

EIR

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Murder try on newsman who started Dukakis flap
The case of the missing molecule
USDA crop projections: anatomy of a big lie

**Ibero-Americans map war-plan
against drugs and IMF usury**



EIR has commissioned this White Paper to bring the truth of the developing Panama crisis to American citizens and lawmakers, so that decisive action can be taken to stop this campaign before the United States faces a new strategic crisis on its Southern Flank.

NEW EDITION
DECEMBER 1987

White Paper on the Panama Crisis

18 months later: the Project
Democracy assault on Panama



Americans have been told that there is a crisis in Panama because a "narco-dictator" rules. That the United States government has mobilized to drive him from power. That only when Defense Force Commander General Manuel Noriega is out of the way, will Panama be safe for democracy, and U.S. interests in the region protected.

Is this true? The answer is no. On this, the Reagan administration is wrong, dead wrong.

Did you know, that the so-called "democratic" opposition movement which the State Department seeks to install in power is led by Nazis, drug-traffickers, drug-money launderers, advocates of narcotics legalization, and arms-traffickers?

Did you know that the liberal Establishment's "secret government" created the crisis in Panama, lock, stock and barrel, as an excuse to bring those drug-runners to power?

That the campaign against General Noriega is being run by the same team which was caught trading arms-for-hostages in the Iran-Contra scandal?

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- The story of how that liberal Establishment, through David Rockefeller's Trilateral Commission and the New York Council on Foreign Relations, created the "offshore" banking center in Panama, to handle their debt-and-drug looting of South America;
- A proposed alternative strategy, based upon the industrial development of Panama. With the long-overdue construction of a second, sea-level Canal—the necessary centerpiece of a booming Ibero-American Common Market—Panama can break its dependence on the "offshore" economy owned by the international banking cartel.

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SPECIAL REPORT

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From the Editor

For some months, this review has been warning that the “diplomatic triumph” worked out between the U.S. Establishment and the Kremlin for a series of “regional peace accords,” included secret clauses that would “allow” for the murder of longstanding and faithful American allies. The last year’s outrageous targeting of Panama’s Defense Forces commander, Gen. Manuel Antonio Noriega, one of the staunchest collaborators of the United States in anti-narcotics trafficking enforcement, for alleged ties to the drug mafia, is a case in point.

Our *Feature* brings you the report compiled by our correspondent Silvia Palacios de Carrasco, on a meeting in Panama where political and intellectual leaders from throughout Ibero-America and the Caribbean stood up united behind Noriega’s defense of Panamanian sovereignty, and forged ties that promise to finally bring together the continent’s sovereign nations in a community of interest. Among the highpoints of the meeting’s official declaration, is the strong pledge to carry out a war on the drug traffickers.

The murder of General Zia of Pakistan (see story, page 44) is not only the dramatic confirmation of our warnings regarding the price of appeasement; but it could very well spell the end of a unified Pakistan, just as the Afghanistan accord ensured the doom of potential nationhood for that state. Needless to say, Zia had made himself very unpopular with the “New Yalta” dealmakers by his outspoken opposition to the terms of the Soviet “withdrawal” from Afghanistan.

Such events don’t seem to jibe with the alleged world “breakout of peace” about which the news media are so euphoric. But they do jibe with the reality of a world in which, as *EIR* has been reporting, economic conditions and shattered nation-states—and particularly the growing world food shortages—are making war more and more likely.

The deliberations in Panama show how real peace can be constructed in the face of these threats.

I would like also to draw your attention to a most important interview in our *Economics* section, in which West German expert Dr. Hans-Philipp Pöhn discusses the threat of AIDS in Western Europe, and indicates guidelines for shifting to a winning policy against the killer disease.

Nora Hamerman

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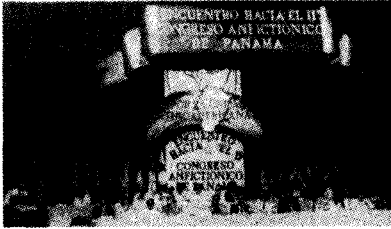
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USDA projections: anatomy of a big lie

by Marcia Merry

Since the release of the annual U.S. Department of Agriculture fall harvest projections on Aug. 11, USDA spokesmen have kept up their reassuring litany: "There are no food shortages." Yet, the effects of this summer's worldwide drought are becoming more and more apparent, despite the USDA's attempted cover-up; the reports confirm *EIR*'s prediction of massive shortages.

Just days after the USDA released its August crop report, the United Nations Food and Agriculture Organization in Rome published its own monthly "Food Outlook" report, warning of international food shortages on an unprecedented scale—mostly attributable to the worsening drought in North America, which accounts for 50% of the world's annual corn output, and 68% of the world's soybean production. An FAO spokesman in Rome said privately that world food reserve stocks *are already certain to fall below minimum emergency reserve levels by September*. He warned that it is "certain that at the end of the current 1988-89 harvest year [effectively September-October], world cereals reserve 'carryover' stocks will be below the 17% of annual harvest considered minimum emergency reserve." The spokesman said that stocks will fall to an even lower percentage of the harvest, if the drought persists through August.

All indications are that the drought will continue. On Aug. 17, the National Weather Service released its 30-day forecast for mid-August to mid-September: The intense heat and scarce rainfall will persist for the Dakotas, Nebraska, Iowa, and the western Great Lakes area—the farming heartland already parched by the drought. The Weather Service reported that, although recent rains provided some relief for parts of the Mississippi Valley, "much more precipitation is needed for areas east of the Rockies for moisture to return to normal levels."

The USDA's own statistics predicted an overall drop from last year of 31% in the 1988 harvest of all types of grain; their own figures confirmed that there is a massive kill-off of beef cattle, and a deterioration in pasture land, but still the Agriculture Department projected only a small increase in food prices, and insisted that there will be no shortages.

Yet on the state and local level in the United States, agencies distributing U.S. government surplus food supplies to the poor have sounded the alarm: They lack the stocks to keep crucial programs going.

On Sept. 10, the USDA will release its next, "updated" crop harvest forecast, which will likely show things a little worse, but still underestimate the drought losses, and stocks depletion.

Worse than incompetence

How can an agency which has been making crop and livestock estimates since the Civil War, be so wildly off the mark? It's not that they are incompetent; they're lying outright.

Over especially the past 20 years, the USDA has been serving as an instrument, hand-in-glove with the State Department, for policy in the interests of the international food cartel companies—Cargill, Continental, André/Garnac, Louis Dreyfus, ADM/Toepfer, Bunge, Nestlé, Unilever. The cartel has dictated national farm and food policies for the United States and other nations—not to increase production and efficiency, but to create scarcity and tighten their own control over one of the most powerful political weapons: food.

The USDA will say whatever is necessary about the U.S. food and farm situation in order to further the desires of these cartel interests. Part of the function of the Aug. 11 USDA crop report was to minimize drought damage estimates of

food supplies, in an attempt to “justify” the fact that the new Drought Relief Act—signed into law the same day—did not take an emergency food mobilization approach, and stayed within Gramm-Rudman budget constraints.

The following are case studies of how the USDA covers up the truth, by ordinary lying and “impartial” surveys.

The dairy shortage

At the USDA press briefing on Aug. 11, Ewen Wilson, Assistant Secretary of Agriculture for Economics, was asked this question: “There are reports that stocks that are available as surplus for giveaway to programs to feed the needy and so forth, have dried up in seven different commodity areas, that they’re no longer available for distribution at missions and other places where they’re handed out. To what extent is that actually true? And also, what effect does this have on concessionary stocks, foods that we have available for needy areas in the world?”

Wilson replied: “It’s true that stock levels have been drawn down; however, we do have enough stocks committed to those programs to continue running most of those programs. I don’t have the precise details for all commodities, but in general, we have enough stocks allocated to continue running those programs.”

The “precise details” that Wilson claimed not to know, show that he falsely represented the situation, even according to the USDA’s own published statistics.

Consider the depletion of dairy supplies for the Temporary Emergency Food Assistance Program (TEFAP), established in 1981. This program has come to supply 15 to 18 million people annually with staple food stocks on a weekly or monthly basis. Dairy products—dried milk powder, cheese, and butter—have been a significant part of the protein foods given out to needy families. Cheese distribution completely ran out in April, and milk powder will be exhausted by the early fall.

During 1987, about 427 million pounds of cheese were given out through TEFAP, at a rate of about 35 million pounds a month. This continued up through 1988, until April, when the cheese ran out. Only 245 million pounds of cheese were given out this year. Butter is still in the “pipeline,” but only at a trickle. The USDA’s Commodity Credit Corporation (CCC) anticipates that supplies of cheese and butter for the school lunch program and domestic charitable institutions will be reduced from 200 million lbs. in 1988 to 150 million lbs. in 1989.

Additionally, contrary to Wilson’s statement, dairy supplies for the U.S. international food relief program—Public Law 480—are shrinking to nothing. In 1987, PL 480 supplied 325 million lbs. of nonfat dry milk to points of need abroad. This year there will be 225 million pounds, at most. The CCC office says that there will be no milk powder available for PL 480 relief in 1989. In addition, the “concessional” sales export program, through which poor nations can import milk powder at below market prices, is shrinking to nothing.

The CCC sold 514 million pounds in 1987, then only 180 pounds in 1988.

