leadership.

Cipriani had played an important role in defending Peru during the anti-terror war, taking an uncompromising stance against terrorism when he was Bishop of Ayacucho, in the heart of the narco-terrorist Shining Path's territory. But, long close to Opus Dei networks in the church, his outlook on economics had favored British liberal free trade economics. Here, however, Monsignor Cipriani put Peru first. In his homily, he called upon foreign powers to "not threaten Peru with economic sanctions."

"Neither the old path of colonialism, nor the phantom of globalization is correct, because they use economic risk as a means to attempt to bend the right which a sovereign people has to forge its own future," he said.

"Development must be the new name for peace, and the state must assume the collective responsibility of promoting development," he argued, suggesting that the social doctrine of the Catholic Church provide a new perspective on the proper role of the state. If "private" is defined as synonymous with individualistic egoism, then the principle of the common good is pushed aside. "The state should participate, directly and indirectly, as long as it does so seeking the common good," he argued.

George Soros, the New Enemy-Image

There are many within Peru's national elite, also, who have come to realize that globalization is synonymous with the drug trade and its narco-terrorist armies which Peru so successfully defeated in the 1990s battle with terrorism. A half-hour special broadcast on national television Channel Two's most-watched Sunday program, *Contrapunto*, on July 2, gives the flavor of the profound disgust with which many nationalists in Peru now view those international interests who launched the campaign to overthrow Fujimori during the run-up to the final round of the Presidential elections on May 28.

The show, titled "George Soros and the Legalization of Drugs," was centered upon the Open Letter to UN Secretary General Kofi Annan, published in the *New York Times* on June 8, 1998, and signed by 600 world figures, which called for an end to any war against the drug trade. The letter had been organized and paid for by George Soros. Twenty-three Peruvians signed that letter, and most of them played leading roles in the effort to install Toledo as Peru's President.

Contrapunto scrolled through the letter—and the list of Peruvian signers. With a large picture of Soros in the background, the narrator explained:

"In other words, they ask for legal trade in drugs. In effect, the promoter of this letter, the financier and number-one world speculator, advocate of drug legalization, is he the same man, who, today, thanks to his money, is also passing himself off around the world as the great standard-bearer of democracy?"

"It would be a good idea for the politicians who signed this letter to give the country an explanation," the narrator suggested. "Peru is not Holland, where you can buy marijuana and hashish in a supermarket. They surely want to sell cocaine in the supermarkets of Lima in the future. . . . The only thing left, is for Soros to buy up a whole country with all the money he has, where he could test how speculation is compatible with democracy." To conclude their section, *Contrapunto* displayed a picture of Soros and Toledo, together on the podium of the U.S. State Department's June 25-27 conference, "Towards a Community of Democracies" in Warsaw, Poland.

But in the lexicon of Toledo and Soros, "democracy" equals terrorism. Even as Fujimori was delivering his inaugural address, a mob of vandals participating in Toledo's protest march, rampaged through the center of Lima, breaking windows and setting public buildings afire, as they advanced upon the Government Palace and the Congress, intent on physically blocking Fujimori's inauguration. The violence was well-organized, systematic, and professional. Incendiary bombs were thrown so as to cause maximum damage. Passage of the fire engines and rescue squads attempting to reach the blazes were then blocked, for as long as two hours, until the fires had gutted their targets. Six people died, and 420 were wounded in the havoc.

But within Peru, support for Toledo has plummeted, as his promotion of violence is reminding Peruvians of the inhuman terror war they had suffered for more than a decade.

Toledo has become so discredited that, when the new Congress met on July 26, eighteen Congressman who had been elected on opposition tickets, threw their support behind Fujimori's team. Likewise, Federico Salas, the opposition Presidential candidate who came in third behind Fujimori and Toledo, has joined Fujimori's government, serving as Prime Minister.

Documentation

Fujimori Promises To Industrialize Peru

Here are excerpts from President Alberto Fujimori's July 28 inaugural speech. Subheads have been added.

Exactly ten years ago, here in this same location, I inaugurated a government in the midst of the worst national crisis of this century.

At the time, only defeatism and pessimism reigned within the political realm. Of course, there were no lack of apocalyptic predictions.

But outside of that environment, among the masses of the people, hope survived, and with it, sufficient courage to confront the dramatic situation in which we lived.

Having led that popular force—men and women, who, with courage and perseverance, turned Peru around—is for me a source of pride. In its actions, Peru proved itself to be greater than its enormous problems. . . .

Over the past decade, solving our worst problems demanded exceptional efforts, among these, the normalization of Peru's relations with the international financial community. Later, solving the pressing problem of relocating and modernizing war matériel in the face of imminent foreign conflict. . . .

This new government has an historic destiny, which is to finish the job, to consolidate the people's conquests of this last decade.

Two Priority Objectives

Therefore, there are two priority objectives in this five-year term now before us: strengthening the democratic institutions, and generating employment and the common welfare. . . .

Over the past decade, there has been a tendency for our productive apparatus to return toward an emphasis on primary products.

This was the direct result of our need to recover macroeconomic stability.

In this stage, we will direct our economy, without chang-

ing our path, toward a model which will lead us to a progressive industrialization of the country, in accordance with our competitive advantages.

We need to take advantage of so-called globalization so that we are not merely a producer of raw materials, but a modern economy oriented to export, and whose expansion would raise the living standards of all Peruvians.

I haven't the slightest doubt that industrial activity, in its various branches, requires promotion by the state, with the goal of orienting it toward export. . . .

This doesn't mean a change in the rules of the game, but rather, a pragmatic fine-tuning, which adapts to the new national and international economic conditions.

I should repeat, most emphatically, that private enterprise must continue to play the preponderant role in production, in the process of national development.

When the state has to intervene outside its purview, it will do so only temporarily and for the purpose of guaranteeing the universal spread of the market and of development. Of this, there should not be the slightest doubt.

An example of this is the upcoming licensing of the phosphate deposits of Bayovar. We do not want to simply extract phosphate rock. We want the private investor to install an industrial plant for processing this phosphate rock, by means of which a pole of regional development in the north will be created.

As the promoter of private investment, the state orients toward the industrialization of the country and the encouragement of exports.

[The large natural gas project] Camisea will become a reality in this five-year period. This means our own energy resources, competitive prices for electricity and gas, and not just the raw material but also a resource for the petrochemical industry of Peru's south.

The severe recession of the past two years, the result of severe external shocks, the El Niño phenomenon, and the international crisis, has had its impact on our financial system. By temporarily losing their lines of credit abroad and accumulating non-performing debt, the banks have aggravated our situation.

This fact, obviously, restricts credit to the private sector. To deal with this situation, several banks have merged or been liquidated, and the majority need significant capital infusions.

Given this difficult situation, which still exists, banks, companies, and the government will coordinate to come up with a realistic solution.

The banks should continue to make adjustments, applying market solutions, primarily mergers, private capitalization, strengthening of risk management, and internal controls. Companies will be given the opportunity for capitalization and restructuring. . . .

In sum, we need to resolve the rupture in the chain of payments, which has meant less availability and more expensive credit for the productive sectors. In this way, we will make possible a reestablishment of that chain of payments, the

flow of credit to companies, and the recovery of the productive sector. And, most importantly: to increase the number of available jobs. . . .

Technology Is the Key

Technology is the key not only to increasing exports, but for national development and growth. Therefore, we propose as a priority, an intense program of technology transfer to foster the modernization of our economy.

In-house plumbing and the supply of potable water reached 40% of housing in 1990. In 2000, it reaches more than 60%. Sewage service grew from 30% in 1990 to nearly 50% this year, and electricity, which reached less than 50% in 1990, now reaches nearly 75% today.

During this coming five years, our goal is that more people, more families, will have water, light, and sewage services.

The desire for progress among the poorest of our people constitutes a motor for the economy. We will work to improve the *pueblos jóvenes* [shantytowns], for example, with such basic investments as asphalt pavement, which will transform the shantytowns into popular urban zones. . . .

Education and Health

We will continue to work intensively on education. We will not pursue the traditional approach of discussions in forum after forum. We want to build 3,000 more schools across the country during this five-year term, and publish 6 million school texts per year, free books in Spanish and also bilingual, in all varieties of Quecha, Aymara, and the languages of the Amazon.

We will further improve Free Student Insurance, a model of health care in Latin America. And by this same route, we will undertake a pilot plan for school lunches similar to that for school breakfasts.

This means applying a concept of support for education through the important aspect of nutrition.

In sum, we will make a revolution in the classrooms, complementing our conquests by providing a computer, Internet connection, and virtual libraries to each school. Access to this indispensable technology will become a right for every child and youth in Peru. . . .

Peru must be a country of healthy children, children attended by professionals from their birth, with hygiene and preventive methods that are standard in advanced countries. . . . Healthy and better educated children: That is modernization and that is the future. . . .

An important contingent of citizens does not agree with our proposals: That is predictable in the democratic way of things. However, while respecting these discordant opinions, we have to admit that there is no democracy in the world in which the minorities rule, however respectable they may be. Even less so do the non-elected rule, or those congressional candidates who have obtained a minimum number of votes. That does not exist anywhere in the world, much less in Peru.

Korean Breakthroughs Strengthen Land-Bridge

by Mary Burdman

Both nations on the Korean peninsula are moving with remarkable speed, to bring into being the initiatives begun at the historic Inter-Korean Summit of June 13-14. Ministers of both governments met in the Republic of Korea (R.O.K.) capital Seoul on July 29-31, and agreed not only to re-open the Liaison Office at the border village of Panmunjom, but also, more importantly, to rebuild the cross-border section of the north-south railway, which was severed during the 1950-53 Korean War.

The Democratic People's Republic of Korea (D.P.R.K.) delegation, led by Cabinet Counselor Jon Kum-jin, met with the R.O.K. delegation, headed by Unification Minister Park Jae-kyu. In a six-point statement issued at the end of the talks, the two sides said they were taking measures to fully implement the June 14 South-North Joint Declaration signed by R.O.K. President Kim Dae-jung and Kim Jong-il, chairman of the D.P.R.K. National Defense Commission.

The July 31 statement said that the two sides will carry forward South-North ministerial talks, in accordance with the spirit of the Joint Declaration, and that the talks should "depart from the past habits of distrust and disputes to resolve easy issues first in the spirit of mutual confidence and cooperation."

R.O.K. President Kim Dae-jung met the D.P.R.K. delegation, to congratulate them on the success of the talks, and to reconfirm in principle the proposed visit of Kim Jong-il to Seoul.

The two sides also announced that they will hold the second round of South-North ministerial-level talks on Aug. 29-31 in Pyongyang, capital of the D.P.R.K.

The Korean Liaison Office at Panmunjom had been initiated in 1992, but was suspended by the North in 1996. It will be reopened on Aug. 15, the anniversary of Korea's liberation in 1945, from over a half-century as a colony of the Japanese empire. Its operations had been suspended since November 1996. At the same time, Koreans in the North, South, and overseas, will hold celebrations to commemorate the 55th anniversary of National Liberation Day.

On Aug. 1, the ruling Workers' Party of the D.P.R.K. issued new policy guidelines, calling upon all Koreans "to make 2000, the 55th anniversary of Korea's liberation, a year of new historic turn in the struggle for national reunification," and to "build the fatherland into a reunified and prosperous, powerful nation." The guidelines endorse "the implementation of the

historic North-South joint declaration," and appeal "to the whole nation to achieve the independent and peaceful reunification of the country at an early date by its concerted efforts."

Celebrations on Aug. 15 will include the exchange visits of 200 Koreans, half from each side of the border, who will be reunited with family members in both capitals. A North Korean symphony orchestra will hold a concert in Seoul to celebrate the visits.

On Aug. 5, a 44-member delegation from the R.O.K.'s largest industrial concern, the Hyundai Group, will arrive in the North to look for a construction site for a large-scale industrial complex it is planning to build. Then, during Aug. 5-12, the heads of leading R.O.K. news organizations will visit Pyongyang at the invitation of Kim Jong-il. On July 31, the two sides also announced that they will cooperate to ensure that Chongryun (the General Association of Korean Residents in Japan) members can visit their hometowns throughout the Korean peninsula.

The Iron 'Silk Road'

Of utmost importance, was the official confirmation in the July 31 statement, that the two countries "shall rehabilitate the Seoul-Shinuiju Railway and discuss the issue at an early date." This railroad, called the "silk road of iron" by both leaders at their summit, will be extremely beneficial, economically and politically, to both Koreas. Only some 20 kilometers of rail line need to be constructed. When completed, the rail line will travel through the Demilitarized Zone (DMZ), still the most heavily fortified border in the world, and bring great economic benefits to both sides, and to Northeast Asia as a whole.

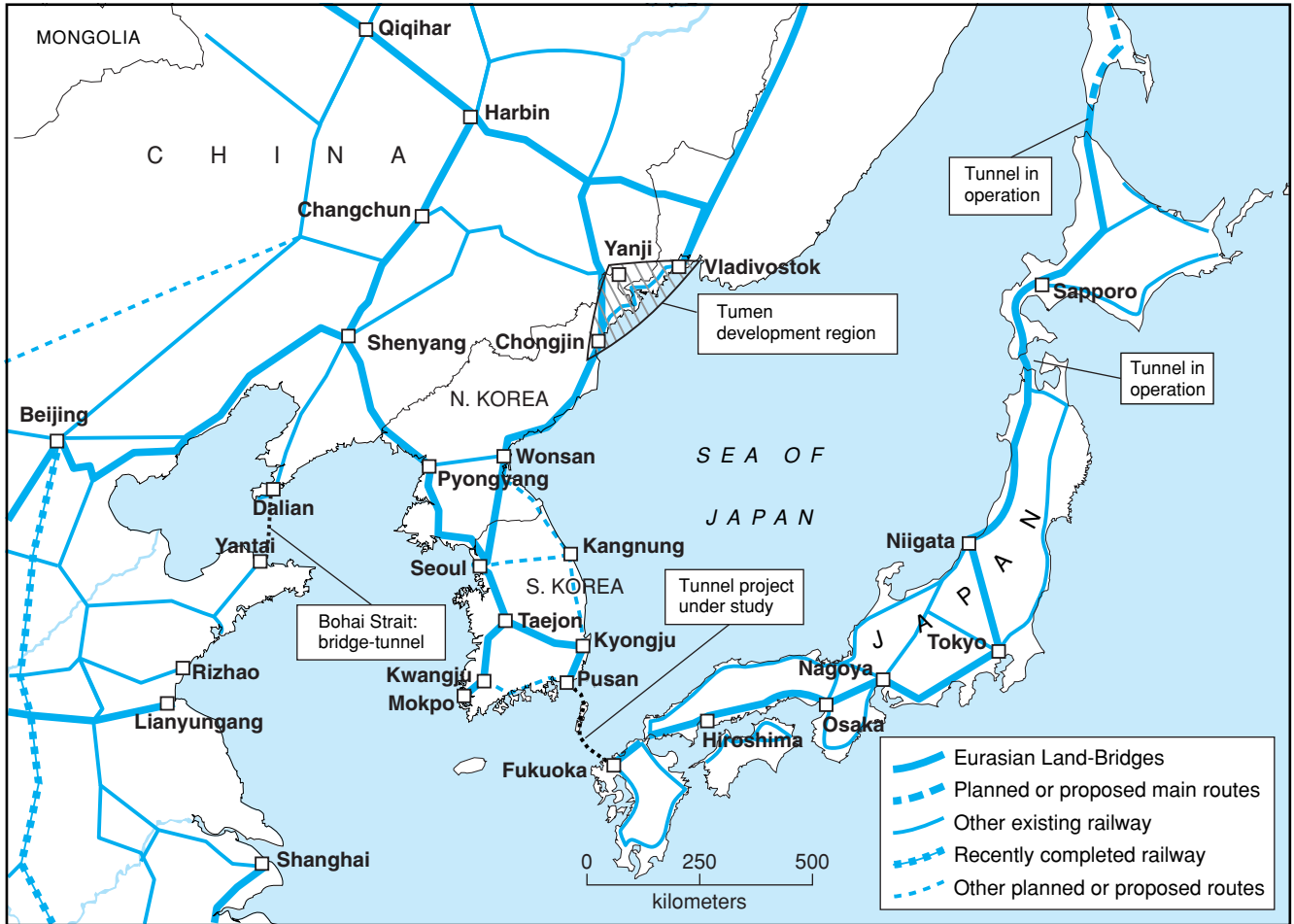
"The most important aspect of the railway is the symbolic effect," said Dr. Kim Myong-jin of the Korea Information Development Agency. "The railway would immediately improve trust between the two Koreas, and make progress in peaceful co-existence."