A spokesman for the CCC rationalized these cutbacks by saying that it is a “popular misconception” that Congress has mandated supplies of food for school lunch programs, distribution to needy families, or impoverished Third World nations. “If you read the fine print in the legislation,” the spokesman said, “supplies to these programs are contingent on the state of USDA stocks. . . . We are not in the business of supplying food to people; we are in the business of supporting the price paid to farmers.”

More hoaxes: grain, soybeans

Wilson similarly asserted falsehoods regarding corn and soybean supplies. “Despite this massive reduction in the corn crop [37% decline from 1987, according to the USDA estimate], existing stocks ensure that supplies will be adequate to meet domestic and export needs. Based on projected use, we estimate that stocks on hand at the end of the crop year, on Sept. 1, 1989, will total 1.6 billion bushels. This level of stocks is equivalent to 22% of our annual needs. In other words, it will be enough for nearly three months of projected domestic and export use.”

EIR’s estimate is that the 37% corn loss estimate is itself too low. The actual loss will be as high as 50%, and corn ending stocks could fall to 545 million bushels—way below the danger level, as the FAO predicts. Conrad Leslie, the Chicago forecasting service, predicts that the corn loss will be over 40%. The rate of loss for the top cornbelt states—Iowa, Illinois, Indiana, and Ohio—is running at 50-70%. The additional yields expected in certain border zones such as Nebraska, will not compensate for the massive corn output reductions in the top states.

The USDA soybean crop harvest loss predictions are similarly underestimated. The USDA predicts a 23% drop in soybean output from last year, and an average yield of 26 bushels per acre (compared with 33.7 last year). In fact, this is adjusted somewhat for the drought-to-date, but does not reflect the persisting drought, as predicted by the Weather Service, nor the impact of secondary drought factors, such as the widespread spider mite infestation of bean plants, or the small size of the beans. These factors are widely known, but the USDA figures will not reflect them, until perhaps the final, year-end, “adjusted” figures are given.

On Aug. 11, a special videotape and packet were released by Charles E. Caudill, administrator of the USDA’s National Agricultural Statistics Service, to defend the Department’s forecasting methodology. All Caudill did was to defend the USDA computer tally of results gathered from 1) a survey group of about 60,000 farmers (of whom only about half, at most, report back); 2) a direct visit to about 1,000 corn and soybean fields; and 3) special for the drought year, a survey of about 16,000 farmers in some states.

Revelations from Ceres, goddess of the harvest, would be more accurate.

Is a change in AIDS policy coming for West Germany?

Dr. Pöhn was interviewed in Wiesbaden, West Germany, on July 18, 1988, by Gabriele Liebig and Jutta Dinkermann. The interview has been translated from the German by John Chambliss.

EIR: AIDS, or acquired immunodeficiency syndrome, has come to be described by serious people as not only an epidemic but as a “worldwide pandemic.” Many millions of human beings are already infected with the human immunodeficiency virus (HIV). You, Professor Pöhn, were the leader for the Special Department for Infectious Diseases at the Federal Office of Health in West Berlin until the end of April. How great is the AIDS danger in the Federal Republic? How many citizens are already suffering from AIDS, and how many are infected?

Pöhn: That, of course, is not known, since everything is done not to determine those numbers. By our estimates, we have arrived at approximately 3,000-5,000 sick and 300,000-500,000 infected in the Federal Republic. That is arrived at if the American proportion between those sick and those infected is used and—as Mr. Steinbach of the Health Ministry recommends—the present number of the sick who are registered is multiplied by two because of the large number of unknown cases.

EIR: How reliable are existing AIDS tests? We are continually hearing about “false positive” or “false negative” test results.

Pöhn: The HIV antibody tests used currently have a relatively high reliability. A positive test result, which comes first from an exploratory test and then from a specific confirmatory test, means, however, with over 99% probability, that the individual tested has HIV antibodies in the blood. The stories about many “false-positive” test results, which came up in connection with stored blood being tested, have only to do with the exploratory test. Stored blood, which reacts positively to the very sensitive exploratory test, previously was not used and was also not subjected to any confirmatory test, but was rather thrown away. But in connection

with the confirmation test, a sero-positive result is over 99% reliable.

It is quite different with sero-negative results: A negative HIV-antibody test merely means that no HIV antibodies have been found in the blood tested. The individual tested, however, can nonetheless be infected, but not yet have formed antibodies. The true incubation time, that is, the time between incubation and the formation of antibodies, can last from a few weeks up to three years.

Only an antigen test that can detect the presence of HIV itself could exclude an HIV infection. Such an antigen test is under development, but not yet made available, because it does not yet satisfy reliability demands.

EIR: So it can take three years until antibodies are formed against the HIV?

Pöhn: Yes, and during that entire time, the one infected is already infectious. The antibody formation can be so long delayed because AIDS is a weakness of the immune system, and the formation of antibodies is also an immune reaction that can be disturbed. Additionally with AIDS, the antibodies are unfortunately useless against the infection, so that it is not a matter, as with other infectious diseases (for example, hepatitis B), of administering such HIV antibodies to someone as protection against HIV.

EIR: Are there already procedures with which the AIDS virus can be directly detected?

Pöhn: Yes, for example, at the Paul Ehrlich Institute in Frankfurt, such a procedure is used, but it is connected with a considerable expenditure that demands trained specialized personnel. The method consists in isolating the virus on a nutrient medium. For that, the blood to be tested is first frozen and then thawed, to destroy the cells; then it is ultra-centrifuged and the appropriate bands are put onto a suitable cell culture. Much equipment is needed, but principally people who manage the procedure. That is not so simple as with the AIDS test, which can be bought today in ready-made kits and can be carried out by any careful technician.

EIR: Will the antigen test function that way?

Pöhn: No, the antigen test will be made with specific antibodies, so-called gene probes, that attach themselves to the antigen—if any are present—and produce a definite reaction. It functions something like the ELISA test in reverse, in which an antigen is brought into action on which any antibodies that might be present attach and produce a definite reaction. But test methods can still change, and perhaps it will be said in a few weeks, “We have now developed an even better method.”

EIR: You spoke of an alarming 300,000-500,000 individuals infected with AIDS in the Federal Republic. In your opinion, what measures are necessary in order to control the further spread of the epidemic?

Pöhn: For the protection of the uninfected, the measures that have always been taken in control of epidemics should be used, that is, to find the sources of infection and block them appropriately. With the mode of transmission of AIDS, it would be necessary that the infected follow certain behavioral directives: The infected must above all not give blood and should refrain from sexual intercourse, or, if they can't manage that, only with a condom in conjunction with a spermicide that is effective on viruses—but that is, naturally, never as reliable. The infected are already told this at counseling offices in the Office of Health, but, of course, only in anonymous counseling talks.

To this extent, the federal epidemic law now applies, since it applies in large part to all human infectious diseases, and these are defined in Paragraph 1 as all “diseases caused by a pathogenic agent that can be communicated directly or indirectly to human beings.” This doubtlessly fits AIDS, and, additionally, in the official explanation of 1962, there is the following: “This definition shall assure that, with the appearance of a previously unknown . . . communicable disease, measures for protection and control can be introduced under the conditions more closely specified in the law.”

Isolation of the unreasonable, who do not follow the behavioral directives, is included in the now-prescribed measures.

As long as the infected remain anonymous, observation of them by the public health office is, of course, hardly possible.

EIR: How do you explain the tremendous resistance against use of the federal epidemic law from the “AIDS lobby,” which is continually spreading new horror stories about terrible compulsory measures?

Pöhn: That probably comes, first, from the accusations of guilt against those infected by HIV and against those who are sick conveyed in such phrases as, “AIDS is not easy to catch; you have to work to get it.” The infected feel discriminated against by that, and want to remain anonymous. The chickens of “informative self-determination” have been brought home

to roost for us by the federal constitutional court with its census judgment. But today, more and more people are becoming infected without there being anything that can be done about it. Measures for care of the ill and for protection of the uninfected have, in modern control of epidemics, never yet led to discrimination.

What also plays a role, of course, may be the fact that, with the exception of Bavaria, Berlin, and Schleswig-Holstein, the third measure for implementation of the law for standardization of public health services of 1934 continues to exist, which is certainly suitable to produce rejection. For that reason, in Bavaria the first thing done, before any other measures, was that the third measure for implementation was abolished, and was replaced by a new modern health service law. I recommend that for the other federal states.

A really large problem is the drug addicts. The Office of Health, and, within it, the drug treatment office, must concern itself with drug addicts. How they get off the drugs is another question; for the control of AIDS, the principal problem is to wean junkies away from using needles in common. The distribution of single-use needles is certainly no solution, since the problem is not that these people have too few needles. Rather, it's a ritual to pass the needle around, like, previously, the circulation of mugs at feasts or the peace pipes by Indians or even the communion chalice among Protestants. Even if a junky had only one needle for himself, which he uses over and over, then he could very well get a severe sepsis—but not AIDS.

The conversion of addicts to a substitute drug such as methadone, which is not a narcotic and is not injected, but which lessens the withdrawal symptoms, is controversial. The unanswered question is, whether the addicts, in the medium term, get off this drug more easily than from other narcotic substances.

EIR: The majority of those more than 100,000 infected today, however, no longer belong to high-risk groups, but rather are completely normal, predominantly young men, women, and children. What effect would the application of the federal epidemic law have on them?

Pöhn: If the responsible health agency receives information that certain persons have very probably contracted AIDS, then the public health officer will summon them or even go to their houses. He will ask them how they are, what sorts of questions they have, and he will advise them on what they have to do or refrain from doing, in order not to pass the infection on. Such conversations will supposedly take place within a period of a couple of weeks. The public health officer must see how the infected is now dealing, for example, with his sexuality. Such conversations are already being done today; what would be changed with compulsory reporting would be that the public health doctor would know the name of his counterpart and not have to address him as “Mr. 364.” So much on the “observation” provided for in the federal

epidemic law.

Second, there is also the “environmental investigation”: The medical AIDS adviser at the public health office asks the one infected with HIV: “With whom have you had intercourse, whom could you have infected?” And if he is cooperative, he will say, and then these people can be investigated, informed, etc.

Third, there is the possibility of “isolation”: If the behavior of one who is infected does not give a guarantee that he will not pass the disease on, if he does not follow the directives, then he must be isolated in a hospital or other appropriate institution. Earlier, there were quarantine wards in hospitals, but not any longer, because diseases such as smallpox and cholera have died out among us. But perhaps tuberculosis sanatoria could be reactivated, since they are for the most part very beautifully located and are internally equipped appropriately. Also, the isolation does not have to be life-long, as is often said. The unreasonable could, after a while, come to listen to reason; additionally, there will perhaps be a cure in a few years. At a conference of the Club of Life in Munich, there was discussion of the possibility recently of developing a method within the foreseeable future for marking the cells carrying viruses with conjugated antibodies and then selectively destroying them. . . .

As said, all these prescriptions are in force today. If the Office of Health receives information of an infection, it is obligated to do exactly this.

EIR: What will be changed by the obligation to report names?

Pöhn: The most important change is that the office of public health will receive far more information and can, for that reason, be active on a much greater scale. Every doctor, every laboratory will be under the obligation to report every HIV infection to the responsible public health office so that this office can care for the one infected.

Additionally, a series of other things go along with compulsory reporting, for example, that reportable diseases may be treated only by doctors—and not, for example, by non-medical healers; additionally, the prohibition against transmitting a reportable disease is backed by a more severe penalty.

The names of those infected will, incidentally, be kept strictly confidential, and not merely because of the confidentiality of personal records: The public health official is first subject to the duty of medical confidentiality and has additionally to maintain official silence. This is a greater difference to the rather rude customs in the previous century when, for example, the names of those sick with cholera were published.

EIR: Let’s assume that in the Federal Republic environmental and random tests were to reveal that there are 500,000 citizens infected with AIDS, and the compulsory reporting

of names were to be introduced. Would the public health offices, even with increased personnel, in general be capable of the tremendous task of advising them all and keeping them all under observation?

In Chicago, mothers protested against AIDS-sick children in school. I thought, the wrong mother protested, because the one most endangered in school is the child with AIDS. The WHO says AIDS-sick must be integrated. That is the best way of getting rid of them as quickly as possible.

Pöhn: Earlier, in the control of tuberculosis, we managed to do it! In 1950, we had more than 130,000 new cases of TB, and earlier there were still more. So, as there were then TB care centers, we now need AIDS care centers. TB patients were subpoenaed every half-year, till the end. The older TB patients who were still not subjected to modern chemotherapy and with whom it is not clear whether their TB will flare up again, had to be regularly tested.

The public health offices must likewise be put in the position of dealing with the AIDS problem. For example, supporting the public health doctors, who have to be concerned additionally about drinking water, hospital hygiene, burials, and much else, by putting doctors into service who would only be concerned, as specialists, with AIDS counseling. But what earlier worked will also work today.

EIR: Should those infected with AIDS be allowed to go into swimming pools? Do they have to avoid mass gatherings of people?

Pöhn: If someone infected with HIV goes to a swimming pool or to a mass meeting, then he must expect that he will pick up an infection from some commonplace antigen that will be much harder on him than with other people. For the other people, I see as yet no danger, with the known modes of transmission, at least here in Germany—in Africa, it is quite different. But the one infected himself is endangered.

That is my greatest objection against Mr. [Jonathan] Mann of the World Health Organization (WHO), who always says, “AIDS victims must be integrated.” No, they must, first of all, be protected from others. How many commonplace in-

fections are going around that can be dangerous to someone infected with AIDS? For that reason, AIDS patients belong in a private room, and should have no contact with anyone who has a cold, who has a runny nose or a cough. In no case should those sick with AIDS be put together in one room since an AIDS victim probably brings an opportunistic infection with him that he has picked up somewhere.

Recently, on a North German Radio talk show, an apparently still completely healthy AIDS patient appeared who repeatedly emphasized that he simply wanted "to live," he did not want to be isolated, he wanted to do everything and go everywhere like other people. Fourteen days later, the same station reported that the man had in the meantime died. He had caught some infection or other, and now it was all over.

EIR: That mentality is still promoted by those who help AIDS patients, who are consequently the actual representatives of the interests of AIDS patients. Isn't that nonsense?

Pöhn: Yes, it is. The WHO says that those sick with AIDS must be "integrated." That is the best way of getting rid of them as quickly as possible! I want to deliberately say that, just that bluntly!

EIR: In the United States, the question is very passionately discussed whether AIDS-infected children should be allowed to go to kindergarten or school.

Pöhn: Here, the same is true with swimming pools or mass meetings. As I read in *Neue Solidarität* about the uprising in Chicago when mothers protested against AIDS-sick children being in the schools, I thought, actually the wrong mother protested, because the one most endangered in the school is the child sick with AIDS.

On the other hand, the protest of the mothers was also justified, since there are possibilities for AIDS transmission and blood exchanges in school, through biting, for example, in connection with which it must be asked, whether biting is still a "normal social contact" among children.

Additionally, the difficulty is that not all HIV carriers can be discovered with the antibody test. That means, basically, all strangers must be considered to be possibly infected. For that reason, it was prescribed legally on Oct. 1 that every automobile first aid kit must contain two pair of disposable gloves: With every action in which blood flows, protective gloves should be worn; with application of a bandage, with withdrawal of blood, and so forth. And it must also be considered that the AIDS virus in spilled blood remains infectious for quite some time, even if it is otherwise easy to kill.

EIR: For the protection of patients and personnel, the public health office issued guidelines in spring 1988 for hygienic measures to guard against transmission of HIV in hospitals. Can you briefly outline those?

Pöhn: Yes, the setting up of these guidelines took, unfortunately, a year longer than planned. The principle of these guidelines for protecting against infection in hospitals is this: It must be assumed that each patient can be infectious. For that reason, personnel must protect themselves with all patients, that is, wear gloves and protective clothing in dealing with blood and other bodily fluids. Objects contaminated with blood and other bodily fluids must be disinfected. Used disposable tubes should not be put back into the box but disposed of in special cans. Additionally, there are prescriptions for instrument sterilization. Disinfection with AIDS is relatively uncomplicated because the HIV virus is rather delicate, and any normal means of disinfection is easily sufficient of HIV.

The federal public health office recommends, of course, routine HIV tests for all hospital patients. It is of great importance that the doctor knows what can be expected with patients in the contemplated treatment or operation. Additionally, surgeons or an operating room nurse cannot be blamed if they want to know before an operation whether the given patient has an HIV infection or not.

On the other hand, doctors who are HIV positive are no longer allowed to operate, since it is quite pointless to say that they should operate with rubber gloves on. In our discussion, a surgeon took part who said, "Do you know how often in operations a finger of one of the assistants is sewed to the peritoneum through a glove?" They work there with surgeon's needles, forceps, and scalpels, and he bleeds.

If, on the other hand, a surgeon injures himself during an operation on an HIV positive patient, there is always the possibility of a preventive AZT treatment that may neutralize the invading viruses before they have attacked any cells. If AZT is given 96 hours after a possible infection and is taken for up to four weeks, an HIV infection can possibly be prevented. AZT has, however, serious side effects that, if taken over the long run, can themselves be the cause of death.

EIR: It is striking with these guidelines for the prevention of HIV infections in the hospital that they relate to all bodily fluids and not just blood.

Pöhn: We do know that all bodily fluids can be infectious, even urine, if, that is, infectious blood cells are contained in it. The virus has been detected in tears, even if there are no cells, and sweat also contains no cells. There can be cells in saliva, and also in the stool. In order, therefore, to exclude all possibilities of infection, we recommend the same protective measures with all bodily fluids. In contact with the deadly AIDS antigen, the greatest caution is enjoined. One certainly doesn't say: "Why do we need fireproof doors, there are fires only very rarely?" In connection with nuclear reactor safety, the most improbable risks are taken into account.

EIR: In Frankfurt, the AIDS wards are already overcrowd-

ed; in other densely populated areas, it is similar. If we assume that an AIDS victim has a right to optimal treatment just like any other severely ill patient, what must be done in preparation for the treatment of those many, many thousands of AIDS victims who are in store for us?

Pöhn: First, sufficient hospital beds must be created. At this time, we actually have an excess of hospital beds, but these beds should be maintained, or, at most, put into mothballs so that they are available again, anytime there is the need.