Officials at the R.O.K. Ministry of Transportation and Construction report that land and rail lines have already been bought for the project, and construction could begin as early as October. The 20 km of track between Munsan in the South, and Changdan and Pongdong-ni in the North, could be functional within three years, the official said. A construction schedule for the railroad, is expected to be completed during the second inter-Korean ministerial meeting.

Reconstructing the Seoul-Shinuiju railway "is going to be high on the agenda because its significance can greatly and quickly speed up efforts for unification," the *South China Morning Post* quoted a Transport Ministry official on Aug. 2. While reopening the Liaison Office at Panmunjom was the lead item on the two sides' six-point statement of July 31, a working rail line will ensure economic and political cooperation. "Plans for reconnecting the inter-Korean railway could place Seoul and Pyongyang on the fast track economically and politically, and compel the two countries to cooperate at an unprecedented level," the daily commented.

FIGURE 1

Pan-Korean High-Speed Rail Projects Proposed by EIR, 1996



The rail line will have far broader benefits. The direct link from Pusan, on the southern tip of the Korean peninsula directly across from Japan, via Seoul and Pyongyang to Shinuiju, will then be connected, via a functioning rail line, to the Chinese rail system, at the northern Chinese industrial city of Shenyang. The Chinese rail system is connected to that of Russia's Pacific coast province, and there is another rail link, directly from Pyongyang, to the Russian port of Vladivostok, the eastern terminus of the Trans-Siberian Railway. The Chinese rail system is already linked to that of Europe, via Kazakhstan and the Euro-Asian Continental Bridge. There are also reports, that an undersea rail link to Japan could be under consideration.

The economic potential for the integration and development of Eurasia, is enormous.

Estimates from Seoul already consider that the new rail link will cut current transport costs to Europe by 30%. Yet, the estimated cost of the project is only 144.5 billion won

(about \$140 million) for the South, and 94 billion won for the North, which includes upgrading the entire railroad north of the DMZ.

The rail line, which runs parallel to the western coast, will create the basis for new R.O.K. industrial developments in the North, which will be concentrated in the region on the Yellow Sea. The rail line will also dramatically cut shipping time between East Asia and Europe. The R.O.K. Ministry of Construction and Transport estimates that shipping time will be reduced from three weeks by sea, to one week by land. The D.P.R.K. could also benefit, by earning \$100 million a year in rail fees.

International Diplomacy

Korea has also become the focus of more and more Asian and Eurasian diplomacy. On July 19, Russian President Vladimir Putin became the first-ever Russian, or Soviet, head of state, to visit the D.P.R.K. Putin, who went to Pyongyang

after his first visit to Beijing, invited Kim Jong-il to visit Russia "at a convenient time." Putin got a very warm public welcome from big crowds on his way to and from the Pyongyang airport, and after their talks, Kim Jong-il altered his schedule to accompany Putin, when he placed a wreath on a monument honoring Soviet soldiers who fought on the D.P.R.K. side in the Korean War.

Putin acknowledged that relations between the two countries had flagged, but called their friendship pact, signed when Russian Foreign Minister Igor Ivanov visited Pyongyang in February, a "positive step." In September 1991, then-Soviet Foreign Minister Eduard Shevardnadze had announced that Moscow would open diplomatic relations with Seoul, and at the same time, demanded hard currency payments from Pyongyang for payments for oil and other vital supplies. This decision devastated the North Korean economy, which had depended upon Soviet oil, and lacked the hard currency to buy oil anywhere else.

Now, there is potential to reverse this situation. Ivanov has confirmed that Kim Jong-il has been invited to visit Russia's Far East region of Primorsky Krai on Sept. 1-4, as spokesmen for Gov. Yevgeni Nazdratenko in Vladivostok had announced.

Two weeks later, Li Peng, chairman of the standing committee of China's National People's Congress, will also visit.

Nazdratenko accompanied Putin to both China and the D.P.R.K. While Kim Jong-il's trip, his first to Russia, is being called "unofficial," it will be of real importance. Economic and trade cooperation are key issues up for discussion.

Spokesmen for Governor Nazdratenko have said that he has proposed several agricultural projects, and the use of Russian railroads for trade. He also called for better Russian-D.P.R.K. ties. "As a result of brainless politics, we literally abandoned this country, and we not only froze relations with it for ten years, but nearly created an enemy on our borders," he was quoted in the Russian newspaper *Konkurent*. "I am glad that there has been a breakthrough in relations with the D.P.R.K., and that Putin did it."

However, it is urgent to upgrade the Trans-Siberian Railway, which has been decimated by power cuts, lack of maintenance, and strikes by unpaid workers, due to the Russian economic collapse.

These initiatives, especially that toward China, are all the more interesting, in that Nazdratenko has been a severe critic of China, who had previously been disciplined by former Foreign Minister Yevgeni Primakov for creating unnecessary tensions with Beijing. China warmly welcomed Putin's visit to Pyongyang.

North Korea has also been made a full member of the Association of Southeast Asian Nations (ASEAN) Regional Forum (ARF), and D.P.R.K. Foreign Minister Paek Nam-sun participated for the first time in the ARF meeting, which was held in Bangkok, Thailand, on July 27. The ARF includes not only the ASEAN nations, but also Asian, European, and American nations. The ARF Chairman's Statement welcomed the positive developments on the Korean peninsula. Paek Nam-sun met R.O.K. Minister of Foreign Affairs and Trade Yi Chong-pin in Bangkok, the first meeting of the two sides' foreign ministers in 50 years.

Paek Nam-sun met his Japanese counterpart, and they issued a joint statement saying that they have agreed to work to establish good neighborly relations and settle existing problems in their bilateral ties, and to start a new round of normalization talks in Tokyo on Aug. 21-26. Canada has also announced its formal recognition of the D.P.R.K.

Paek Nam-sun also met U.S. Secretary of State Madeleine Albright in Bangkok. Albright "welcomed" Pyongyang to join the International Monetary Fund, as the grounds for obtaining international economic "aid"—the last thing that the D.P.R.K. could possibly need.

Just as awful, is the "welcome" that U.S. Republican Party Presidential candidate George W. Bush has for Pyongyang. The Republican platform is written as if the Korean War had never ended, and as if current moves toward Korean reconciliation were not taking place. The platform attacks North Korea for being "outside the international system," and calls on Americans, vis-à-vis the Korean peninsula, to "honor the sacrifices of the past and remain prepared to resist aggression today."

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Bomb Not Ruled Out in Concorde Crash

by Dean Andromidas

The possibility that a bomb was the cause of the dramatic July 25 crash of Air France's Concorde Flight 4590 was revealed in the Paris daily *Le Monde* on Aug. 2. This raises the question of whether powerful Anglo-American interests were responsible for this explosion, as a warning to France, and other nations, not to break ranks at a time when the oligarchy's world financial system is on the brink of systemic collapse. The fact that 100 German citizens were killed in the catastrophe brings up the possibility that the crash was also designed to target the Franco-German alliance.

Le Monde quoted André Turcat, a former Concorde test pilot, saying, "A terrorist attack should not be excluded *a priori*." Amazingly, this was the first time such a possibility

has been raised by a highly credible source and reported in one of France's most important newspapers. Even more amazing was that this possibility has been blacked out of the international media. That fact itself should raise some obvious questions.

Also not widely reported outside France was that French President Jacques Chirac was an eyewitness to the catastrophe. His aircraft, returning from the G-8 meeting in Okinawa, landed only minutes prior to the destruction of one of France's national symbols. The decision to ground Air France's entire supersonic transport fleet was made personally by President Chirac.

The Le Monde Report

In the first of two articles, *Le Monde* reports on the statement of the special commission investigating the crash, headed by Alain Monnier, the inspector general of France's civil aviation authority, after it held its first meeting in Paris on Aug. 1. At the end of the meeting, Monnier said that all the speculation in the press is just that: speculation. He declared that the authorities "are not in a position to elaborate the most minimal scenario" of what happened to the Concorde. "An investigation such as that of the Concorde will take a year's work."

Concorde Crash Comes as France Bucks the British

Here is a statement by Jacques Cheminade, President of Solidarité et Progrès, the French co-thinkers of Lyndon LaRouche, issued on Aug. 3.

As a concerned French citizen, I feel it is my duty to stress two points regarding the July 25 crash of the Concorde in Paris. These elements necessitate articulating the hypothesis of sabotage, which is, of course, not proven materially, but which should be a matter of public concern and debate.

First, at this moment, a week after the crash, there is no satisfactory explanation for what happened. Diverse factors are known, but their interaction, and the chronology of the events, remain unknown, according to all that has been said about it.

Second, the crash took place at a moment in history, when the French authorities have challenged the Anglo-American oligarchy in many areas. One should not forget French Foreign Affairs Minister Hubert Védrine's "no" to U.S. Secretary of State Madeleine Albright's plans for misusing "democracy" as a means of blackmailing nation-

states, at the recently concluded "World Democracy Conference" in Warsaw, Poland.

The oligarchy has answered by violent attacks against the French government, via the *Wall Street Journal* and through the declarations of former British Prime Minister Margaret Thatcher, at the Hoover Institution in Stanford, California, where she vehemently denounced the "delusions of grandeur" of the French.

It should be taken into consideration, that the Concorde is precisely *the* symbol of French independence and grandeur. An accident occurring thus to the plane, could be seen as "teaching a lesson" to France.

This hypothesis is not farfetched, if we consider that we are not in a normal period of history, but at the very point where the international financial and monetary system is about to collapse. Even Michel Camdessus, former Managing Director of the International Monetary Fund, admitted that "a catastrophe is ahead of us," if a profound change is not rapidly implemented. Under such circumstances, as shown by the Nov. 30, 1989 murder of German banker Alfred Herrhausen, the Anglo-American oligarchy has the habit of sending "messages" to those who threaten to challenge its dictatorship. . . .

I am confident that the special commission investigating the crash will do its work properly, with the support of the French government.



The Concorde is one of the symbols of pride of the French nation. The crash of one of the planes in Paris comes as France has been challenging Anglo-American policies.

The commission reported what has been established at this point, and what they still need to find out. What they know is:

1. One or two of the tires under the left wing exploded while the plane was taking off.
2. The fuel tank was damaged and leaking.
3. Engine number two came to a complete halt.
4. There was a significant power drop in engine number one.

Monnier emphasized that the problem is that they cannot at this point determine the chronology of all these events, or what initiated this series of events.

Nonetheless, the commission, in effect, discredits the scenario which international media have been carrying for the past weeks, that exploding tires and magnesium wheels cracking up had punctured the fuel tanks located in the forward part of the wing, and the leaking fuel had been set on fire by the ignition of the engines upon take-off. Or, that parts of the tires and wheels had been sucked into the engines, provoking the failure of the first and second engines, as well as causing the failure of the landing gear. The “exploding tire” theory has been particularly pushed by U.S. media, purting to quote U.S. aviation authorities.

While the investigators did not propose any answers, they asked some very obvious questions:

1. Why did the tires burst? Nothing proves that it either was the cause of the chain of events, or was even part of the chain of events causing the catastrophe. The tires could have blown out for any number of reasons, including locking brakes, a failure to properly inflate the tires, or—and this is important—they could have been punctured by pieces of

metal “from the fuel tank or from a part of the wing.” In that case, the investigators report, the cause of the chain of events would be located elsewhere.

2. What was the origin of the engine failure? It could have been that parts of the tires or wing, or that large birds were sucked into the engine. They could have also come to a halt for lack of fuel following a break in the fuel lines, or because the fuel tanks were empty after they had been punctured. The engines themselves did not break up, as some have suggested, because no engine parts were found on the runway.

3. How did the fire start in the wing? Although the media were quick to conclude that it was caused by the engine afterburners, this does not explain how the fire moved forward, since the hole in the wing fuel tanks was a considerable distance forward of the engine, and even forward of the landing gear. The aircraft was travelling at more than 400 kilometers an hour, making it impossible for flames to work their way forward. Although much has been reported about a 1979 Washington accident, in that case, the fuel did not ignite.

The commission itself said that all possibilities are being considered. “For the time being, nothing allows us to credit the hypothesis of a terrorist attack, but it is undoubtedly too early to exclude it categorically,” the commissioners said.

Le Monde also publishes an interview with former Concorde test pilot André Turcat, headlined: “Even If the Probability Is Low, the Hypothesis of a Terrorist Attack Should Not Be Excluded A Priori.”

Turcat draws some obvious conclusions from the commissioners’ report. On the blown tire theory, he said, “The

parts ejected must carry a lot of energy. . . . One of the photos shows the holes where the fuel was leaking as being quite a ways above the engines. When the plane is moving at 400 km per hour, the air current is very powerful, and if the fire was ignited by the post-combustion occurring in the back of the afterburners, I wonder how the flame was able to go up to the tank. The impact of the tires which provoked the leak cannot itself explain the starting of the fire at the fuel tank. The cause of the fuel igniting will therefore have to be determined by the investigation.”

On how the engines shut down, Turcat pointed out that they could have been shut down by the pilot: “Perhaps the pilot, after receiving the alert from the tower, thought it was on fire and decided to cut it.” Or, it might be that the power drop in both could have been caused by a “break in the engine command and control system or in the fuel delivery system.” Turcat then unambiguously states, “These series of events could have also been caused by the explosive device within the landing system.”

Le Monde asks, “You do not exclude the possibility of a terrorist operation?” Turcat answers, the “hypothesis is not very probable, but should not be excluded *a priori*.”