Also, it should be borne in mind that AIDS victims cannot be put into just any arbitrary hospital. That can be done with those with circulatory disturbances who do need an elevator, a tidy bed, and decent personnel, but are neither infectious nor in danger of being infected, as are AIDS victims.

AIDS victims are in great danger of infection, and require isolation for their protection. Not strict isolation but rather protective isolation: Each AIDS victim must be put in a private room. If I put an AIDS victim in with someone sick with typhus, then the person with typhus will not get AIDS but the AIDS victim will possibly get typhus. In no case should an AIDS patient be put in the same room with another AIDS patient, since these patients can no longer, of course, infect one another with AIDS but with all possible opportunistic infections. AIDS patients may, of course, go walking together, but not in places where there are uncontrolled crowds of people, and they should not be visited by people with runny noses, coughs, or other infections.

The standards at AIDS clinics must correspond to the standard of today's most modern infection clinics, equipped with the appropriate care personnel who are trained to protect patients from secondary infections. Such clinics should have available the high-quality equipment that is used with others whose immune systems are weakened, as, for example, arises in connection with cortisone treatment or organ transplants—before an organ transplant, the patient's immune system is deliberately weakened, so that the organ is not rejected. We need similar equipment with AIDS victims.

EIR: What progress has been made recently in the treatment of AIDS?

Pöhn: AIDS is, up to this point, incurable, but most opportunistic secondary infections are not only preventable and treatable, but are curable. Among these infections is tuberculosis. We now have an increase of TB cases—in the United States it is statistically obvious, but not with us—for, among others, the following reason, that an old TB infection is reactivated in older AIDS victims. But TB, just like other secondary infections, can be cured.

Unfortunately, the patient frequently dies later of encephalitis, that is, of a brain disease. Americans provided the proof back in 1985, that HIV not only attacks the cells of the immune system but also nerve cells. The first cases of encephalitis were detected in Berlin in the isolation hospital, where they had been successful in protecting patients from

infections or in successfully treating them. So the profile of the disease has changed, with the patients developing encephalitis, while in earlier years they died from some infection or other.

EIR: Because there is, so far, no cure for AIDS, the euthanasia lobby makes the ghastly argument: Why is so much money spent on AIDS victims who will die sooner or later, no matter what? Which ignores that there are many diseases that are not curable, but are quite treatable.

Pöhn: If you want to be consistent with the thought, "Why should I treat AIDS victims, who are certainly going to die?" then I can also ask, "Why should I treat a human being in general—he'll certainly die?" A doctor simply treats a human being as long as he can and as long as it is somehow possible. And, obviously, I can manage the opportunistic infections with an AIDS patient, while the encephalitis is not presently curable. If one had a tool like AZT without the side effects, then that would be a gain since a life-long therapy would then be possible. But, nevertheless, the patient would always remain infectious.

EIR: What is to be expected of Bonn? Will it—with or without [Health Minister] Rita Süßmuth—make a change in direction on AIDS policy in time?

Pöhn: There is, probably, a change coming sooner or later. Bavaria has set a clear example. The German Society for Internal Medicine has issued a memorandum that quite clearly says: We have to do something! A member of the Board of Directors of the German Society for Infectious Diseases, who said to me a few years ago, "For God's sake, no compulsory reporting and no federal epidemic law, that'll put us all under!" now says "We need that." In my opinion, physicians have come to a kind of consensus that something must be done.

I expect very little from Mrs. Süßmuth because, in any case, she treats public health like a step-child, showing more interest in the integration of her fringe groups. She is, of course, a sociologist and pedagogue. But she cannot be blamed for a policy that the WHO explicitly recommends. Why the WHO makes such a devastating policy, I don't know. Perhaps that will change suddenly, just as so much so very suddenly changes with WHO.

Another question is, whether the department of public health is best placed with Mrs. Süßmuth. Perhaps it would help her and the public health service if it were put somewhere else. I would like it where it was until 1961, with the minister of the interior—before Adenauer absolutely needed a ministry for "Miss" Schwarzhaupt but did not want to saddle her, as an unmarried woman, with the ministry of the family. But even being with the minister of the environment would better preserve the department of health than with Rita Süßmuth. That is, of course, entirely my personal opinion, but I think that many colleagues think that way.

IMF forces fall in Brazilian population

Brazil's population in the year 2000 will be only 180 million, not the 200 million previously expected. That was the upshot of a press conference given July 20 by Charles Müller, the director of the Brazilian Institute of Geography and Statistics (IBGE). The data he presented revealed that Brazil has achieved an unprecedented fall in its fecundity rates. That is the number of children an average woman can be expected to have in her lifetime, based on her conduct during a given year. This "achievement" consolidates the catastrophic cycle of malthusian policies imposed by the World Bank.

A few days after the announcement, the International Monetary Fund (IMF) gave conditional approval to a \$1.4 billion standby credit, loaded with conditionalities. Historically, one of the unwritten conditionalities has been the demand to reduce Brazilian population growth. Even more, given the growing involvement of the World Bank—with its conditions for liberalizing the economy and trade—in Brazil's debt packages, the demographic results pompously presented by the Brazilian authorities, remain as a message that the unwritten clauses have been more than fulfilled.

This is not the first time the banks' interference in demographic policy has come to light. In January 1987, Deputy Carlos Santana revealed, "It is no secret that certain foreign banks posit population reduction as their basic condition for lending or investing in Third World countries."

EIR's founder, Lyndon H. LaRouche, responded to the Santana revelation with an international mobilization alerting readers to the damages wrought by the World Bank and the zero growth Club of Rome upon the rich and dynamic Brazilian nation. LaRouche is famous for his contribution to economic science, showing that an economy's health can be measured by the degree to which it promotes an increase in relative potential population density. That means its ability to sustain ever-growing and more skilled populations.

It is particularly crazy to kill people in an underpopulated country such as Brazil. Not only would 200 million not be a problem to sustain, but Brazil currently has an extraordinarily sparse population density of 16.1 persons per square kilometer, under the Ibero-American average, which itself is only 19.7. In order to have the division of labor required for a modern industrial economy, population densities of 50 per square kilometer are needed. In Brazil, only the Rio-São

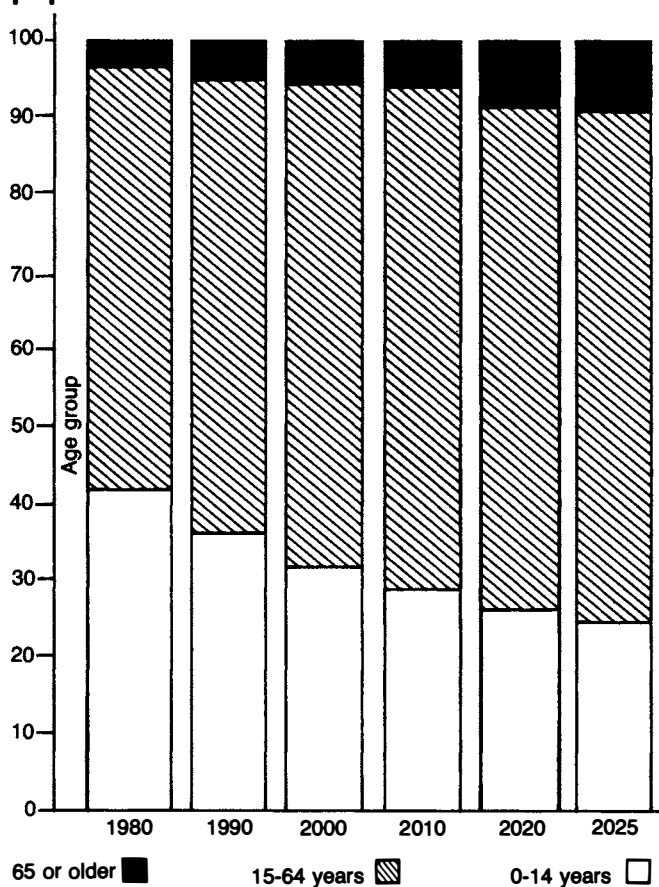
Paulo axis and a small strip of coast near Recife have adequate levels of density.

Malthusian genocide imposed

It is no secret that the abrupt fall in fecundity rates was thanks to the "unofficial" birth control program, whose results show it to be a replica of the so-called Chinese model. It took the brutal and immoral road of mass sterilization. As one of the demographers in the IBGE study, Luiz Antônio Pinto de Oliveira, affirmed, "The rhythm of reduction [of population] could only be compared with that of the Asiatic countries which have birth control programs."

The study, entitled "Statistical Profile of Children and Mothers in Brazil," discovered many things. It found the traditional pro-birth policy which Brazil proclaimed at the

FIGURE 1
The planned aging of the Brazilian population

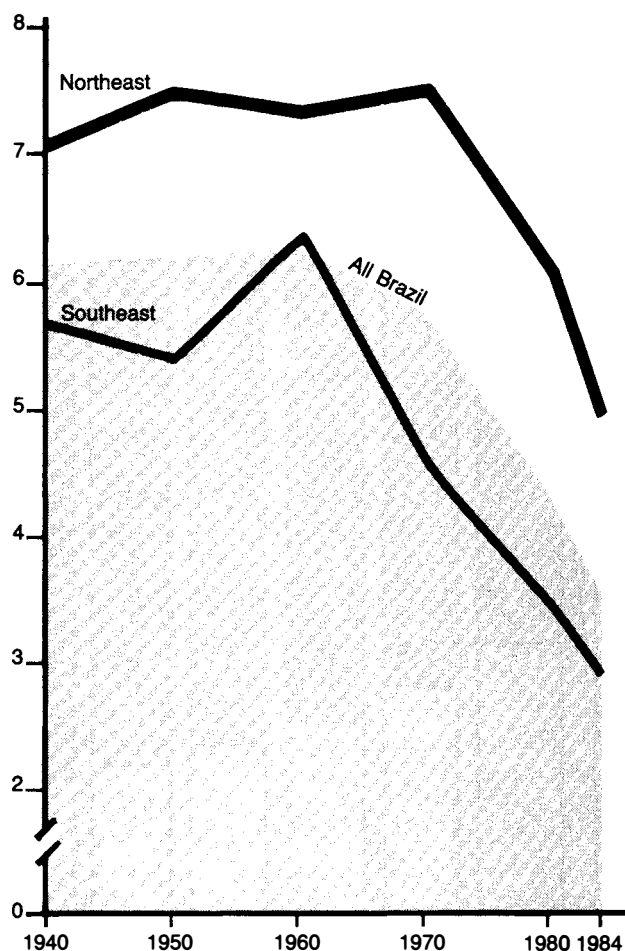


Source: Brazilian Institute of Geography and Statistics, "Brazil, Population Estimates and Projections, 1950-2025," July 1984.

The malthusian Club of Rome plans to prematurely age the Brazilian population. Its methods will cause there to be 20 million less Brazilians in the year 2000.

1984 world population conference in Bucharest, was defeated from abroad. It was assaulted by the World Bank and a host of world genocide lobby agencies. Among them: the Population Communication group, the Ford and Rockefeller Foundations, and the United Nations Population Fund. The World Health Organization sponsored Nazi-type experiments in the Northeast state of Salvador to invent a "contraceptive vaccine." The biggest player was the International Planned Parenthood Federation and its Brazilian subsidiary, Bemfam.

FIGURE 2
World Bank slashes Brazilian fecundity rate



Source: Brazilian Institute of Geography and Statistics, Demographic Census

Fecundity rate shows the percentage of fertile aged women who have children in a given year. The graph shows this rate's growth from 1940-1960, the period when Brazil achieved its highest historical economic development rates. They fell in the 1970s due to the World Bank's anti-natalist programs. This tendency sharpened as austerity, recession and despair overtook the country in the 1980s.

Among the domestic allies of the anti-birth lobby, Hélio Jaguaribe, the only Brazilian member of the Club of Rome and propagandist for the Socialist International, stands out.

It was during the government of Gen. João Figueiredo (1979-85) that anti-natalist pressures reached their peak. And it is no coincidence that the fecundity rate fell by 18.9% in the mere four years from 1980 to 1984 (Figure 1). Those were the days when the health minister went to U.S. Ambassador Diego Ascencio to ask for aid in fighting the mosquito which transmitted dengue and yellow fever. Ascencio replied, "We are more interested in a family planning program."

The malthusians employed the economic crisis as a pretext for imposing itself as part of the political package deals negotiated with the international banks. The IBGE study admits, "The discussion in Brazil on questions related to family planning only recently was given importance by Brazilian elites at a moment in which the country's socio-economic development was seen threatened by the recession begun during the first years of the 1980s." In contrast, "During the period of the 1960s and the beginning of the 1970s, optimism generated by the rising cycle of the economy inspired pro-natalist postures."

By 1986, the government fully caved in to the pressures and, for the first time, made birth control official policy. The statistics on the effects of this change are not yet in, but it is a safe bet that the birth rate is declining even below 1984 levels.

There is a flood of reports of mass sterilization. For example, in one of the satellite cities surrounding the futuristic capital, Brasilia, 15.44% of the women between the ages of 20 and 29 have been sterilized, along with 51.6% of the female population between 30 and 44 years. All this was done with the support of Gov. José Aparecido. When women protested in 1986 against mass sterilizations by public health centers and hospitals, Aparecido defended sterilization as being "within rigorous ethical principles." That may well be for Aparecido, who subscribes to the "ethics" of anti-Christian gnostic cults. Aparecido was appointed Brazil's culture minister Aug. 4.

Aging population

Fecundity fell 24.5% in the ten years from 1970 to 1980 (Figure 2). It took only four more years for it to drop another 18.9%. This brought the IBGE director to stress, "It is an unquestionably new phenomenon in population dynamics; and, judging from international experience . . . we are witnessing a national process of transition to low fertility levels."

The success of reducing natality through birth control can be seen in the relative aging of the population. The 5-14 year old age group is projected to increase 17.2% in this decade, only 10.6% in the next one, and 2.4% from 2000 to 2010. The child proportion of the population is scheduled to drop constantly (Figure 1).

TABLE 1

Sterilization is most common method of contraception among married women in Brazil

REGION	% of women use contraceptives	Contraceptive method used		
		Sterilize	Pill	Other
All Brazil	64.5	42.2	38.8	19.0
Rio de Janeiro	70.4	47.7	35.8	16.5
São Paulo	70.7	44.6	34.9	20.5
South	72.1	25.4	54.9	19.7
Northeast	52.8	47.9	33.0	19.1
North, West	61.9	67.9	21.8	10.3

Source: BEMFAM, National Survey of Maternal-Infantile Health and Family Planning, 1986.

This means that Brazil will have 20 million fewer inhabitants at the end of the century than was predicted a few years ago. That is genocide!

Others are even more ambitious. The California-based Population Communication group has set a goal for Brazil to "stabilize its population at 134 million." To accomplish this, "couples should have only one child in the next 30 years," it demands.

In 1940, each Brazilian woman had an average of 6.16 children. In 1950, that number rose to 6.21; in 1960 it peaked at 6.28, and started downward. In 1970, it was 5.76 children per woman, in 1980, 4.3 children and by 1984, 3.5 children (Figure 2).

Even more monstrous is the "Chinese method" of mass sterilization. This is typically done in a public hospital, while the mother is in the midst of giving birth. This is why Brazilian hospitals perform three times as many Caesarean sections per 100 births than hospitals in the United States. The intrusive operation is a mere pretext for performing a sterilization. In the midst of the pain of childbirth, worries about whether the doctors will treat her properly, and concerns about the child's future, the woman is an easy target for granting consent.

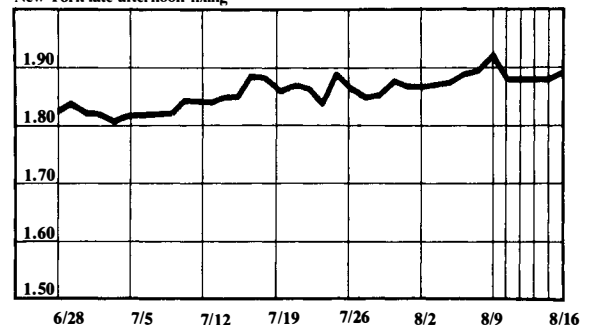
This is where the malthusian victory is proclaimed. "If, in the 1970s, the fall [in fecundity] occurred mainly in the most developed areas of the country, at the beginning of the 1980s the continuity of the drop is fundamentally due to the reduction in fecundity among the poorest groups and in the less developed regions," says the IBGE study.

In the impoverished Northeast, 47.9% of women who use some form of contraception have been sterilized. In the Amazon basin (North and Center-West), that figure reaches 67.9%. In the country as a whole, 42.2% of women between the ages of 15 and 44 who use contraception have been sterilized (see Table 1).

Currency Rates

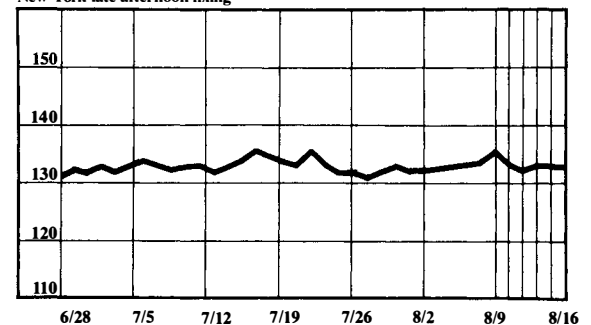
The dollar in deutschmarks

New York late afternoon fixing



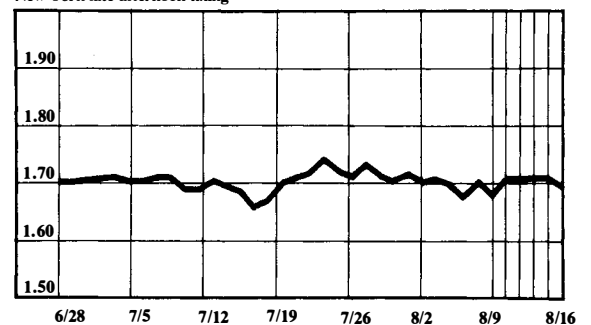
The dollar in yen

New York late afternoon fixing



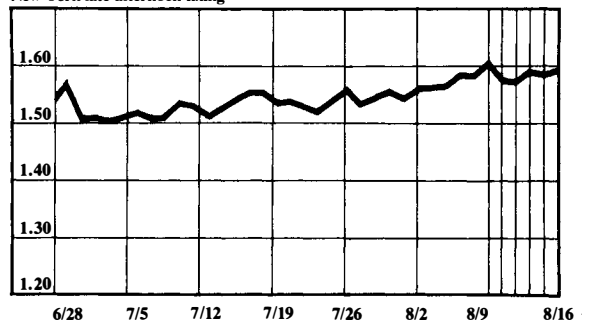
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



Water shortages compound food crisis

by Irene Beaudry

Next to the food shortages, the most serious problem facing a large section of the Soviet population is the fall of fresh water supplies. This problem surfaced in the Ukraine and the Turkic Republics of Central Asia long before the latest hot weather and drought-like conditions.