Other Questions Are Raised

An American military aviation expert with years of experience on supersonic aircraft told *EIR* that he concurred with these findings. He pointed out that a fire appearing at the fuel tank, could have only started at the fuel tank itself. In this regard, Turcat’s theory is very clear. A bomb would be placed, not necessarily on the wheels or landing gear as such, but in the compartment where the landing system retracts. This is deep enough, that a small bomb could be placed on a panel that abuts the fuel tank from inside the aircraft. The blast would have punctured the fuel tank, ignited the jet fuel, and caused the tires to explode. It would also explain the appearance of black smoke which would have to have come from oil in the aircraft’s various hydraulic systems, particularly for the landing gear. The failure of the engines at this critical point would have made the aircraft unmaneuverable, and then, unable to climb; it would simply have crashed.

The crash of the Concorde shares certain features with the two most recent unexplained crashes, where the sabotage or bomb theory has been hysterically denied, while being the only plausible cause.

The first was the SwissAir Flight 111 crash of Sept. 2, 1998. One of the passengers listed on the flight manifest was British renegade MI6 agent Richard Tomlinson, who missed the flight at the last minute. In that case, everyone agreed that a fire in the cockpit was the principal cause of the crash. Yet, to this day, there has been absolutely no way to explain the cause of the fire, since it was impossible for a fire of that nature to have been caused by anything in the engineering of the aircraft, no matter what went technically wrong. It had to have been a firebomb.

The second was the Oct. 31, 1999 crash of EgyptAir Flight 990, where the aircraft went from a level flight into a nosedive.

The Concorde catastrophe shares characteristics with these two. Both EgyptAir Flight 990 and SwissAir Flight 111 originated in New York, one of the worst airports for security. The Concorde that crashed in Paris, had *arrived* from New York, and about to make its return flight. A bomb could have been placed aboard in New York.

The second similarity is the management of the news. In the earlier cases, not only was terrorism not publicly considered, but the the press made the most absurd use of “leaks” from U.S. aviation authorities. In the SwissAir case, a U.S. aviation source purportedly said that “the pilot panicked,” and in the EgyptAir case, the pilot wanted to commit suicide and take more than 250 passengers, including 33 senior Egyptian military officers, with him.

The “exploding tire” theory has been reinforced by leaks ostensibly from the same U.S. agencies, in the most wild, and ridiculous manner. One American aviation expert put it rather colorfully to *EIR*: “You would have to be a *&#()! idiot to believe any of the explanations” coming out of the U.S. press.

While there is no doubt that the *Le Monde* revelations bear some form of “official” sanction and may be intended serve as a warning to the perpetrators, the question is: Will France back down from its current strategic positions?

LAROCHE ON THE NEW BRETTON WOODS

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The Multiple Personalities of Italy's Premier Giuliano Amato

by Claudio Celani

The current phase of European politics, characterized by the French initiative for "strengthened cooperation," has unleashed in Rome the perennial debate, on whether Italy should support a continental policy based on the German-French axis, or whether the interests of the country are not better served by pursuing a "balance of power" strategy, which means, in this case, allying with Great Britain to prevent a Franco-German bloc from being cemented. The fact that the real aim of the French initiative (to regain some national sovereignty) is not openly and clearly stated, and is disguised under the usual formulas of European integration, does not make it easier for Italians to make a choice in a dilemma which, in its modern version, is at least as old as the Italian nation itself.

One definite problem in Italian politics is the "exclusion syndrome," a corruption of the national character constantly fed by the mass media for manipulative purposes. Instead of conceiving of themselves as a nation which has all the means necessary to pursue its mission to develop the world, and need ask no one for an invitation, Italians tend to fall prey to discomfort each time somebody threatens to leave Italy out of the "Club," be it the G-7, the UN Security Council, or the Euroclub. Playing on such a beggar's mentality, British geopolitics has regularly portrayed the Franco-German axis as a potential exclusion threat.

Thus, it was more than a positive surprise when Foreign Minister Lamberto Dini, shortly after French President Jacques Chirac had announced a policy shift, enthusiastically endorsed the renewed Franco-German axis. Chirac indicated that members of the euro currency bloc control European Monetary System policy, over and above non-EMS members of the European Union, meaning especially Britain. Speaking at the Hanover Expo on July 1, Dini explained that Italy is "on the same wave length with France and Germany," and therefore the three countries are "in favor of a strengthened cooperation." In a clear reference to Britain, Dini said that "the founding members of the European Union cannot be blocked by those who do not want to, or cannot keep pace." Such a prompt reaction meant only one thing: The Italians had been previously informed of, or had even taken an active part in, the plot to kick Great Britain out of continental European affairs.

It was to be expected, however, that London would mobilize all its assets to get Italy to switch sides. Great Britain had already demonstrated that it has the Spanish government in its pocket; if they succeeded in pulling Italy onto their side, the British would have worked continental Europe on its flanks, as usual. The frontal attack would then follow.

Thus, the British operation was started by deploying all of its Italian assets, starting with European Union (EU) Commissioner Mario Monti, followed by EU Chairman Romano Prodi, who both called on the Italian government to oppose the French-German alignment.

The last to enter the field was Italian Prime Minister Giuliano Amato, the man whom the London *Financial Times* described as "the most anglophile Italian politician." When Amato explained his views on the matter, it was clear that he and Dini were on opposite tacks. From that moment, the role of Italy in the current "battle for Europe" has become a question mark, depending on which policy will prevail, Dini's (the national elites) or Amato's (the international oligarchy).

Giuliano the Anarchist

Worse than the '68 generation, is the generation of the '68 teachers. Such is Giuliano Amato, one of the many technocrats who have recently become prime minister without being beholden to a constituency. Amato was chosen as an "anti-parties" prime minister in 1992, when he made sure that the attack against the Italian currency, the lira, planned on board the British royal yacht *Britannia* and eventually unleashed by the British-directed global speculator George Soros, would meet no serious reactions (on those events, there is still an investigation in Naples, opened after a legal brief submitted by the LaRouche movement). After the lira crisis of the summer of 1992, Amato implemented the largest austerity package ever seen in Rome since the times of Diocletian.

In April 2000, Amato was again appointed prime minister by President Carlo Azeglio Ciampi (who, in the summer of 1992, was Amato's pal at the Central Bank), as a result of a palace coup against Massimo D'Alema. It was clear that, with Amato, the international oligarchy again had their man in the driver's seat.

Amato revealed his intentions in an astonishingly candid interview given to the daily *La Stampa* on July 12. He con-



must act ‘as if,’ in Europe, . . . as if states remained sovereign, to convince them to no longer be sovereign. The Brussels [European Union] Commission, for instance, must act as if it were a technical body, in order to operate like a government. And so on, dissimulating and leaving things unsaid. Amato . . . let it be understood that this is a tactic the better to enter through the [narrow door]. The narrow door is the December conference in Nice. . . . Until that day, one must act ‘as if.’ . . . Amato, in reality, envisages an evolving world, abstracted from the balance of power still prevailing in the West: He envisages a world he calls post-Hobbesian, post-sovereign, without hierarchies. He seemed enthralled by this mental speculation, so much so that he became a prisoner of it. Hence, his criticism of the Federalists, who still believe that the United States of Europe will be born of a transfer from the old sovereignties to a superior, supranational sovereignty. According to Amato . . . the sovereignty lost on a national level does not go to any new subject. It is given to faceless entities: NATO, the UN, at last the [European] Union. The Union is in the vanguard in the evolving world: It points to a future of princes without sovereignty. In this sense, it supersedes the United States itself, which is bound to the old idea of the prince. . . . The new one is headless, and the driver is neither catchable, nor electable.”

“The truth is,” Amato says, “that sovereign power, by changing, evaporates. Powers are moved to higher levels, without these lev-

els taking on sovereignty, and therefore I speak about changing functions and not powers.”

In reality, sovereignty, like power, does not disappear. What Amato does not say is that power will be “privatized” in the hands of the oligarchy, which will pull the strings of the “higher levels.” In this picture, citizens’ rights will be also privatized.

Amato goes on: “What is taking shape, and the European Union prefigures that perfectly, is a new post-Hobbesian, post-state order. . . . Today, nobody is sovereign any longer . . . [as in] the classic state expressed by princes with exclusive powers. Such powers today become dispersed, without, however, giving life to a new sovereign figure, as the Federalists thought.”

Being a radical positivist, Amato believes, or speaks “as if” he believed, that the modern nation-state was born with Hobbes. What he means really, is a “post-Leibniz” world. He also lies when, later on, he adds, “This is how Europe was built.” In reality, the original European Common Market was

fessed that he wants to sabotage anything opposed to what he believes to be the inevitable transfer of power away from the sovereign nation-state—not in favor of a supranational European institution, but in favor of a state of anarchy! He called it a “post-Hobbesian world,” or better, a “medieval” world.

Anybody who thinks that Lyndon LaRouche exaggerates, when he accuses the international oligarchy of planning to go back to the Middle Ages, where 90% of the human population is thrown back into the condition of animals, should carefully read what the current Prime Minister of Italy, a former head of the Aspen Institute, says.

It may be to the credit of the interviewer, Barbara Spinelli, that Amato’s thoughts came out of the closet. Spinelli believes in the utopia of a supranational European government, and is provoked when Amato bluntly replies that this will never come into being. “The Italian Premier,” she writes, “indicates that projects can be ambitious, but in order to overcome the political obstacles, one must hide, dissimulate them. You

built as a community of nations, and only afterwards, was the European idea subverted by a supranational conspiracy. The method of the conspiracy, however, is accurately described by Amato: "By creating community bodies, such that these bodies, where they overlapped with states, gave the impression that they were imposed a higher power. The Court of Justice as a supranational body was born in this way." In the same way, Amato suggests that the European Commission must act "as if" it were a technical body, but should enforce policy. By saying this, Amato reveals that he is in reality against the French proposals *in toto*.

Mother England

"Frankly, I do not want a continental Europe only, without the immense patrimony of England, and of the Scandinavians linked to England. Nor would I like to lose Spain, which is skeptical of the vanguard. . . . To have England among us would not be bad: In many ways, London is already where we would like to be. It would not be bad if England [which is not part of the euro bloc], with its experience of economic reforms, were present in the Council of States belonging to the euro. . . . Therefore I prefer to go slowly, to crumble little by little pieces of sovereignty, avoiding sudden shifts from national to federal powers. . . . I do not believe in a federal sovereign, because our globalized universe is post-Hobbesian."

Amato's profession of anarchy is evidently too much for the interviewer, who challenges him: "The world you describe seems to be pre-Hobbesian. It seems to precede the nation-state."

"And why not going back the period before Hobbes?" replies Amato. "The Middle Ages had a much richer humanity, and a diversity of identity which today can be a model. The Middle Ages is beautiful: It can have its policymaking centers, without relying entirely on anyone. It is beyond the bounds of the nation-state. Today, as then, nomads are reappearing in our societies. Today, also, we have powers without territories. . . . Without sovereignties, we will not have totalitarianism. Democracy does not need a sovereign."

Amato is campaigning for a return to feudalism, which is the true word for his system. In his clinical insanity, he calls "beautiful" a system which was characterized by the enslavement of most of the population, by the absence of individual rights and a system of justice, and by short life expectancies. But, he is accurate when he says that we are in a transition to that system. The Black Death is again there, already threatening to eliminate one-third of the African population as a sacrifice to keep the international financial system alive. Maybe Amato thinks that by reducing world population, there will be more wealth for the oligarchy, their money managers, and for himself. That is what he calls a "richer humanity."

In Memoriam

Brazil's Barbosa Lima Sobrinho, a Bridge to the American System

by Silvia Palacios

By the grace of God, the famous and beloved Brazilian patriot Alexandre José Barbosa Lima Sobrinho lived for 103 years. Although he died before his final dream could be realized—the return of the Companhia Vale do Rio Doce mining conglomerate to state control—his legacy, properly appreciated, guarantees not only that Vale do Rio Doce's privatization, but also that the entire process of globalization which has kept the productive capabilities of this wounded South American giant in agony, will be annulled, and that Brazil will fulfill its mission as an industrial power.

Barbosa Lima passed away on July 16. He will be remembered not only as a patriot and defender of Brazil's sovereignty and development, but also as Brazil's 20th-century

representative of the intellectual tradition of the American System of Political Economy, whose valid principles produced the industrial might of the United States, France, Japan, and Germany, as well as the best moments of progress of several Third World nations, Brazil among them.

Fifteen years ago, my husband, Lorenzo Carrasco, and I met for the first time with Barbosa Lima at the offices of the Brazilian Press Association in Rio de Janeiro. At that time, he remarked to us, emphatically, that, unfortunately, in Brazil there was widespread knowledge of the British System of Adam Smith, but that, with only rare exceptions, was there an awareness of the richness of the anti-colonial school of national economy represented by Alexander Hamilton and

the Careys in the United States, and by Friedrich List, father of the German Customs Union, the Zollverein.

Historic Translations of Hamilton

After reading Alexander Hamilton's *Report on the Subject of Manufactures*, published in 1988, in the Spanish-language magazine *Benengeli*, by Lyndon LaRouche's collaborators in Ibero-America, Barbosa Lima asked me to undertake the task of translating and publishing the same work in Portuguese. We did so, and in 1995 published it as a joint effort by *EIR* and the Ibero-American Solidarity Movement (MSIA), which I had the pleasure and good fortune to coordinate. Hamilton's works in Portuguese included a foreword by Lyndon LaRouche and an introduction by Barbosa Lima, thus uniting in what has become an historic edition, two personalities representing the legacy of the American System.

On various occasions, Barbosa Lima discussed with great enthusiasm LaRouche's economic proposals and ideas, often referring to him both publicly and privately as the man who had the solution to reforming the current monetary system.

"Fortunately, today the world once again is coming to know Hamilton's work, in large measure thanks to the efforts of the American economist Lyndon H. LaRouche. LaRouche proposes applying the principles of the American System to the world economy, as an alternative to the crisis in which it finds itself submerged, and he has many times been a candidate for his country's Presidency," Barbosa Lima wrote in the introduction to the Portuguese translation of *The Report on Manufactures*.

When LaRouche's wife, Helga Zepp-LaRouche, founder of the Schiller Institute, visited Brazil on two occasions, Barbosa Lima also expressed to her his recognition of the role of LaRouche and his international movement in forging a new monetary system,

For Barbosa Lima, keeping alive the central ideas of economic nationalism, of which he was a great student, was a kind of life mission, and he became a living transmitter of these ideas throughout an entire century. He always spoke of the role of Rui Barbosa, the first Finance Minister of the Brazilian Republic, founded in 1889, and a conscious follower of the Hamiltonian system, as a promoter of economic nationalism, and especially pointed to Rui's famous "Call to Youth," in which this great patriot urged Brazil's young people to rally to the cause of economic nationalism.

Barbosa Lima was also an eyewitness to the nationalist "Lieutenants Movement" of the 1920s, which espoused the protectionist ideas of German-American economist Friedrich List, and which led to the Revolution of the 1930s, as the cornerstone of efforts to industrialize Brazil. He also promoted the works of Alberto Torres, as the theoretician *par excellence* of Brazil's economic nationalism. At the end of his life, not without a certain sadness, Barbosa Lima contrasted these noble ideas from Brazil's past to the unpatriotic, slavish attitude of the governments of Fernando Collor de

Mello (1990-92) and Fernando Henrique Cardoso, the current President, whose free-trade policies have brought about the decomposition of Brazil's publicly owned and valuable assets.