"Water shortages—the worst problem which for decades has not been solved in the Donbas . . . people need water, for this is one of the foremost vital necessities. In other words, where is all the 'new thinking' that is to reconstruct this?" The problem was posed in a letter written to *Radyanska Ukraina* by two workers from the Donetsk industrial basin, the steel, coal, and heavy industry "Ruhr" of the Ukraine.

The most acute problem is in the Ukraine, the most industrialized republic of the Soviet Union. Academician B.E. Paton, the president of the Ukrainian Academy of Sciences, declared in an article written for *Izvestia* July 31 that the "water reserves" in the Ukraine were "so miserly" that, if calculated for each inhabitant, it would show that "this region is in one of the worst positions among the other Soviet Republics." The problem has been aggravated by the brutal way in which *obsolete* heavy industry (metallurgy, heavy chemicals, coal, etc.) has been operating, in an overworked fashion, and with total disregard for the natural environment, and in this case, dumping untreated toxins and wastes into the rivers.

Despite being a major agricultural producer, the Ukrainian S.S.R. has several natural disadvantages. According Dr. David Marples, the author of an article in the July 24 issue of the U.S.-based *Ukrainian Weekly*, "the amount of fresh water per head of population in the Republic is 19 times less than the Soviet average. Also, two-thirds of Ukrainian territory lacks the necessary conditions for stable agricultural production. Over the past 20 years, droughts have occurred in eight of them. As a result there have been alarming fluctuations in the gross output of grain from a high of 50.6 million hectares annually to a low of around 35 million hectares."

Danube-Dniepr canal project debate

Consequently, writes Marples, the Ukrainian S.S.R. formed an important component of the ambitious irrigation schemes that were devised in 1966, but first expanded during

the brief tenure of General Secretary Konstantin Chernenko. In November 1984, it was decreed at a Ukrainian party plenum that the irrigated area of the Republic be raised from 2.3 to 4.0 million hectares by the year 2000, while drained territory was to increase from 2.9 million to 4 million hectares. Part of the expansion was to come from the construction of a huge canal linking the Danube with the Dniepr River. The final plan for this canal was to be completed by 1990.

Since then, nothing has happened, as a raging debate has broken out over the best way to increase the Ukraine's clean fresh water resources.

The debate around the irrigation project intensified in 1987, in light of the growing fresh water shortages. In the summer of 1987, a campaign for *glasnost* was launched, for public discussion of the proposed Danube-Dniepr Canal. V. Moskarenko, a scientist with the Odessa branch of the Institute of Economics, Academy of Sciences, Ukrainian S.S.R., wrote to the *Robitnycha Hazeta* that on Ukrainian territory, 380,000 hectares of agricultural land in Kherson Oblast had already been salinized by the current irrigation schemes, and that the mouth of the Dniester had been destroyed.

He wrote: "One could go on. In south Ukraine, where there are already over 2 million hectares of irrigated land, there is not one ecologically irreproachable system. And in these conditions we intend to go ahead with the water management complex Danube-Dniepr?"

G. Kostak, a biologist from Volyn Oblast in Western Ukraine, commented that the planners of the Danube-Dniepr complex are "dilettantes" when it comes to ecology. He had visited 11 Ukrainian oblasts and had seen several rivers in their death throes, he said. "Would it not be better," he asked, "to 'rescue' these small rivers rather than draw up new, grandiose plans?"

Now, the leading Ukrainian Academician B. Paton has come out against this scheme, sounding just like Western "post-industrial" ideologues, arguing against the very concept of great projects on behalf of "small is beautiful" schemes. The crux of his argument is that heavy industry should make way for the new "technological revolution." He claims, "nature can no longer take that intensified industrial load," which is "based on the old traditional methods and thinking." Paton said that while the Siberian irrigation project has ceased to be an issue, the Danube-Dniepr irrigation project (rejected last spring by the Ukrainian Politburo in favor of more "intensive" use of existing water irrigation schemes), was once again brought up at the 19th Party Conference in June.

According to Paton, the project is "irrational" because it involves the encroachment on the life of the entire Black Sea—blocking the Dniepr-Bug estuary. He said that scientists from the Ukraine and the U.S.S.R. have announced that the project would incur "serious consequences"—ecologically and economically, by polluting, through the Danube, "the waters of the most productive and fertile lands in southern Ukraine."

Are we repeating October 1987?

The trends in world interest rates bear an uncanny resemblance to events of one year ago, and for similar reasons.

When U.S. Federal Reserve chairman Alan Greenspan announced Aug. 9 that the U.S. central bank's discount rate was rising by $\frac{1}{2}\%$ to $6\frac{1}{2}\%$, financial market analysts around the world began speculating on whether a repeat of 1987 was in the making. In 1987, Greenspan, newly installed as Fed chairman, acted early in September to raise the U.S. discount rate by a similar $\frac{1}{2}\%$, from $5\frac{1}{2}\%$ to 6% , and there appeared to be a worldwide competition among Japan, West Germany, and the United States to outbid each other in further rate increases right up to the Oct. 19 stock market crack, as investors scrambled to dump inflated stock values for more profitable bond yields.

The global interest rate issue has become a central policy issue more than at any time since the Aug. 15, 1971 U.S. decision to abandon the convertibility of the dollar, then the world reserve currency, into gold. President Nixon's move opened the door of "floating exchange rates." Since Sept. 22, 1985, when finance ministers of the world's seven most important trading nations met in New York to coordinate policy to ensure a tight range of dollar fluctuation, world interest rates have been one of the few tools to control inflationary consequences of German or Japanese or other support for the dollar's stability.

Since the 1971 dollar decoupling, world financial market deregulation has led to world financial market "globalization." New York led the way to this financial "free market" in the late 1970s, followed by London's "Big Bang" in October 1986. As a result, huge volumes of "hot money" slosh

from London to Tokyo back to New York and possibly briefly into Frankfurt, as short-term speculative gains, not long-term industrial investment, drive financial profits.

According to a 1987 study by the Morgan Guaranty Bank of New York, in September 1987, the size of the Eurocurrency market (dollars on deposit in foreign banks, Eurodollars, Euroyen, Euromarks, etc.) had soared to an alarming 160% of the volume of total world trade. That is, for every dollar of real goods traded that year, \$1.60 of paper traded outside national borders in the Eurocurrency markets.

According to senior City of London economists and informed financial market traders, the most worrisome problem in the past three months for Greenspan and the Washington monetary authorities has been how to protect this U.S. bond market, at least until the November elections. With global inflation already on the rise, the expected catastrophic impact of the record U.S. drought has devastated U.S. government price calculations since June. If various indices of inflation begin rising, bond traders simply demand higher interest rates, or what amounts to the same thing, lower bond prices to compensate, otherwise speculative fund managers simply begin dumping bonds.

In 1987, the U.S. depended to an unprecedented degree on foreign financial flows to finance its huge budget and trade deficits, some \$140 billion. Most of this money came from cash-rich Japanese banks and brokerage houses. Beginning last summer, though, the inflated domestic Japa-

nese financial markets began to explode. Interest rates on Japanese bonds skyrocketed on Tokyo financial markets. Between August 1987 and the end of September, interest on Japanese government long-term bonds jumped an alarming 1.3%, to 5.6%, following several years of steady decline. At the same time, for many of the same reasons, rates in the German bond market began to rise slowly in order to stem the exodus of capital to New York, and the collapse of the German bond market.

Today, while we are not yet at the alarming levels of last summer's collapsing Tokyo bond market, all eyes are nervously on what the Bank of Japan says and does about raising its interest rate. From June to July, Japanese bond rates inched up from $4\frac{1}{2}\%$ to about 5%. Since then they have inched below 5%, as Washington and Tokyo "discussions" have led Tokyo to increase preferential support for a Bush presidency by controlling Japanese financial policy for the short term. West Germany's Bundesbank has been far less willing or able to do the same.

German bond markets have been disastrously weak over the summer, while the Bundesbank has refused to increase its various Lombard or "Repo" discount rates to correct the problem, largely for fear of triggering a repeat of October 1987. By early July, the pressure became unbearable and the Bundesbank began tiny $\frac{1}{4}\%$ rises in the "Repo" or middle rate which the central bank uses to control overall domestic interest rates in the banking system. German bond rates as a result have climbed to 6.55% by Aug. 13, from 6.35% in June, the first rise since Black Monday.

Japan is so far holding back. If Tokyo is forced to raise its rates in the coming days, as many expect, the "race" will be on in dead earnest.

The 'continent of the 21st century'

The Sudan crisis serves to remind Africans and their friends of the urgency of implementing great infrastructure projects.

Preliminary estimates put at close to 1 million those rendered homeless in Khartoum and its surroundings by the floods in Sudan, which are expected to continue until early September. Most dwellings, which cannot be described as houses, but huts made of sticks and mud bricks, have been simply washed away by the overflowing waters of the Nile. The destruction of homes and the river of mud which has invaded the cities now threaten Sudan with an unprecedented outbreak of epidemics from typhoid to cholera. And there is an additional food crisis, as road networks and food distribution circuits have been disrupted.

The last weeks of rain have also created a hotbed for breeding locusts. According to an urgent release on Aug. 15 from the U.N. Food and Agriculture Organization (FAO), the locust swarm threatening central, western, and southern Sudan and northern Ethiopia is of "Biblical dimensions," at least "ten times larger than the swarm of 1987."

International aid, which is now mobilized both to rescue flood victims and to face the locust threat, comes quite late. Hundreds of thousands will die in Sudan. This doesn't bother the international financial community. On Aug. 16, in its lead editorial, the *Financial Times* argues that economic priorities should not be forgotten: "On the economic front at least, there has been some progress. In June, the government introduced wide-ranging reforms which, should they be followed up by a devaluation, will pave the way to an agreement with the International Monetary Fund. Given the plight of Sudan today, it is unrealistic and un-

charitable to expect the government to implement an economic recovery program. . . . Nonetheless, Mr. el Mahdi will have to settle the misgivings about his government."

While the editorial does call for Western economic support for Sudan, nowhere are mentioned any of the basic infrastructure plans which should be set into motion now. A clear indication of what has to be done has been given by the Egyptian reaction to the flood. While the flood has devastated Sudan, it has been greeted with relief in Egypt. Not because the Egyptians do not care—they'll be probably the first African nation to come to Sudan's help. But because the Aswan Dam had fallen to catastrophic levels, below 150 meters, cutting the electrical output of the dam by close to 50% in the last few months, hampering both Sudan's industrial production and its elaborate irrigation system.

Egypt's Aswan Dam is a dramatic demonstration of what stands between the life and development of millions, and their death. A group of yet unnamed Italian companies has put together an ambitious project called Transaqua, according to the Aug. 13 issue of *Il Giornale* newspaper. Reportedly the group of companies, backed by the Italian government, has finalized a feasibility study for the building of a 2,400-kilometer canal linking the Zaire lakes to the Central African Republic, western Sudan, and Lake Chad. According to the study, the canal could be used both for irrigation and for creating new farm areas, as well as a large and navigable waterway for intra-African trade. More details of the project, which has received

the backing of the Presidents of Zaire and Chad, are expected within the next weeks.

Such projects are the result of systematic lobbying by several African-based organizations which are committed not to give up on Africa. In an interview with *EIR*, Dr. Farouk Shakweer of the Tangiers-based African Organization for the Promotion of Trade, stressed that "Africa is the continent of the 21st century," where opportunities for economic and industrial growth are located. Created several years ago at the initiative of the Organization for African Unity and the African Development Bank, the Tangiers organization wants to ensure that trade between Africa and the rest of the world is also paralleled by an increase in intra-African trade, which represents today only 4% of the volume of African trade.

Interestingly, according to Dr. Shakweer, this is meeting with major obstacles from the European Community in Brussels. While negotiating for the fourth round of the Lomé agreement linking Europe to Africa, the Caribbean, and the Pacific—the ACP trade zone—Brussels is showing no enthusiasm in helping finance a trading system which would endanger a traditional one-way system.

The economic battle at stake is also considered important by Farouk Shakweer, given that many of the bilateral agreements between African and European countries will be put into question by the Europe 1992 agreement. By then, each individual African country will have to negotiate with a bloc of economically unified European countries. A very uncomfortable situation, unless the Africans by then will have developed their own trade ties within Africa, and with other developing countries. But the Sudan crisis is there as a reminder that there is no time to lose.

Another handout to the grain cartel

While farmers bicker among themselves, grain cartel ethanol producers scored big in the so-called drought relief bill.

As the federal drought relief bill was signed into law on Aug. 11, some Western cattlemen and a few other farmers complained that special groups of farmers (e.g., milk, tobacco) would get more drought assistance than others. This impotent distraction—farmers blaming each other—overlooks one special interest group that did “score” in the drought relief law: the cartel corn ethanol lobby.

This group successfully obtained a provision in the drought relief law that authorizes assistance to ethanol producers. This provision permits the Agriculture Department to sell corn held by the Commodity Credit Corporation (CCC) as feedstock for ethanol producers at reduced prices. The CCC could sell up to 12 million bushels per month to ethanol producers, as long as the company utilizes no more than 30 million bushels of corn per year. Those supporting the provision argued that the ethanol industry is still an “infant industry” and needs to show itself as a “stable and good supplier.”

Some of the CCC stocks were purchased by the government from farmers for \$1.50 per bushel. This grain would be sold back to the cartel for not less than 110% of the basic country corn loan rate, or approximately \$2.30-\$2.40 at the lowest—substantially below market levels, and at the expense of the American farmer and taxpayer.

The biggest promoters of ethanol are the food cartel companies and international financial interests. Of the 151 ethanol plants in the United States at the beginning of 1987, nearly 75%

of the operating capacity was accounted for by the eight largest plants owned by five cartel-related companies, foremost of which is Archer Daniels Midland.

Since 1981, these ethanol promoters have obtained big subsidies and tax breaks through their influence in Washington. They are now receiving “drought corn” to prop up an industry that is using food for fuel while millions are facing starvation. The government is willing to subsidize corn purchases by cartel ethanol producers while letting farmers become serf-slaves to an immoral farm product pricing system.

The ethanol industry processed approximately 340 million bushels of corn in 1987. That is projected to grow to 1 billion by 1995. If the current USDA drought projection for 1988 of 4.4787 billion bushels is borne out, the 1987 ethanol corn usage of 340 million bushels would amount to about 7.6% of 1988 corn production. A significant amount in a year of “surplus,” let alone severe drought.

Ethanol is not economical. It is being promoted under the guise of environmental quality, energy security, and agricultural income stabilization. Because it is not economical, the grain cartel has successfully obtained government subsidies to make a profit. Along with government-subsidized loans, the ethanol industry argues it could not compete without being exempt from paying 6¢ of the 9¢ federal excise tax on gasoline. The minimum 10% blend requirement for the exemption translates to an effective 60¢

per gallon ethanol subsidy. In addition, 28 states offer state fuel tax exemptions or producer subsidies for ethanol averaging 20-30¢ per gallon.

In 1987, ethanol producers could purchase corn for \$1.41 per bushel and sell by-products for \$1.26 per bushel, which is a net per bushel cost of 15¢. Processing about 2.5 gallons of ethanol from 1 bushel of corn translates into a net cost of 6¢ per gallon of ethanol. In 1986, the tax break combination of investment credit, accelerated cost recovery schedule, and a motor fuel excise tax reduction amounted to \$912.3 million on 300 million bushels of corn, or \$3.04 per bushel. This is not a bad subsidy for an industry that can't afford to compete in the energy market, when the main raw material needed to produce ethanol, corn, has a pre-processing cost of \$1.95 per bushel and a net cost of \$0.32 per gallon after by-products are sold.

The National Corn Growers Association, the American Farm Bureau, and *Successful Farming* magazine co-sponsored a Nashville, Tennessee conference aimed at promoting ethanol in late July. “As farmers and ranchers, we need to recognize a good product when we see it and use it ourselves,” said Dean Kleckner, president of the American Farm Bureau. Kleckner said the Farm Bureau strongly supports ethanol production.

Barry Carr, with the Congressional Research Service, reviewed a study in which farm subsidies would be reduced by \$3 billion per year if ethanol use could be boosted to 5 billion gallons per year. But \$3 billion is the same amount as the federal excise tax reduction to ethanol-producing companies. A 60¢ per gallon federal excise tax reduction times 5 billion gallons comes to \$3 billion, too. In other words, the government would save a net nothing.

Business Briefs

Banking

FDIC to bail out Texas's MCorp?

The Federal Deposit Insurance Corporation is evidently planning to bail out Texas \$20 billion MCorp, the largest bank holding company in Texas. The corporation has run out of assets to sell to offset operating losses, and has been unsuccessful in raising \$200 million in capital from private sources, forcing it to seek federal help.

MCorp has retained advisers to prepare a proposal for the FDIC, according to local press.

In its second-quarter statement, the Houston based company stated that its capital-raising efforts "have been impeded in recent months by ongoing adverse publicity surrounding several of the major banks in Texas. Moreover, there is now a growing perception that private capital for Texas banks may be available *only in combination with some form of public sector investment* as long as the effects of the economic downturn continue to plague the financial industry. MCorp continues to explore all capital-raising alternatives."

Utilities

Blackouts, brownouts hit Eastern states

Brownouts occurred throughout Manhattan and Long Island, New York on Aug. 15. A number of other Eastern states also reported brownouts or blackouts.

In Manhattan alone, 16 apartment buildings lost electricity, and a large area of the Manhattan's Upper East Side suffered a brownout. As a result of the electricity loss, 4 Metro-North commuter trains were canceled, and 10 more were delayed.