When he spoke of his enviable longevity, Barbosa Lima always used to say that it was a product of his intellectual combativeness, and the use of his ideas to defend Brazil. To the end of his life, he never failed to write his well-known Sunday column in *Jornal do Brasil*, and left an intellectual legacy in his major works, including his most famous, *Japan: Capital Is Made at Home* (1992), in which he describes the success of the Japanese industrial model, and its origin in the influence of the American System in the Meiji Revolution. The same is true of his book *The Presence of Alberto Torres*, in which he revives the roots of Brazil's republican thinking.

Ideas Bear Fruit

Barbosa Lima died at a moment when the ideas he defended so ardently for decades, had begun to reverberate among influential figures of the country's intellectual and political elite, as the only antidote to economic destruction. Hamilton's ideas and those of the American System are discussed today among the most diverse circles.

For example, in May 1998, Ambassador and former Minister Rubens Ricupero, Secretary General of the UN Conference on Trade and Development (UNCTAD) and member of the realist group within Brazil's Foreign Ministry, began to quote Hamilton's *Report on Manufactures* as a model that Brazil should follow to find "my way," and to defend itself from the destructive effects of globalization. "Did the United States, France, Germany, or Japan industrialize because they followed the economic advice offered them by England? On the contrary, the first policies of American industrial protection date from 1791 and bear the signature of then-Treasury Secretary Alexander Hamilton," Ricupero wrote in an article in *Folha de São Paulo* on May 30, 1998.

Later, another well-known figure, Deputy Antonio Delfim Netto, who as Finance Minister had embraced monetarism and the International Monetary Fund's financial prescriptions, astounded the country when he also quoted Hamilton as a serious alternative. In the March 2000 edition of *Carta Capital*, Delfim attacked the policies of the Cardoso government, carried out "by our neo-colonized bureaucrats, who continue to sell as good science, the ideologically deformed conception that history is unimportant. For them, Alexander Hamilton and his *Report on Manufactures* (1791) never existed."

There is no doubt that our beloved Barbosa Lima Sobrinho died, smiling the smile of those who have fulfilled their moral mission in life, and with the certainty that his final dream will be realized by those who take up his legacy of having been a living bridge to the American System. So, dear friend, we say not good-bye, but, "até logo," "until we meet again."

International Intelligence

London Times Has Field Day with Blair Mishaps

Rupert Murdoch's *Times* of London has been having a field day throughout July publicizing Prime Minister Tony Blair's staff memos on how to clean up his flagging image. The *Sunday Times* on July 30 trumpeted the headline "Drowning Street," along with the contents of a June memo by Blair's image-maker Philip Gould, who expresses concern that "New Labour" will lose the next general election.

In one memo, written by Blair and leaked to the *Times*, the Prime Minister suggests that Downing Street churn out a series of extreme "anti-crime" and "pro-family" initiatives to prop up his image. Another memo was written by Gould in May, before "New Labour" lost miserably to expelled "Old Labour" maverick Ken Livingstone, in London's first mayoral election. Gould warned, "I think our situation is serious. There is absolutely no room for complacency. Perhaps worst of all . . . the New Labour brand has been badly contaminated. It is the object of constant criticism, and even worse, ridicule."

In its July 18 issue, one day after printing Gould's May memo, *Times* commentator Michael Gove wrote of Tony Blair, "Now we can see that the real TB (Testosterone Bully?) is an image-obsessed, spin-driven, ego-absorbed, huckerish hypocrite." With the media, Blair is "constantly seeking our approval, while proceeding to trash our values," he said. "Shouldn't he now stand down?"

Britain Sued by Victims of Belgrade Bombing

Five Belgrade families who lost family members in the NATO bombing of Serbian Radio and Television (RTS) in 1999, are suing the British government in the European Human Rights Court, lawyers for the families announced in mid-July. If the court agrees to hear the case, the trial should result in an official indictment of Prime Minister

Tony Blair and Foreign Secretary Robin Cook for their parts in violating the European Human Rights Convention, article 2, guaranteeing the right to life.

The London *Sunday Times* on July 16 quoted lawyers working for Amnesty International saying that the bombing of the RTS building "could dog Prime Minister Blair" throughout his entire political career, because he and Cook tried to publicly justify the bombing, in which 16 people died. One of the plaintiffs, Zanka Stojanovic, whose son was among those killed, remarked to the *Sunday Times*, that "Prime Minister Blair is celebrating the birth of his fourth son" at the same time that he has "taken away my only son."

The plaintiffs' lawyers believe that published international documents demonstrate sufficient grounds for bringing the suit. Investigations by Amnesty International and Human Rights Council have shown that the bombing of RTS was a war crime. Prominent British lawyer Mark Litman has, based on his own research, testified before the Parliamentary Committee of Foreign Affairs that the bombing "did not have any grounds according to the international law."

Zimbabwe To Increase Land Redistributions

Zimbabwe's government TV network reported on July 31 that the government will increase its land redistribution from 804 farms to 3,000 by the end of the year. The state-owned *Herald* newspaper quoted George Charamba, spokesman of President Robert Mugabe, saying that the National Land Acquisition and Redistribution Committee had agreed on July 30 "to expedite the process of identifying more farms" for settlement. Local Government Minister Ignatius Chombo remarked, "The numbers are not important. What is important is that we are accelerating the resettlement program and that we are involving all stakeholders in the process. . . . The resettlement process technically has started at a very fast pace. This coming week we are going to see quite a lot of persons being settled in all provinces."

The military will be employed to assist in the process of redistribution.

In part, the move is a response by Mugabe to the threat by the large landowners—most of them white, commercial farmers, who obtained their land through British colonial looting—to strike.

Russian Weekly Mourns Loss of Taras Muranivsky

The July 20 issue of the Russian weekly *Ekonomicheskaya Gazeta* informed readers of the passing on July 17 of Prof. Taras V. Muranivsky, a regular contributor to the newspaper. The following note from the editorial board was titled, "At the Peaks of Knowledge."

"Taras Vasilyevich Muranivsky has died. He was a doctor of philosophical sciences, a professor, and leader of the Schiller Institute in Russia.

"He was from that pleiad of real scientists, who did not make their way onto presidiums and official delegations by means of truths and untruths, but unflaggingly and consistently laid their own pathway to the peaks of scientific knowledge.

"For readers of *Ekonomicheskaya Gazeta*, his articles opened up the West—a West, which we know poorly. Thanks to him, we discovered a world of higher learning, the world, upon which all the successes of the developed countries in science and production are really based. He introduced us to that world and to its people, and it was thanks to his efforts, that our readers could get to know the works of L. LaRouche, H. Böttiger, H. Cramer, and other scholars, who represent new scientific thought in the West.

"Like any genuine member of the intelligentsia, Taras Vasilyevich was modest, and it was extraordinarily easy to talk with him. But, at the same time, he was an uncompromising and stalwart fighter, against what he considered to be hopelessly obsolete and outdated, a fighter against the unjust system of world economic relations.

"The bright memory of Taras Vasilyevich Muranivsky will always remain in our

SHIMON PERES, the Mideast peace architect, lost his bid to become President of Israel on July 31, when the Knesset voted up the Likud party's Moshe Katzav, to replace Ezer Weizman of the Labor Party. The vote was a blow to Prime Minister Ehud Barak, who also narrowly survived a no-confidence vote.

THE 'QUEEN MUM' came in for some criticism on the occasion of her 100th birthday in late July. British historian Theodore Zeldin pointed out to France's *Journal du Dimanche* that Queen Elizabeth II's mother had supported Prime Minister Neville Chamberlain in the 1930s and backed apartheid in the 1980s. Other media pointed out that her grudge against Wallis Simpson, the Duchess of Windsor, was life-long, and that she bore a similar grudge after Princess Diana divorced her grandson.

BARONESS Caroline Cox, whose Christian Solidarity Worldwide has made her a leading figure in the human rights mafia, presented lying testimony in late June to the House of Lords on the Christian-Muslim strife being fanned in the Maluku in Indonesia. Cox's *forte* is to allege Muslim oppression of Christians to provide cover for an Anglo-American intervention into sovereign nations. Her previous prime target had been Sudan.

ASHRAPNEL BOMB exploded at a commuter train station in Düsseldorf, Germany on July 27, wounding two seriously, including a pregnant woman; seven others were treated for minor injuries. No terrorist group has claimed responsibility.

ETA, THE BASQUE separatist terrorist gang, detonated another car-bomb on July 25, its seventh since June 4. One person was killed in the bombings, and a second was shot outright by the ETA. One bomb was planted outside a police station, and another, which failed to go off, was attached to a local prosecutor's automobile.

hearts, and his cause will live in the works of his students."

Dr. Muranivsky's last article appeared in the July 20 issue of *Ekonomicheskaya Gazeta*. His life and work was eulogized in last week's *EIR*.

Sudan To Supervise All Relief to Warring South

The Sudanese government vowed on July 24 that it will fully supervise delivery of all humanitarian aid from abroad to its famine-stricken South, where John Garang's Sudanese People's Liberation Army is siphoning off relief to its own troops. The Khartoum government also charged that aid operations are being used to funnel weapons to the SPLA. For years, Garang has been the darling of British geopolitical designs, operating under "human rights" cover, to break up Sudan, Africa's largest country.

Sudan "will not allow the exploitation of relief facilities for the delivery of supplies that fan the fighting and will exercise full control of the relief operations," said government spokesman Ghazi Salah Eddin Atabani. The government "sticks to its right of supervising humanitarian supplies as indicated" in the 1987 agreement with the UN-sponsored Operation Lifeline-Sudan (OLS).

On July 22, President Omar al-Bashir had blasted phony relief efforts, and declared that Sudan was closing its airspace to relief flights from abroad, and considering a ban on the OLS for allegedly helping the rebels. Mutref Siddeiq, Bashir's adviser in the peace talks with rebel groups (most of which have signed accords with Khartoum), said that Khartoum had "concrete evidence" that the OLS was helping to arm the SPLA, according to the July 24 daily *Sahafi Ad-Dawli*: "The UN has no right to object to a revision of the OLS agreement," which became necessary, due to "unfair relief distribution and violation of the country's sovereignty," he said. Stressing that the government has zero tolerance for aid groups that help Garang, Siddeiq warned that "strict measures will be clamped on for regulation

of operations of the foreign organizations in southern Sudan."

These development occurred amidst reports of heavy fighting, where the SPLA has planned a major offensive on the southern oilfields.

In addition, Sudan has accused Eritrea of building up troops and equipment on its border with eastern Sudan in support of the National Democratic Alliance rebels. The NDA have been using Eritrea to attack border towns and military garrisons in Sudan's East. However, in late July, Sudanese Defense Ministry officials were reportedly in discussions with Eritrea on easing the tensions between Khartoum and Asmara.

Bangladesh Leader Hasina Gets Threats

Serious threats to the life of Bangladesh's Prime Minister Sheikh Hasina Wazed have grown since nearly 140 pounds of explosives were found in her election district, where she had been scheduled to speak, according to *The Hindu* of India on July 23. She told thousands of her constituents in Kotlipara that "threats and obstacles" would not stop her from establishing people's rights. "Like my father, I'm ready to sacrifice my life for the people," she said.

Sheikh Hasina's father, Sheikh Mujibur Rahman, was the founder of Bangladesh, which had been set up in the breakup of British India as East Pakistan. On Aug. 15, 1975, Sheikh Mujib was killed in a coup, when the military killed 15 members of his family, including one infant and a child, in order to "eradicate" the family. Sheikh Hasina and one of her sisters were in Germany at the time, and thus, had escaped the murders. For the next eight years, she lived in New Delhi under the protection of India's Prime Minister Indira Gandhi. She returned to Dhaka in 1983, and became prime minister in 1996.

Sheikh Hasina's closeness to India makes her a target of the right-wing "Islamic" parties at home, and Pakistani intelligence abroad. She has also become a target of Northeast India's secessionist guerrillas, who use her country as a base.

Al Hitler and Maledetto Busholini

by Lyndon H. LaRouche, Jr.

July 31, 2000

At the close of July, it appears from reading the U.S. mass media, that there are only two leading U.S. Presidential candidates currently in sight for the November 2000 elections: the perennially unelectable Al Hitler, and current front-runner, the murderous Maledetto Busholini.

Put aside the possibility that the sheer horror of seeing those two as the only “mainstream” choices, may carry a Pat Buchanan or a Ralph Nader to the point of hanging the Electoral College’s certifying the election of the next President. Put aside the obvious implication of the pre-designation of “technician” Dick Cheney as Bush’s Vice-Presidential running-mate, that Bush’s Wall Street backers foresee a catastrophic defeat of Gore as an assured certainty. How could this nation have come to the point, that the only visible “front-runners” for U.S. President are not merely emotional and intellectual cripples unsuited even to understand the crisis looming before them, but are hide-bound fascists in the strictest definition of those terms?

What is wrong with you, the citizens, that you could not rally behind actually qualified alternative candidates long before this stage of the matter was reached?

This characterization of Hitler-Gore as categorically a fascist, is not based merely upon the Democratic National Committee’s racist initiatives in nullifying the 1965 Voting Rights Act, nor the goon-squad style exhibited once again at the Cleveland Platform ritual, nor is it based upon the way in which one poor Party lackey after another queued at the microphone, to deliver a pledge of mindless devotion to “our great leader” Hitler-Gore.

In the case of Gore, the use of the term “fascist” is required

by the combined content and lack of content of the Gore-dictated Party Platform. Granted, the Democratic Party’s Los Angeles convention is already modelled upon a Hitler-style Nuremberg rally; but, it is that Platform, and the way in which it was brought into being at that Cleveland affair, which has already shocked increasing numbers of Democratic Party veterans into facing the evidence, that in Gore’s candidacy there are qualities common to such avowed modern neo-Caesars as the fascists Napoleon Bonaparte, Benito Mussolini, and Hitler.

Unfortunately, the term “fascist” has come to be misused for all sorts of silly purposes, either as generic for anti-communists, or for any person who criticizes the morals of the assassins of Israel’s Prime Minister Rabin. The term, as defined by Mussolini, and as that meaning was copied and practiced by Adolf Hitler, is scientifically, historically precise. As the world should have learned from the way in which certain British and New York financier circles acted jointly to bring Hitler to power in Germany in January 1933, the indispensable first step toward effectively opposing fascist movements, is to define their specific qualities accurately. The current political trends inside the U.S. generally, and in Washington, D.C., in particular, are a time to use that term with the precision the presently looming dangers demand.

I turn now to summarize a strict historical and scientific definition of the phenomenon called fascism, as this developed, in the form of Bonapartism, out of the Jacobin Terror of 1789-1794 France. That done, I then compare the cases of the programs of fascists such as Gore and Bush, with their most relevant predecessors, the two Emperors Napoleon, Mussolini, and Hitler.

Gore pushes bureaucracies for a fascist world order

by Michele Steinberg and William Jones

On Jan. 10, 2000, in a speech at the White House, D.C., he said by a man called "the machine" who said...



Impeachment trial: Stop the bipartisan coup d'état
Russia-China-India strategic triangle forms
Lazare Carnot's leadership in a time of crisis
Al Gore and Adolf Hitler



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

by Michele Steinberg

Bush likes to tell people to "come on down" to his new "second largest state in the country" and over that his main qualification is his "leadership" in Texas, because "if you, it would be the circumlocution of the word." But, there's something rotten in Texas, as Bush's record since becoming Governor is that something is George W. Bush, the hypothetical "world's eleven-billionth child" that Texas exports 400 out of 50 million children with health insurance to the minimum welfare payment—\$200 a month of them, it ranks 47th in state government health, and it ranks dead last in state government health care for its population that would die, an estimate which is included in...

Democratic pre-candidate Lyndon LaRouche gives a speech at Concord, New Hampshire. LaRouche is an indicator of a fundamental quality more sophisticated than General Welfare (the Constitution). LaRouche explained that both the "Baby Doomer" and the Democratic Party rights and the 1965 Voting Rights Act, as LaRouche off the ballot South Carolina for many, have a common racist nucleus that is the future of the United States. LaRouche said, "So... what we have achieved in the general nature of the campaign is that the national campaign is now done between those who believe in the General Welfare and those who believe in the General Welfare of the United States."



placed a role in putting



AIDS: The Deliberate Catastrophe
Wall Street Wins Mexico's Presidential Election
LaRouche Battles Gore for Soul of Democratic Party
LaRouche: Call Them 'The Baby Doomers'



to the victims and perpetration of family maintenance and kindness, but they are not mothers, except for... In other words, their... "The Bush dynasty is... a horror film." The Texas... the victims and perpetration of family maintenance and kindness, but they are not mothers, except for... In other words, their... "The Bush dynasty is... a horror film." The Texas...

EIR's use of the term "fascist" with respect to Gore and Bush, is scientifically precise. LaRouche writes: "The current political trends inside the U.S. generally, and in Washington, D.C., in particular, are a time to use that term with the precision the presently looming dangers demand."

What Is Fascism, Historically?

Fascism is a specific form of modern development within globally extended European civilization. The context in which fascism emerged as a "bonapartist" form of modern political movement and system, is the millennia-long conflict between Christianity and the Greek Classical legacy, on the one side, and, the tradition of pagan Rome, especially imperial Rome, which has been continued for more than two thousand years as what is commonly called Romanticism.

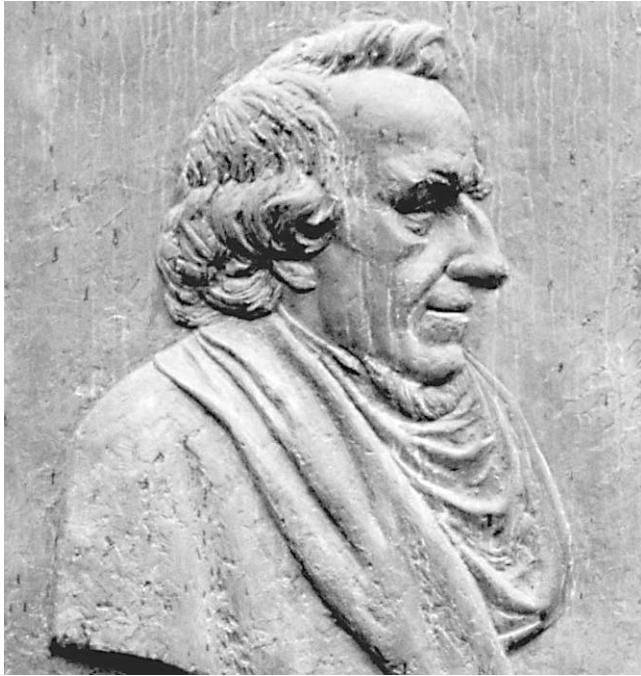
As any literate person should recognize immediately, the key to understanding fascism is to recognize the essentials of the specific conflict between the Christian Classical tradition on the one side, and the Romantic legacy of pagan Rome, on the opposing side. The issue between these two opposing forces within European culture, the opposition of the Christian and Classical to the Romantic, is a fundamental, axiomatic difference respecting the functional definition of human nature.

The Christian principle is identified by the Mosaic principle set forth in the concluding verses of *Genesis I*, that mankind is set apart from and above all other living creatures by that quality of the human mind through which man is able to increase his species' power in and over the universe. As a matter of scientific fact, this distinguishing quality is the power of cognition; that is, the power to discover new valida-

table universal physical principles, and to evoke the same experience of discovery of true ideas in other persons. On this account, scientifically, man is made in the image of what Plato identified as the Composer of the universe; on that account, man must treat all other persons according to the recognition of that special quality universal to human nature.

In other words, government can have no lawful moral authority to rule, except as it uses its power as government, efficiently, to ensure the promotion of the general welfare of all persons, both the living and their posterity. Notably, on this account, the welfare-reform policies, and criminal-justice policies, of both Gore and Bush are virtually indistinguishable on principle. This is not accidental; both candidates, and accomplices like Al From, are devout adversaries of Christianity, the Declaration of Independence, and the fundamental law—the Preamble—of the Constitution on just these accounts. In fact, there is nothing in the views of those candidates, on those matters, which differs in principle from the health and welfare and criminal-justice policies of a 1930s Adolf Hitler.

The tradition of pagan Rome, like that of ancient Sparta and the Delphic cult of the Pythian Apollo, rejects such definitions of human nature and human relations under government. In the Romantic tradition, man is degraded to a condition in which some mere beasts, like the ruling caste of Sparta



A plaque honoring Moses Mendelssohn (1729-1786) at the Jewish Middle School for Boys in Berlin. The memory of leading Jewish humanists such as Mendelssohn, has been subjected to a second holocaust, a holocaust of silence—including by leading Zionist organizations.

and the Senate of ancient Rome, rule over human cattle. In the specific legacy of pagan Rome, the plebeians were a form of cattle controlled through a blend of mythologies and popular opinion. In turn, on a lower level, were the slaves and quasi-slaves. The image of Roman plebeians, cheering the slaughter of Christians by Nero's lions, and turning thumbs down on the human cattle, like contestants in the modern arena, called gladiators. This system of Romantic immorality was called *vox populi* (popular opinion) and the name for those induced to adopt such irrational opinions was *populari*, signifying, in Latin, "the predators."

The Romantic legacy was standardized afresh in the notorious Code of the Roman Emperor Diocletian, the Diocletian who also codified the separation of the Roman Empire into a Latin and Byzantine division. That form of Romanticism was prevalent under feudalism, until the revival of the Classical Greek form of cultural tradition, in Italy, during the great Renaissance of the Fifteenth Century. It was that Renaissance which produced the launching of the modern form of sovereign nation-state, the greatest single contribution to progress of humanity since ancient Greece and the mission of the Christian apostles. Since that Renaissance, the internal history of globally extended European civilization, has been a continued back-and-forth battle between the forces of the Christian Classical and the opposing Romantic currents of culture.

Fascism is a specific outgrowth of Romantic development, dating from the aftermath of the victory of the American Revolution over its mortal enemy, the British monarchy. It was in the specific circumstances created by London's (Foreign Office secret-intelligence chief Jeremy Bentham) directed, anti-American venture, the 1789-1794 Jacobin Terror and its immediate aftermath, that a specifically fascist insurgency erupted around the figure of Napoleon Bonaparte and the installation of pagan Romanticism in the form of the Code Napoléon. Like Mussolini and Hitler later, Napoleon looked to the pagan Rome of the Caesars for both his religious policy of crowning himself Pontifex Maximus (e.g., as an echo of a "Sun King") and establishing (temporarily) a form of empire, based upon systemic looting of subject peoples, intended to re-establish himself as the new Emperor Augustus. Caligula, Claudius, and Nero, as Mussolini, Hitler, and Gore's implicit intention, follow the Napoleonic precedent.

Notably, from the middle of the Eighteenth Century, a great Classical cultural revival, based on defense, against Romanticism, of the principles of Leibniz and Bach, was organized, more or less world-wide, around the figures of physicist Abraham Kästner, his student Gotthold Lessing, and Lessing's collaborator Moses Mendelssohn. This international Classical, anti-Romantic movement, formed the core of both the internal organization of the U.S. struggle for independence, and the broad support which the U.S. cause enjoyed throughout Europe.

It was the combination of the British-directed Jacobin Terror of 1789-1794, the consequent isolation of the U.S. from its former allies in Europe, and the post-1803-1806 triumph of Romanticism, in the wake of the Emperor Napoleon's establishing his imperial fascist tyranny, which prompted a wave of deep cultural pessimism, and thus the revival of the pagan legacy of Romanticism in art and science throughout Europe. Thus, no great musical composer has emerged in European civilization globally since the death of Johannes Brahms, and no poet who could match the Classical tradition of the young Goethe, Schiller, and Heine.

The distinction of fascism, which sets it apart from other expressions of Romanticism, is the use of a myth-intoxicated, murderous mob of plebeians, as substitutes for the more traditional institutions associated with Romantic forms of political rule over nations and peoples.

It was the breakdown of French society, as a result of the Jacobin Terror and its aftermath, which created the conditions under which a self-defined "modern Caesar," a fanatical Romantic, replaced temporarily those relatively more traditional ruling institutions of government and party; this made an Emperor Napoleon possible.

It was similar conditions, of the existing government's moral incapacity to rule, which made possible fascism under Mussolini. It was the refusal of the financier oligarchy then ruling the so-called Versailles powers, which decided to bring Hitler into power, as a way of preventing other forms of gov-



The Dachau concentration camp. Why did Hitler kill the Jews? Josef Goebbels summed it up: Hitler's Germany could never forgive the Jews for having given birth to Christianity.

ernment from instituting the urgently needed reforms required by the follies of Versailles.

It is the unwillingness of the reigning Anglo-American financier-oligarchical powers of the Queen's own London, Canada, Australia, and New Zealand, together with their queenly Wall Street partners, which has prompted them to promote the fascism typified by both the doomed Gore and his victor Bush, for the same reason that earlier fascist experiments and the like have appeared at other times and places during the recent period of now more than two centuries.

Hitler and The Jews

The popularized myth, still today, is that the central feature of Hitler's fascism was its persecution of the Jews. The fixation on the sheer horror of what happened to the Jews of Germany and eastern Europe, especially during the closing years of the war, has blinded many to the premises from which that specific part of the Nazi holocaust against peoples lawfully developed. This blindness could not persist but for a second holocaust, a holocaust of silence, including that by leading Zionist organizations, against the memory of those leading and other followers of Moses Mendelssohn who had contributed a part far exceeding their relative numbers, to the enrichment of the political, scientific, and artistic culture of Europe as a whole, especially Germany itself. When large blank slabs of concrete are used to obscure the memory of even many of those German and Yiddish Renaissance Jews

who made crucial contributions to all European civilization, especially during the period since the collaboration of Lessing and Moses Mendelssohn, the sensible person is stunned by the sheer horror of the behavior of those who insist upon acres of such blank slabs, instead of the real human beings who were an integral part of the great contributions of European civilization.

Why did Hitler murder those Jews? It is not difficult to find the relevant evidence in the writings of Conservative Revolution forerunners of the Nazis such as Nietzsche, and among the leading Nazis themselves. Why? How could the search for the answer to that awful question be overlooked. Given all of the great blessings which the circles of Moses Mendelssohn brought to Germany, how could any German or Austrian who loved Germany's greatest Classical works of science, art, and political justice, wish to eliminate Jews?

There is a readily available answer. The answer helps understand how Vice-President Al Gore became the fascist he has exposed himself as being today.

Go back to the time of Jesus Christ and his Apostles. Palestine was under the rule of the pagan Roman Empire, that the predecessor of modern fascism. The local arrangement there, as in Norway under Hitler's occupation, was to govern through a pack of the local equivalent of Quislings for that time. In the time of the persecution of Jesus Christ, the relevant Roman Emperor, then reigning from the Isle of Capri, was Tiberius; his son-in-law, Pontius Pilate, was the actual military ruler. In that region, there was a fermenting resistance movement against Roman rule among Jews, Greek-speaking Jews (Hebrew was a dead language at that time). This was not confined to what is recognized as modern Palestine, but included, most emphatically, the eastern Mediterranean littoral, in which the Greek and Hellenistic traditions of literacy were most strongly embedded.

It was not the Jews who killed Christ; it was the Roman Empire. Apart from the mob of Quislings involved in the judicial murder, the generality of the population was in a struggle for independence against the Roman imperial occupation and its Quislings. For the latter, Rome was the "New Babylon," or as the Apostle John describes it, "The Whore of Babylon."

Therefore, that history taken into account, what could a pack of Romantics, such as Adolf Hitler's crew, possibly have against the Jews? Josef Goebbels once summed up the explanation: Hitler's Germany could never forgive the Jews for having given birth to Christianity. Goebbels documented, that Hitler had promised, that once he had won the war in Europe, he would proceed to exterminate the Christians as he was doing to the Jews. How should we read what Goebbels reports as Hitler's policies? Read that philologist Nietzsche, who was, like his follower and Frankfurt School intimate Martin Heidegger, a principal architect of the Nazi myths. In the eyes of Nazism, the crime of the Jews was to have produced Jesus Christ!

Christianity was, and is the twofold enemy of the pagan Roman Empire and its Romantic legacy. It is the enemy of Romanticism, for reason of the importance of Classical Greek culture's contributions to science, art, and statecraft. It is the enemy of Romanticism, because it insists upon the universality of the Mosaic principle that men and women are made in the image of the Creator, and set apart from and above all other living beings and things, as given the power to willfully increase mankind's power in and over the universe. It is that Mosaic legacy, delivered from the lips of Jesus Christ, which implicitly defines Christianity, and, thereby, in defiance of John Locke, Bernard Mandeville, Adam Smith, Jeremy Bentham, John Stuart Mill, and Friedrich von Hayek's Mont Pelerin Society, implicitly defines the conditions of service to promotion of the general welfare, under which governments may lawfully rule.

Gore's Fascism

There should be no objection to identifying Gore as a fascist, on account of his policies concerning population and general welfare. His and "Dick" Morris' collaboration with "Newt" Gingrich, on "welfare reform," in 1996, and since, exposes the fascist essence of Gore's economic and related doctrines. His push for "globalization" is purely and simply a drive for "universal fascism," as Michael Ledeen and others have documented these connections by name. However, in what sense is Gore also a racist?

Frankly, I do not know what passes through Gore's thoughts when he is confronted by a person he identifies as African-American, for example. I would not insist that he is a co-thinker of President Woodrow Wilson's revived Ku Klux Klan, for example. I know that his economic, social, and criminal-justice policies, like those of the Bush-baby collation, are racist in practice. Watching his knee-jerk responses on such issues, one might say that he is a racist by instinct of practice, if not of the variety predominantly motivated by simple racial prejudices. The kindest we might say of him, is that his racism is of the same mint-julep variety as the Nashville Agrarians, such as Henry A. Kissinger's former mentor, Professor William Yandell Elliot; he does not object to the existence of African-Americans, as long as they do not threaten the utopian perfection of a Nashville Agrarian's sense of the way things ought to become.

In these and other matters, we must hold people responsible for that which they should have known to be truthful and just. No one has the right to hold to a so-called "sincere opinion," in disregard for those standards of truthfulness and justice which Plato presents in the famous dialogue among the characters Socrates, Thrasymachus, and Glaucon. On this account, one might wish to say, truthfully and justly, that Al Hitler, as I have described him here, is, in practice, the kind of fascist Plato presents in the mouth of his character Thrasymachus—even if it is a rather stupid sort of parody of Thrasymachus.

Republicans' Staged Media Event Will Drive Sane Voters Out

by Nancy Spannaus and Jeffrey Steinberg

Abraham Lincoln wouldn't have recognized the Republican Party that took over the city of Philadelphia on July 31 to Aug. 4, with its Presidential nominating convention. In virtually every aspect, this convention was a media show of bread and circuses, run with a not-so-secret iron fist, aimed at crowning George W. Bush, the avenging heir of the vanquished President George Bush. On top of the \$70 million admitted to have been spent, informed sources report that an additional \$100 million was put out to throw lavish parties—anything to keep the delegates from missing the serious political discussion which historically is part of a political convention.

To anyone with a brain in his head, it was clear that nominee Bush's slogan of "compassionate conservatism" was just that—a slogan. The activist base of social conservatives in the party were told to toe the line, and to console themselves with the fact that the Republican Party Platform sticks with the "all power to the rich and greedy" Social Darwinist ethic which has dominated the GOP over the last 20-30 years. Perhaps the most honest, insightful evaluative statement was made by President Ronald Reagan's son Ron, who was quoted in the Aug. 4 *Washington Post*, saying about George W. Bush: "What is his accomplishment? That he's no longer an obnoxious drunk? . . . The defining moment for me was his Karla Faye Tucker smirk, joking about a woman he would put to death."

Now, with the parties over, the election war will start in earnest. True, it will be interrupted by the Democratic National Convention, which is set up to be equally, if not more tightly controlled, with more bread, more circus, and the identical absence of substantive policy content.

After the circuses end, then the real question will be posed: Have the two "traditional" parties so disgusted their base, by vacuousness and police-state measures, that the electorate will turn to a Third Party option?

Compassion With an Iron Fist

The Republican convention has to be seen in the context of the "take-no-prisoners" way in which George W. Bush and

his father's political machine took this nomination. Bush had smashed all opposition by the March 7 "Super Tuesday" primaries, and, contrary to his alleged compassion, he gave no quarter to his opponents, unless they grovelled before him. Thus, Alan Keyes and Malcolm Forbes were given absolutely no role in the convention, and Keyes was not even told who his delegates were.

Yes, both John McCain and Elizabeth Dole were permitted to address the convention. But their speeches—as those of all others—had to be submitted to the Bush campaign for approval. Anyone who saw the usually feisty McCain delivering his stilted remarks, could see that the man was acting as if he had been put into a straitjacket. His encomiums to the character of his "friend" George W. Bush were as phony as a \$3 bill.

Nor was it just the speakers who had to stick to a script. Every precaution was taken to ensure that there were no unauthorized demonstrations on the floor, or even unauthorized signs. Hand-printed placards, filled with acceptable slogans, were placed on the chairs of every delegate—just in case. There was no discussion from the floor of the convention, only the ritual casting of votes for the nominees by state chairmen. And even these were cut off if they went "too long."

To keep up the media appearance that there is a new, expanded party base, the Bush team brought in what some would call a "Rainbow coalition" of speakers: African-Americans, Hispanics, even a homosexual. The speakers' main job was to praise George W. Bush. Otherwise, the content was irrelevant to the party's platform or direction.

Numerous newspaper articles reported on the discontent of the Republican delegates, both with the array of speakers, and the stage-managing. Why bring in a black minister from Texas, when the party could have heard Alan Keyes? one asked. The reason was obviously that Keyes's speech could not be controlled. The only place where the delegates could blow off steam was at adjunct events, such as Pat Robertson's Christian Coalition meeting, which drew 5,000 people, but nearly zero media coverage, or at the food orgies and rock music bashes.

Is There Any Content Here?

In general, it would be a mistake to try to analyze the political content of the Convention speeches, even those of George W. Bush and his running mate, Dick Cheney. Everything was being said for public relations effect. The platform pronouncements are a bit more honest, but they too should be evaluated in light of what the Republican "hands and feet" have been doing in Congress, in Texas, and elsewhere. The policies of Bush-Cheney are, in fact, the policies of the senior Bush's Presidency—with a vengeance.

It is no surprise, then, that the 2000 GOP Platform touts "a reduced role for government, greater personal liberty, economic freedom, reliance on the market, and decentralized

decision making," as the "central values of our party." Like lemmings, however, the Platform Committee does not dare admit the truth about the bubble economy, the truth which the Bank for International Settlements, the New York Council on Foreign Relations, and senior Wall Street officials know. Rather than even mention the likely financial shocks coming before the election, the Platform writers chose to take credit for the current *prosperity*.

The "2000 GOP Platform" states: "Inspired by Presidents Reagan and Bush, Republicans hammered into place the framework for today's prosperity & surpluses. We cut tax rates, simplified the tax code, deregulated industry, and opened world markets to American enterprise. The result was the tremendous growth in the 1980s, that created the venture capital to launch the technological revolution of the 1990s. That's the origin of what is now called the New Economy: the longest economic boom in the 20th Century."

The only thing the Platform complains about is taxes.

But will that mantra be sufficient to mobilize the party base behind a candidate as stupid and venal as George W. Bush, in the middle of the economic and financial storms ahead? That is a big question.

Buchanan and Nader

On Aug. 10-13 in Long Beach, California, the Reform Party will hold its national nominating convention, and sources in the leadership of the party report that the likely victor will be Pat Buchanan. This, despite efforts by a collection of wackos, grouped around African-American Marxist lesbian Lenora Fulani and Natural Law Party transplant John Hagelin, to hijack the nomination, through dirty tricks. The national media have, in recent weeks, attempted to portray the party as deeply divided, with founder Ross Perot pitted against Buchanan.

There is good reason for *both* the Bush and Gore camps to wish to see the Reform Party sink into the Pacific during its convention. Voter rage at the two "major party" candidates, Gore and Bush, and the potential for large-scale defections by party grassroots activists, could make the 2000 Presidential elections "the year of the third party."

Both Buchanan and Green Party nominee Ralph Nader have slammed the Democrats and Republicans for having "morphed" into effectively one party, dedicated to free trade, and to serving the interests of the wealthiest 20% of the population—the rest be damned! They happen to be right, and, along with Democrat Lyndon LaRouche, who is dedicated to rebuilding the Democratic Party from the ashes of the Gore disaster, could force *real* policy debate into the limelight in the months leading up to the November vote.

Were that to happen, particularly were Buchanan and Nader to force their way into the nationally televised Presidential debates, all bets would be off, and both Bush *and* Gore could wind up on the scrap heap—where they belong.

Democrats' Revolt Against Gore Breaks Into the Open

by Debra Hanania Freeman

As nearly 200 members of the Democratic Party Platform Committee gathered in Cleveland on July 28-29 to finalize the document that will be presented at the party's Los Angeles convention on Aug. 14-17, a dramatic and open revolt against the Gore-dictated platform, and against its explicit rejection of the traditional constituencies that comprise the base of the party, burst into the public arena.

The revolt broke out despite the tyrannical efforts of Democratic National Committee (DNC) Chairman Joe Andrew, a Gore henchman best known for his drive to nullify the Voting Rights Act, and to have the Democratic Party declared a "private club," in order to lock out supporters of Lyndon LaRouche, who continue to threaten the unelectable Gore's "lock" on the Democratic nomination.

At same time as Andrew was telling delegates at a Cleveland City Club luncheon that the party platform would reflect Gore's vision of free trade, fiscal conservatism, and tougher sentencing laws, including the death penalty, a group of well-known Democrats, all of them delegates to the August convention, were sounding a very different note at a well-attended news conference at the Sheraton City Centre hotel, where committee members were staying.

The group, which included Cleveland's Democratic Congressional Representatives Sherrod Brown, Stephanie Tubbs Jones, and Dennis Kucinich, as well as Rep. Carolyn Maloney (N.Y.), United Auto Workers (UAW) Region 2 Director Warren Davis, Cleveland City Council Majority Leader Nelson Cintron, and a delegation of powerful California Democrats, led by State Sen. Tom Hayden, announced that they had formed a "Progressive Democratic Caucus," which Davis said represented "the democratic wing of the Democratic Party."

Arguing that the Gore-dictated platform abandons the values and traditions of the Democratic Party as the voice of working people, minorities, and the poor, spokesmen for the group announced that they would introduce four platform amendments: "Quality Health Care for All," "Fair Trade, Not Slave Trade," "Narrowing the Gap Between Rich and Poor," and a motion to delete support of the National Missile Defense (NMD) program from the platform.

A Disgusting Platform

Lila Garrett, president of Southern California Americans for Democratic Action, insisting that Gore's platform would lead to a disastrous defeat of Democratic candidates at all levels, said, "In the present draft, the platform admits that the gap between the rich and poor is too wide, but passes quickly over it, to rave about the great economy. Despite the increased homeless population, the word 'homeless' never appears. It expresses pride in the decreasing welfare recipients, but never refers to the million children who now live on the streets as a result of welfare 'reform.'"

"It makes a passing reference to unfair labor, health and environmental practices in our global trade policy, but says nothing about correcting it. On the contrary, the platform rhapsodizes about how great the World Trade Organization is, then recommends putting trade on a 'fast track' which would give the President more power, guaranteeing even less Congressional control over violations."

The UAW's Warren Davis pointedly remarked that his union has not as yet endorsed anyone for President, and launched into a blistering attack on the Democratic Leadership Council (DLC), co-founded by Gore. Davis called the organization of "New Democrats" a "corporate front inside the Democratic Party, bankrolled by conservative Republicans."

Davis said that it was the DLC policies that had controlled the draft platform, and that "Al Gore has to stop saying that we have nowhere else to go, because we have other choices. If Gore doesn't have the support of the fundamental constituencies, *then Al Gore's candidacy is for naught.*"

One of the new group's organizers admitted privately that there were other issues, particularly the death penalty, that the group would have liked to take up, but that they limited their amendments to ones they were certain could pass. Indeed, the group's leaders seemed confident that their agenda, which was to be introduced by attorney Gloria Allred, a founding member of the Progressive Caucus who sits on the Platform Committee, had sufficient support to be adopted. They had the signatures of 113 Democratic members of Con-

gress on an Open Letter to President Clinton, demanding that the platform be changed to reflect a policy of "Fair Trade, Not Slave Trade." They also had the signatures of 63 House Democrats seeking to delete support for NMD from the platform.

All Dissent Is Quashed

Nevertheless, Gore's thugs moved ruthlessly, as they have throughout the campaign, to silence any dissent. Al From, director of the Democratic Leadership Council, was on the phone, telling journalists as well as members of the Platform Committee, that "the platform will not be dictated by special-interest groups and economic reactionaries." He repeated the formulation that he presented a few weeks earlier at a DLC Convention in Baltimore, that representatives of organized labor, as well as minorities, should be ignored as "retrogrades." In a speech delivered to the members of the Platform Committee, From said, "The Progressive Caucus platform is what lost us the Congress elections. Al Gore has to run on this platform, not some little delegate somewhere. This is a good, unifying platform that will appeal to Republican and independent voters, which is what we want."

Sources also report that a few days before the Cleveland meeting, top labor officials from around the nation were summoned to a meeting with Gore himself. Gore told them he would "take care of them" *after* the election, but that they had to promise not to "rock the boat" now. The officials were told that they had better "lower the boom" on labor representatives who sat on the Platform Committee. Gore demanded a guarantee that the labor delegates would not support any of the Progressive Caucus amendments.

By the time people got to Cleveland, that boom had clearly been lowered. When the Gore campaign hosted an evening reception for members of the Platform Committee on July 28 night, Progressive Caucus members, despite the fact that they were high-ranking elected officials, were kept out. Sources report that strict orders had been issued at the reception to oppose the Progressive Caucus amendments and to "shun" Caucus adherents. On July 29, when the Progressive Caucus hosted a hospitality breakfast reception, they were, indeed, largely shunned.

When the formal proceedings began that day, it did so with all the trappings of an old-style Stalinist Politburo meeting. DNC staff roamed the area, armed with cell phones and walkie-talkies, following anyone they suspected of carrying "unapproved" literature. A big banner was unfurled across the front of the room, touting Gore's mantra of "Prosperity, Progress, and Peace." Pre-selected members of the committee were brought to the microphone to recite paeans to Gore, and to introduce amendments that Gore and the DLC had approved in advance. Delegates who had offered amendments labelled "controversial," withdrew them. When Gloria Allred

introduced the first Progressive Caucus amendment on "Fair Trade," only three members of the committee were willing to second it (a motion required 15 people to second it, before any amendment was even subject to debate). Indeed, all four of the Progressive Caucus amendments were tabled without debate.

Visibly Shocked

Progressive Caucus leaders were visibly shocked. Some were furious. When they moved outside, they were mobbed by press. Representative Kucinich told the press, "We have a record trade deficit, cuts in benefits and wages for working people, and this platform is a move to the right. They talk about a big tent, but this tent just got smaller. I don't think we can win with this platform."

California State Senator Hayden said the platform was sure to infuriate the rank and file. He said that the party's traditional base in his state was already being lost to apathy, or to independent candidate Ralph Nader. "It's going to be impossible to lift the enthusiasm of the foot-soldiers we need to make phone calls and mobilize votes," he said. "Right now, the only thing Al Gore has going for him are negative attacks on the Republican ticket of Bush and Cheney."

Indeed, immediately after Bush named Dick Cheney as his Vice Presidential choice, DNC spin-meisters attacked the former Senator from Wyoming for voting against the Head Start educational program, and for voting against support for South Africa's first post-apartheid leader, Nelson Mandela. But, those attacks aren't likely to garner much support for Gore, especially when Democratic voters figure out that Then-senator Gore had voted with Cheney on both points.

The Gore platform will go to a full vote by the delegates on the second night of the Los Angeles Convention. No amendments will be allowed from the floor, and Convention rules make it virtually impossible to force a floor vote on a minority platform report.

Following the Cleveland debacle, Lyndon LaRouche issued a sharp response to Gore's latest thuggery, and ordered his campaign staff "to stay the course," and to outflank the apparatchiks through massive circulation of the proceedings of the Ad Hoc Platform Committee hearings which his campaign facilitated on June 22 in Washington, D.C. By the time Democratic delegates begin to land in Los Angeles, approximately 750,000 copies of those proceedings will have been distributed, including to each of them.

Convention delegates, including many who are formally pledged to support Gore, have been supporting LaRouche's efforts. One convention delegate told a member of LaRouche's staff, "It's becoming more and more clear. If we want to survive, we have to fight with LaRouche. Our leadership is telling us not to fight. My [union] president told me to go to Los Angeles, keep my mouth shut, hold my nose, and vote. I can't do it. I can't just be a 'good German.' "

As Uninsured Numbers Grow, Drive Opens for Universal Coverage

by Marianna Wertz

One of the most serious indicators that “the fundamentals” are *not* sound, that Al Gore and George W. Bush are simply lying when they mouth their platitudes about how great the economy is doing, is the crisis in health-insurance coverage in the United States. Today, 45 million Americans, nearly 20% of the adult population, and more than 11 million children, have no health insurance. That number is expected to grow to more than 54 million by 2007 with current trends — i.e., not counting the catastrophic effects of the future bursting of the global financial bubble.

A new study by John Holahan and Johnny Kim of the Washington, D.C.-based Urban Institute indicates that both public and private health insurance coverage declined in the “boom” period 1994-98, continuing the 1989-93 decline. The study, using data from the Current Population Survey, found that the proportion of the non-elderly population without insurance increased from 16.2% in 1989 to 18.2% in 1993; those figures grew again during 1994-98, from 17.3% to 18.4%, or by 4.2 million additional uninsured Americans. (Americans over 65 are covered by Medicare insurance.)

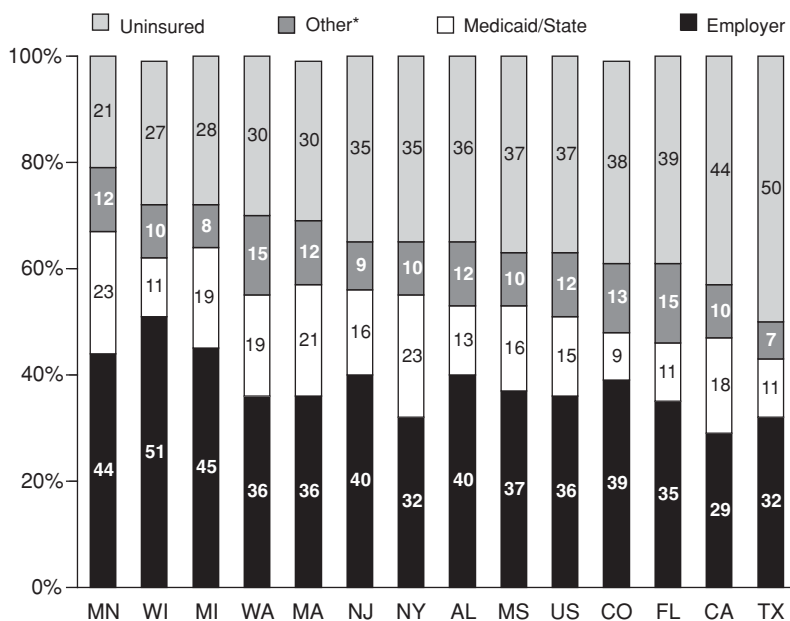
There are several reasons for the decline. Most important was the drop in Medicaid coverage, from 10.0% in 1994 to 8.4% in 1998, or about 3.1 million persons (1.9 million children and 1.2 million adults). This was due to the effects of “welfare reform,” as recipients lost Medicaid coverage when they left welfare for low-wage jobs with no health benefits; or were deliberately not told (as happened in several states) that they still qualified for Medicaid because their income was sufficiently low.

In addition, other public coverage (mostly military) fell from 2.7% to 2.4% (0.5 million people). Other private coverage also declined, from 5.7% to 5.0% (1.2 million), which the Urban Institute attributes to the increased cost of health insurance in the private non-group market, as managed care, exhausting its ways to loot, began to resort to premium increases

in an attempt to keep up profits.

Finally, the study found that the percentage of employer-sponsored coverage, at all income levels, decreased during the period, as employers either stopped providing health insurance, or set the employee’s share of the premium so high that workers could no longer afford it. The average worker today is paying three times more for family coverage than ten years ago, and more than four times more for employee-only coverage.

FIGURE 1
Health Insurance Coverage of Low-Income Adults (Ages 18-64), by State, 1997



Source: Urban Institute calculations from the 1997 National Survey of America’s Families. *Other coverage includes private nongroup coverage, Medicare, Champus, VA, and coverage not classified as employer, Medicaid, or state coverage. A March study by the Urban Institute, “Who Are the Adult Uninsured?” from which this figure is taken, makes clear that if Texas Governor George W. Bush were to be elected President (as an Al Gore Democratic nomination would guarantee), the idea of universal health care would evaporate like the smoke over a Texas execution chamber. Texas has the highest rate of uninsured in the nation (50%), and among the lowest rates of coverage by Medicaid/state and employers.

Because the absolute number of adults covered through employers rose by 6.1 million during 1994-98, reflecting the “wealth effect” of the bubble economy, that increase kept the number of uninsured from growing more rapidly than it otherwise would have. In effect, the bubble “prosperity” masked the increasing weakness of the health-insurance arrangements on which the society depends.

The Urban Institute study warned, however, that if the conditions which spawned this rise in employer-based coverage were to change — i.e., if the financial bubble bursts — then “employer-sponsored coverage could again decline overall and private non-group coverage could fall even faster than it has recently.”

The Health Security for All Americans Act

In response to this crisis, Congressional Democrats have teamed up with the largest health care union, the 1.4 million-member Service Employees International Union (SEIU), to push for passage of “The Health Security for All Americans Act” (S. 2888). In announcing the bill on July 19, Sen. Paul Wellstone (D-Minn.) told a news conference that “the health insurance industry, using all of its clout and its legions of lobbyists, took universal health care off the nation’s agenda. But with this proposal, and with the grassroots power of organized working men and women throughout the country, we are going to put health care for all Americans back on the agenda.”

In fact, Lyndon LaRouche’s Democratic Presidential campaign put the question of competent health care for all Americans on the agenda several months ago, with his call for banning managed care and replacing it with the Hill-Burton Act approach. The Wellstone-SEIU proposal, while seriously flawed, complements LaRouche’s drive, by raising the specific need for insurance coverage for all Americans. It is notable, as SEIU spokesperson Renee Ascher told *EIR* on Aug. 1, that neither George W. Bush nor Al Gore has responded to Wellstone’s proposal.

The Wellstone plan, which was introduced in the House of Representatives by Wisconsin Democrats Tammy Baldwin and David Obey, is designed to reach the goal of universal health-care coverage by 2005. While it would mandate quality, affordable, and comprehensive coverage for all Americans, it would allow the states to decide how to provide it, and offer the Federal support necessary to achieve it. The minimum coverage Wellstone’s bill mandates is the same as that currently enjoyed by the members of the U.S. Congress.

The plan has two serious flaws: 1) It predicates the Federal government’s ability to help finance this on the use of the “budget surplus,” which not only isn’t real (as *EIR* has documented), but also, with the coming financial collapse, will definitely not exist by 2005, unless LaRouche’s New Bretton Woods proposal is acted on; and 2) it makes no mention of managed care or the need to fundamentally change the way health services are delivered, even to those who have health

insurance. As Ascher told *EIR*, they have no plan to work to ban or even modify managed care.

Nevertheless, the effort to build a popular movement committed to universal health-care coverage is a worthy one, and deserves support, even if the final goal will need revising.

Interview: Renee Ascher

We Need Health Insurance That People Can Rely On

Renee Ascher, a spokesperson for the Service Employees International Union in Washington, D.C., discussed the Health Security for All Americans Act with Marianna Wertz on Aug. 1.

EIR: Why do you think that you can succeed this time in passing universal health-care legislation?

Ascher: I think that we recognize that it’s a long road, that there’s a lot of work that needs to be done. But the issue is extremely important to American working families. Health care rates among the top issues in the upcoming elections. People want secure, affordable health insurance, that they can rely on in times of need. There is a great interest, with HMOs [health maintenance organizations] and all of the restructuring, and managed care, that working families and working people in this country are speaking out and speaking up for secure health insurance.

EIR: Does this go in tandem with your efforts to curb or end managed care?

Ascher: I don’t think that we have any efforts to curb or end managed care, that I know of, though our union and our members have been at the forefront of the Patients’ Bill of Rights and reform of managed care, so that it’s more responsive to people’s needs.

EIR: You’re going to be showing TV advertisements at both major political conventions. Have any of the candidates responded to this initiative?

Ascher: No.

EIR: According to your release, the plan calls for strong quality standards, including adequate staffing levels, whistleblower protections, and a Patients’ Bill of Rights, which the unions have been advocating, that would be for all Americans.

Ascher: This bill is there to help make sure that *all Americans*, regardless of whether they’re in a union or not in a union, have secure, affordable health insurance that they can rely on.

River Dispute Blocks Energy and Water Bill

A dispute over how to manage the Missouri River, between the upper plains states of North and South Dakota, on the one side, and Missouri and states south of it, on the other, has stalled the Energy and Water Development Appropriations bill.

The \$22 billion bill, which provides funding for nuclear weapons labs and waterways management, normally gets through the appropriations process with little controversy. This year, however, Senate Minority Leader Tom Daschle (D-S.D.) is blocking the bill, because of his displeasure over a provision that would prohibit the expenditure of funds to implement a new water-control manual being developed by the Army Corps of Engineers. The new manual would allow for spring flooding, known as a "spring rise" of the river, in order to satisfy the demands of the Fish and Wildlife Service for protecting endangered species.

On July 25, Kit Bond (R-Mo.) explained to the Senate, that the provision is intended to prevent changes to Missouri River management that would increase the risk of spring flooding. He attacked the Fish and Wildlife Service for trying to take action on flow management while pretending "that dams don't exist." "Dams were built," he explained, "to stop the natural flow, because the natural flow was flooding many hundreds and thousands of acres. It was killing people and damaging millions of dollars of property." He warned that the lower Missouri River already has a spring rise, due to many other tributaries that flow into it. "We don't need another source of flooding," he said, "to carry out some experiment that the Fish and Wildlife Service is trying to conduct at the peril of our citizens."

The Democratic leadership remained obstinate, however, despite warnings by Energy and Water Appropriations Subcommittee Chairman Pete Domenici (R-N.M.) as to the consequences if the bill is not completed by Oct. 1. Domenici told the Senate on July 27, that the bill funds hundreds of important projects employing more than 140,000 workers. He said that underlying the dispute, are water supply shortages suffered both by farmers and cities.

Daschle later complained that the current Corps of Engineers manual, which dates back to the 1960s, favors the barge industry at the expense of the upper Missouri River tourist industry. In other words, dry reservoirs in the late summer are a problem, because the boat ramps are left high and dry.

China Trade Bill Debate Set To Begin in Senate

The first item on the agenda when the Senate returns from its four-week August recess will be a full debate on the House-passed bill to grant China permanent normal trade relations (PNTR) with the United States. The bill passed a procedural hurdle on July 27, when the Senate voted 86-12 to proceed with debate.

President Clinton, however, is not sanguine that passage of the bill will come easily. During a visit to Florida on July 31, Clinton urged the Senate to pass it quickly when it returns in September. "The longer they take to vote on it," he said, "the more likely it could be caught up in procedural wrangling in the Senate."

One issue that remains unresolved is the disposition of legislation sponsored by Fred Thompson (R-Tenn.) and Robert Toricelli (D-N.J.) that

would impose sanctions on China for weapons proliferation. Thompson had introduced the bill as free standing legislation on May 25, and had indicated his intention to attach it to the China PNTR legislation as an amendment, something that the White House vigorously opposes. Majority Leader Trent Lott (R-Miss.) told reporters on July 25 that the Thompson-Toricelli bill might be attached to the Intelligence Authorization bill, which will also be taken up in September.

House GOP Rams Through One More Tax Cut Bill

In one of its final actions before adjourning for the summer, the House passed by a vote of 265-159 on July 27, a bill to repeal the 1993 withholding increase on Social Security earnings. The bill also includes a provision replacing the funds lost to the Medicare trust fund as a result of the tax cut. Ways and Means Committee Chairman Bill Archer (R-Tex.) argued that the 1993 tax increase is no longer needed because the deficit this year is expected to be \$233 billion, whereas in 1993 there was a \$255 billion deficit. He also argued that the tax should be repealed altogether, because it simply doesn't make good sense to tax people on the Social Security benefits that they worked all their lives to earn.

The bill is the latest of several tax cut bills passed by the House as part of the GOP's strategy to pass its tax cut agenda salami-style, instead of in one big package, as they tried to do in 1999. Whereas in 1999 the package passed with Republican votes only, this year the individual bills are gaining 40 to 60 Democratic votes each, and a proportional number in the Senate. House and Senate Democratic

leaders Richard Gephardt (D-Mo.) and Tom Daschle (D-S.D.), respectively, downplay this fact by arguing that the Democratic alternative bills get good support from the caucuses in both Houses. Otherwise, they argue that the GOP's strategy is "fiscally irresponsible," because it is wasting away the budget surplus, now projected at \$2.17 trillion over the next ten years (but in fact nonexistent).

Partisan Feuds Bog Down Appropriations Process

After several weeks of unusually rapid progress on the 13 annual spending bills, the process bogged down in the Senate amid a partisan dispute over judicial nominations. Senate Democrats essentially vowed not to allow any appropriations bills to come to the floor unless the Judiciary Committee moved expeditiously on pending nominations. The Senate voted 97-0 on July 26 to move forward on the Treasury-Postal Service and General Government Appropriations bill, but overnight, the GOP adopted a strategy that brought the House into the dispute.

After an all-night session, what emerged was a conference report on the legislative appropriations bill with the Treasury bill attached to it, even though the Senate has yet to act on the Treasury bill. House Democrats were outraged at the unusual procedure, asking the House GOP leadership if they had decided that their colleagues in the Senate were incapable of moving legislation. Martin Frost (D-Tex.), a member of the House Rules Committee, complained that the conference report also contained a tax bill that Democrats had not been consulted on, and provisions that Democrats were promised would be in the bill were cut from it.

Joe Moakley (D-Mass.), the ranking member on the House Rules Committee, noted that two other provisions, which had been approved by large majorities in the House, were dropped from the Treasury bill. Both provisions related to Cuba, one exempting food and medicines from the trade embargo, and the other easing travel restrictions. However, Majority Whip Tom DeLay (R-Tex.) admitted that the size of the votes on both provisions gives backers of easing such trade restrictions leverage "to go and negotiate" in the conference committee on the Agriculture Appropriations bill "to get what they want." The close 214-210 vote on the rule for debate on the legislative appropriations bill, however, persuaded the House GOP leadership to wait until the Congress reconvenes in September to decide what to do next.

Missile Defense Backed by Cohen, Despite Test Failure

Secretary of Defense William Cohen, testifying for the first time since the July 7 National Missile Defense program test failure, played down the implications of that failure before the Senate Armed Services Committee on July 25. While admitting that it is a high-risk program, he said that the system is designed to use mature technology and that, despite the failure of the interceptor to separate from the kill vehicle, "it demonstrated that the sensor and the battle management systems could and did work together as an integrated system." Therefore, he said, "we derived significant benefit to see that other parts of the program did in fact work."

Committee Chairman John Warner (R-Va.) opened the hearing with

remarks that, with respect to the 1999 National Missile Defense Act, a deployment decision has already been made. "It's just a question of timing," he said. As for the 1972 ABM Treaty, he said, "It would be in everyone's interests for Russia to join the United States in developing an appropriate set of amendments" to the treaty, "to allow that treaty to remain in place with what value it has." He did not address what the United States should do if Russia does not agree to amend the treaty.

Ranking member Carl Levin (D-Mich.), on the other hand, joined the growing chorus calling for delaying any decisions leading to deployment of a missile defense. Given the most recent failure and other development delays, he said, "I believe the time has arrived to live up to the repeated assurance that the national missile defense development program would be event driven and not calendar driven." If the 2005 deployment target is no longer realistic, he said, "President Clinton does not need to, and should not, make the determination this year that the currently proposed NMD will be deployed."

Showing that perhaps some things don't change that should, Warner asked Cohen if he thought that North Korea's recent diplomatic exchanges with South Korea and Russia signalled any reduction of the supposed threat that NMD is ostensibly designed to counter. Cohen replied, "It's a positive sign," but "one summit doesn't change the tiger into a domestic cat. We have to, in fact, see whether or not the North Koreans are going to continue to follow through with their relationship with the South. Whether they are in fact serious about some of the statements that were made . . . about their desire to possibly give up their missile capability."

National News

Electricity Industry Violations Probed

On July 26, California Attorney General Bill Lockyer announced that he would be investigating the recent power price spikes in the state, which have led to doubling of electricity prices for consumers in San Diego. "Obviously, if any individual or company has acted illegally, I intend to identify and punish those behaviors," Lockyer stated. "San Diegans urgently need short-term relief from skyrocketing electricity bills. Everyone in California needs a better long-term deal on electricity rates. The Department of Justice is going to do everything we can to assist in those goals."

An investigation mandated by California Gov. Gray Davis was due to complete its report by Aug. 1. A subpoena was issued, ordering the California Independent System Operator to supply details on why certain power plants were out of service during the recent heatwave. There have been charges that companies took plants off line in order to drive the spot market price skyward.

San Diego Mayor Susan Golding charged that there might have been "collusion, price fixing," and other "inappropriate behavior" in the electricity market.

The Federal Energy Regulatory Commission announced that it will undertake a "fact-finding" investigation of conditions in the electric bulk power markets, including volatile price fluctuations.

The Whitewashing of Racist Woodrow Wilson

Under the title "Woodrow Wilson White-wash," the *Washington Post* on July 29 ran a letter from reader John G. Henry, denouncing an article on President Wilson published in the newspaper on July 10. "The piece on Wilson devoted a lot of space to Wilson's speeches about human rights and democracy," Henry wrote. "It didn't mention a few inconvenient facts, such as that Wilson was the man who segregated the Federal civil service. He also fired every black postmaster in the South, for the stated reason that no

white man should have to take orders from a black man. Neither action was surprising, coming from an individual who openly defended slavery as a social and labor system.

"The article also failed to recount Wilson's numerous ill-advised military adventures in the Caribbean, and his blunders that nearly brought us to full-scale war with Mexico. . . .

"Despite his rhetoric about democracy, Wilson did nothing to support attempts to grant women the vote, and he allowed Americans to be imprisoned for their political beliefs.

"As debate rages over the size and cost of a replacement for the Woodrow Wilson Memorial Bridge [across the Potomac], no one has discussed the need to ensure the new bridge has a new name. Numerous candidates are more worthy of the honor."

EIR concurs. We have highlighted Wilson's promotion of the Ku Klux Klan, and the pro-Klan film "Birth of a Nation"—among other of Wilson's crimes.

Gore Skewered by New Yorker Magazine

A devastating psycho-political portrait of Al Gore as a cybernetic automaton ("cyborg") is presented by columnist Nicholas Lemann in *The New Yorker* of July 31. Titled "Gore Without a Script: What Would Happen If We Saw the Man He Really Is?," the article is illustrated by a caricature of Gore in a circus outfit, standing astride two horses, one leg on each horse; the horses are going in opposite directions. The caption says: "Gore's political life has been about trying to reconcile the populist tradition that he was born into with the world of the new Democrats."

Describing Gore's campaign style, Lemann observes: "Every move seems calculated and practiced. I kept thinking of that early scene in 'Terminator 2,' when Arnold Schwarzenegger, as a cyborg, walks into a biker bar, and a digital readout flashes across the inside of his eyelids, giving height, weight, and build of each person he sees. . . . He [Gore] has an odd quality of taking in what he's seeing with an almost digitalized exactitude . . . while appearing to be oblivious."

Gore's split personality is aptly charac-

terized: "Gore has two modes when he gives speeches. One is meant to play as 'high energy' and the other as statesmanlike. In high-energy mode, he speaks in a Southern accent and takes the stage at a trot. He pivots his body from side to side, bouncing a little on the balls of his feet, and gestures with both hands; all this makes it look as if his hands were controlled by one puppeteer and his body by another. In statesmanlike mode, he has no accent, he walks, and he stands behind a lectern making rolling gestures with one hand. . . . The speech he had delivered was to the word identical with the text his staff had handed out."

Even his friends are baffled: "Every time you see him, it's almost like you're meeting him for the first time," says one.

Clinton Will Defer Decision on NMD

U.S. Defense Secretary William Cohen told reporters on July 27 that President Clinton will not make a final decision on deployment of a National Missile Defense system, but will leave that decision to the next President. Instead, Cohen reported, the President will simply decide "in August or early September" whether to put out contract bids on the construction of a radar site on the Syemya Island in Alaska.

"All the President would do on this occasion is to decide whether he would want to keep that option open to hit the initial operating capability of 2005," Cohen explained. He added that he had not yet decided on what he would recommend to the President about the NMD deployment decision. "The decision that the President will make during the course of either August or early September would be a recommendation as to whether to continue the process so that his successor would be in a position to have the option to go forward with the actual deployment of the system, beginning with a radar construction in Alaska." No actual construction would begin until the spring of 2001.

The same day that Cohen was making the announcement about Clinton's intentions, 31 Democratic senators issued a letter to the President urging him to postpone the decision, explaining, "We fear that a decision to deploy would imperil, not improve, our na-

tional security." A day earlier, 61 House members had sent a similar letter to Clinton.

Professional Groups Denounce Media Violence

According to a joint statement issued by the American Medical Association, the American Academy of Pediatrics, the American Academy of Child and Adolescent Psychiatry, and the American Psychological Association, "The conclusion of the public health community, based on over 30 years of research, is that viewing violent entertainment can lead to increases in aggressive attitudes, values, and behavior, particularly in children."

The statement was based on a review of more than 1,000 studies, conducted over the past three decades, into the correlation between exposure to media violence and incidence of real-world violent behavior. The statement was issued in the form of an appeal to the media to take action to deal with the "pathological effects of entertainment violence" on children.

Sen. Sam Brownback (R-Kan.) hailed the statement, declaring, "The verdict on violent entertainment is now in. . . . Violent entertainment is a public health hazard." Sen. Robert Byrd (D-W.V.) added, "Common sense, as well as the Bible, tells us that we should not be surprised. We reap what we sow, and we have been sowing some very dangerous seeds."

Black Newspaper in Mississippi Vandalized

The offices of the *Jackson Advocate*, in Jackson, Mississippi, the oldest continuously published member of the national black press, were broken into and vandalized the week of July 24. This is the latest in a series of violent acts against the newspaper, over the last several years.

Associate publisher Alice Tisdale was alerted by the Jackson Police Department, that the front window of the *Advocate* offices had been smashed in, apparently in a failed burglary attempt.

This is the second time in two months that Tisdale has had to replace windows at the *Advocate*. During the Memorial Day weekend, the front windows were smashed, the offices were ransacked, and bank statements, tax records, and other important documents were stolen.

Tisdale said, "I want people to know that no matter how many times someone tries to stop the newspaper from speaking the truth, we will continue to produce a product that the community will be proud of, even if we have to print the news on an 8½×11 piece of paper."

In January 1998, the *Advocate* was firebombed, and had to relocate its offices. Despite heavy national pressure from civil rights groups, to date, no one has been prosecuted for the crime. Six months after the firebombing, the house tightly adjacent to the Tisdales' residence was set on fire, causing an explosion that could be heard a mile away.

The *Advocate* has collaborated closely with the LaRouche movement, and has made extensive use of material from *EIR* and *New Federalist*. The July 28 issue carried an interview with Mississippi State Rep. Erik Fleming, chairman of the Ad Hoc Democratic Party Platform Hearings.

Water Erodes D.C. Subway System

Ground water is seeping into and contributing to the destruction of major sections of the Washington, D.C. Metro underground rail system, the *Washington Post* reported on July 30. The problem is worst in the nine-mile stretch that runs from Maryland to the Farragut North station. This section was built without a waterproof polyvinyl chloride lining around the underground concrete tunnel, through which the train passes. Water is eating away the track bed, the power system, electrical components, and the steel girders that support fire pipes, communications cables, and power lines. It has gotten so bad, that throughout this stretch, stalactites have formed on ceilings of the tunnel.

Between June 30, 1999 and June 30, 2000, the Metro system had to plug 4,000 leaks, and replace 20,000 feet of track, 800 insulators, and 5,000 track fasteners.

CONDOLEEZA RICE, George W. Bush's foreign policy adviser, said in an interview with the London *Daily Telegraph* published on July 29, that the British would be welcomed into the North American Free Trade Agreement (NAFTA), should they seek to join. "Britain is probably our closest ally in the world," she gushed, "and would be welcome from my point of view into any association in which the United States finds itself."

NATIONAL URBAN League President Hugh B. Price on July 31 called for a repeal of the death penalty, or at least a nationwide moratorium on executions. If executions aren't stopped, Price said, then government must institute a tougher "beyond any doubt" standard of guilt in death penalty cases.

THE AMERICAN Hospital Association, the Association of American Medical Colleges, and other groups kicked off a campaign on July 24, aimed at building support for more Medicare money to be provided from the Federal budget surplus, to prevent cuts in services. They expect to spend about \$30 million over the next 18 months, in a lobbying effort.

JAY LENO, the late-night television comedian, responded to the news of the Bush-Cheney GOP ticket by saying it reminded him of a Wizard of Oz ticket: One candidate doesn't have a heart, and the other one doesn't have a brain.

STATES cannot account for people eliminated from the welfare rolls, according to a General Accounting Office report released on July 28. More than 2 million families have left the state welfare rolls, because of the 1996 welfare reform act. Few states are tracking what these people are doing. Of the families still on the rolls, most of the parents are still working at the same time. Seventy percent of the Temporary Assistance to Needy Families (TANF) were holding jobs in 1998, says the GAO.

Since Super Tuesday

Ever since the “Super Tuesday” primaries on March 7, there has not been any Presidential campaign in the United States. The virtual-reality, Orwellian, Nuremberg-rally Republican Convention in Philadelphia, had only one message: There shall be no debate on the existential issues facing the United States and the world. Exactly the same thing is being prepared by Al Gore and his backers for the forthcoming Democratic Convention in Los Angeles.

The situation in the GOP is that ex-President George Bush was a tragedy, ending in a farce; his son is a farce, ending in a tragedy.

Under these circumstances, the aim of the political movement led by Lyndon LaRouche is twofold:

1. To force a national debate on these existential issues centering on the world financial crisis.
2. To get as many decent Democrats elected to Congress as possible, to build the new “FDR coalition” that LaRouche has called for.

An unprecedented pattern of events around the globe sets the context for these tasks:

We had the interval of the phony “soft landing” of mid-May to mid-July, including the White House conference on the “New Economy,” Federal Reserve Chairman Alan Greenspan’s personal conversion to the alleged miracles of the same, and so forth. But this is now coming to an end.

On Aug. 1, Germany’s business daily *Handelsblatt* punctured the fraud of the NASDAQ in a sober, one and a half-page article, showing that the insane asset-bubble of the 1920s was nothing compared with today’s.

France’s Foreign Minister Hubert Védrine stood up against Mad Madeleine Albright, at the Warsaw “democracy” festival she had organized in July with international financial pirate George Soros. French Finance Minister Laurent Fabius publicly supported a financial transactions tax, and re-regulation. Prime Minister Lionel Jospin supported similar policies.

Leading Italian politicians, including friends of LaRouche, have gone further, calling for a New Bretton Woods reorganization of the world financial system, and passing a bill through both houses of Italy’s Parliament, for remission of Third World debts.

Even the more intelligent opportunists, like Kurt Biedenkopf, Governor of the German state of Saxony, are speaking out. In a July 31 interview with Germany’s *Der Spiegel* newsweekly, Biedenkopf derided the idea of the “New Economy” and affirmed that politics is primary over economics, because only politics creates values out of economic activities.

On the other side, the Anglo-American Establishment, including elements around Gore, Bush, and Greenspan, also knows what is coming, and they are reacting with a killer rage, to wipe out any forces who could effectively deal with this systemic crisis.

In this context, look at the terrorism and other destabilizations erupting in East Asia, aimed at the ASEAN nations, and the crash of a Concorde jet near Paris.

To understand the Concorde incident, go back to 1995, and the French election campaign, when Jacques Chirac dared characterize financial derivatives as “financial AIDS.” In reply, British intelligence aired a television ad called “The Day of the Jacques,” targetting Chirac, literally, in a rifle scope, in a deadly parody of the movie “The Day of the Jackal.”

Now, we are in a situation which is orders of magnitude closer to a full-scale eruption of the financial crisis. The French have dared to take certain measures, such as re-regulation, with all the ambiguities and complications involved, and they are being hit full-force. An example is being made of them, via an act of strategic, surrogate warfare.

An article in the daily *Le Monde* on Aug. 1, spelled out the evidence that the Concorde crash could not have been the result of mechanical failure. They probably won’t say more than what they have said so far, but they have raised the issue in an extremely intelligent way, showing that the official explanations of the accident just don’t make any sense. They have stated that there is reason to believe that this may have been sabotage.

A wide range of people understand the reality of the current systemic crisis. But, any debate on this is being suppressed within both the Democratic and Republican Parties in the United States. That silence must be broken.

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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

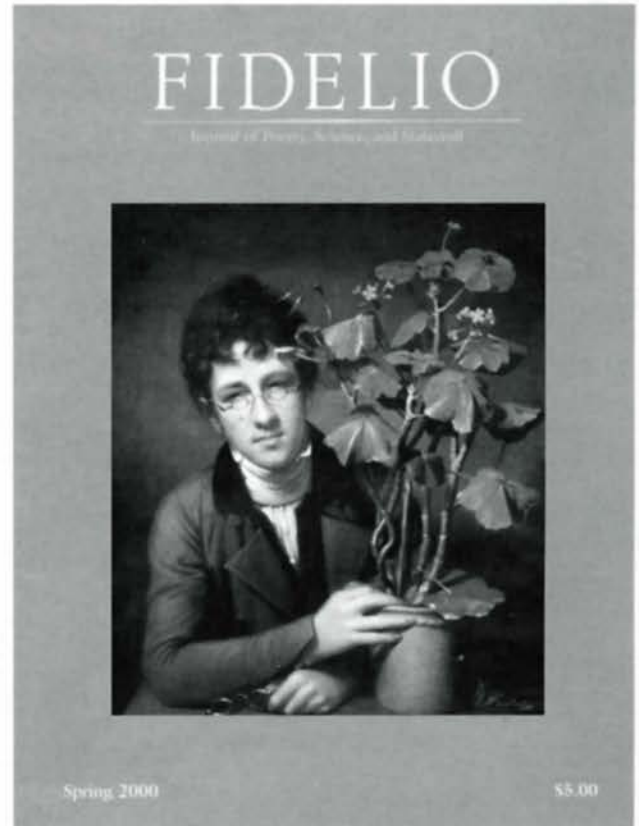
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