Long Island Lighting Company (Lilco) was able to meet demand, but alerted its customers at 10 a.m. the same day to cut back on use. It also imported more than 450 megawatts from upstate New York and Canada.

The chairman of the State Public Service Commission, Peter Bradford, told *Newsday*, "If a couple of nuclear units went down" there would be real trouble. "You can't rule out that situation," he said.

Meanwhile, a brownout was ordered by the regional Pennsylvania-New Jersey-Maryland (PJM) power pool, which took effect shortly after 1 p.m. Aug. 15. Utility officials said that a 5% voltage reduction is "virtually unnoticeable," but that the brownout might cause a slight dimming of lights or a shrinkage of television screens.

On Aug. 10, nine New Jersey towns in Bergen and Passaic counties experienced a 2½-hour blackout. About 25,000 homes were left without power; half the city of Paterson was in the dark, as were the major shopping malls of Paramus. PSE&G, the utility, said a break in a cable feeder line caused the outage. The continuing heat wave "has put a tremendous burden on our cable lines," a PSE&G spokesman said.

In New England, power officials warned that blackouts may occur throughout the region unless businesses and homeowners conserve energy. The shutdown in August of Maine's Yankee nuclear plant and one of four power generators at Salem Harbor has worsened already strained power supplies, officials say.

In Boston, 6,000 customers were without power Aug. 12 and 13, with outages also cropping up in other suburbs, including 5,000 people in Gloucester. Over 2,000 residents of South Boston were hit by an outage Aug. 15, the scene of repeated power failures in a four-day period. South Boston is an older, poorly maintained, working class area of the city.

Energy

Globe suddenly favors Mass. nuclear plants

An editorial in the Aug. 15 *Boston Globe* has called for the rejection of a November ballot initiative that would shut down all nuclear plants in the state of Massachusetts.

The newspaper, generally liberal, heaps

unexpected praise on Yankee Nuclear's "28-year record of safe power generation," and calls for the immediate reopening of the utility's Pilgrim plant.

The editorial engaged in direct criticism of Gov. Michael Dukakis. "Governor Dukakis has stated he does not support the shutdown. . . . Still, by his stubborn opposition to Seabrook, he has fueled the anti-nuclear environment in this state."

The Seabrook plant, located in nearby New Hampshire, is ready to go operational, but it has failed to start up, and the owning utility has filed for bankruptcy, principally because Dukakis refused to cooperate in developing area evacuation plans as required by the Nuclear Regulatory Commission.

Asia

China projects huge manpower surplus

China's rural areas will have nearly 200 million in surplus labor by the year 2000, according to figures released by China's State Statistical Bureau. The situation is such that without a breakthrough in the country's economic development, there will be a holocaust.

The bureau's study, released by the Xinhua news service May 27, shows that the amount of rural manpower that has moved into non-agricultural employment rose from 31.5 million in 1978 to 81.3 million in 1987. However, the amount of rural manpower in China as a result of natural population growth is still greater.

In the past nine years, rural manpower grew by more than 83 million people, whereas only some 70 million transferred into forestry, animal husbandry, sideline production, fisheries, and light manufacturing, resulting in an 84% increase in rural manpower.

"Basing our forecast on the increase in agricultural labor productivity and the average farmland managed by each agricultural worker by the end of this century, only 160 million people are needed in farming by the year 2000," the report says.

Briefly

"If the average annual transfers remained at the 1978-87 level of 8 million people, then China's rural areas will have nearly 200 million surplus labor by the year 2000."

Commodities

Natural rubber prices soar

Speculation in raw materials during recent months has caused rubber prices to rise by 30%, forcing tire producers and the auto industry to increase their prices. Other industrial branches using rubber in production will also be affected.

Speculators are reported to be buying up natural rubber stocks in expectation of making a killing on further price increases.

Robert Mercer, chairman of Goodyear Corp., in an interview with VDI news in Germany, predicted, "There'll only be three or four huge tire producers in a few years." The process of concentration and cartelization will continue, Mercer said, stating he is "convinced that only a few companies, like Goodyear, Bridgestone, Michelin will survive in the end."

Dunlop and Pirelli are still fighting for position number-four behind these three. Mercer did not mention Germany's Continental Rubber Corp. in his outlook for the 1990s.

Trade

Bush calls for new U.S.-Japan 'partnership'

The United States and Japan should forge a "new form of partnership," said Vice President George Bush in answer to questions from Japan's Mainichi Newspapers.

In Bush's view, the United States should play the leading role militarily, while Japan provides the lion's share of foreign aid to Third World nations.

Bush answered the questions in a written reply to Mainichi.

Bush said that he would "much rather capitalize on a growing Japanese realization that their tremendously powerful economic position carries growing responsibilities," rather than push Japan to build "unnecessary" military forces.

"I call that responsibility sharing, not just a tit-for-tat balancing of costs, but a mutual, cooperative effort."

He denied the accusation that "Japan is getting a free ride on defense."

Agriculture

Soviet harvest outlook dim

A Soviet national television commentary Aug. 4 called on the population not to "panic or fuss" during the difficult harvest.

"For 10 years," the broadcast admitted, "we have not had a single really abundant harvest. This year, drought has very much affected Siberia, northern Kazakhstan, and the Volga Valley; while in the European part of the country, where there were very fine grain crops . . . rains have flattened the grain crops and they are very difficult to harvest. . . . The grain is reaching the threshing floors in a very damp and clogged condition."

A week later, on Aug. 10, the Russian Republic daily paper, *Sovetskaya Rossiya*, said that grain was "being produced with difficulty" throughout the republic. "Drought has scorched a considerable part of the Volga region, almost all the Urals, and the main grain regions of Novosibirsk and Omsk Oblasts [in Siberia]. In the north Caucasus, the grain is rich, but the heavy rain has flattened, twisted, and tangled it. . . . In brief, the year has been very difficult."

The Soviet press is advertising "success stories," based on the Gorbachov economic reforms. Families working on contract, it is claimed, have the incentive to go back over their fields several times to glean more grain. The fact remains, that in the north Caucasus bread basket regions, army forces once again had to help with the harvest.

● **DAIRY FARMERS** in Massachusetts are up in arms over a ballot initiative by "animal rights activists" which would "radically change current livestock operating practices . . . outlaw current methods used to house calves, and set up a nonfarmer 'advisory board' to develop further compulsory animal care regulations," according to a circular distributed by *National Holstein News*.

● **THE WHITE HOUSE** budget office (OMB) has acknowledged that the money disposable under the Gramm-Rudman guidelines is \$1.2 billion more than it had estimated. Congress can't easily get at the additional funds, however, since Gramm-Rudman prohibits the OMB from making dramatic changes in its projections.

● **HOUSING** for the poor is being torn down in Minneapolis. From 1979 to 1984, 1,300 low-income units were replaced by high-priced speculative developments. Now, the city is tearing down 355 housing units, most occupied by welfare recipients or low-income laborers, to build a \$102.6 million convention center.

● **THE CITY** of Sutherlin, Oregon—population 5,000—will lay off all of its 13 employees at the end of August, including police and firefighters, and shut down for at least two months, said City Manager Bruce Long. Voters turned down a one-year \$419,000 property tax levy on Aug. 9.

● **NEWARK**, New Jersey Mayor Sharpe James issued a water shortage alert on Aug. 15, asking residents to voluntarily conserve water, because the supply is at 72% of capacity.

● **MARIJUANA** is thriving in New Hampshire, reported the *Manchester Union Leader* Aug. 14. Local law enforcement officials seized 530 plants in a raid in nearby Haverhill, Massachusetts on Aug. 13, but called this "a drop in the bucket."

The case of the missing molecule

John Grauerholz, M.D., reports on Dr. Jacques Benveniste and colleagues' astounding experimental results, and the scientific witchhunt provoked against Benveniste.

In addition to the AIDS epidemic, which threatens to repeat the devastation of the 14th-century Black Death, another relic of the Dark Ages has reappeared. For those who missed the first performance of the Holy Inquisition, the editors of Britain's *Nature* magazine staged a rerun for the benefit of those scientists who might be guilty of thinking, and uttering, forbidden ideas.

The initial event in this auto-da-fé was the publication of an article describing the biological effects of highly diluted solutions of antibodies on human white blood cells, in the June 30, 1988 issue of *Nature* magazine. This was accompanied by an editorial entitled, "When to believe the unbelievable" and, ironically, a News and Views column, "Can a Greek Tragedy be avoided?" The editorial referred to the results reported in the paper, titled "Human basophil degranulation triggered by dilute antiserum against IgE." The significance of the News and Views column will become evident later.

The paper reported on research conducted at the INSERM 200 laboratory at Université Paris-Sud by Dr. Jacques Benveniste and his colleagues, and subsequently confirmed at three other laboratories in Milan, Toronto, and Rehovot, Israel. The data indicated that highly diluted solutions of antibodies retained their ability to stimulate a reaction by certain white blood cells even at dilutions at which antibody molecules are no longer present.

That these results were highly upsetting to *Nature* is evident from the accompanying editorial.

"Inexplicable observations are not always signs of the supernatural.

"There is no objective explanation of these observations—for there is no evidence of any other kind to suggest

that such behaviour may be within the bounds of possibility. Indeed, during the long period since this article was first submitted to *Nature*, it is plain that Benveniste has been as puzzled by the data he reports. On many occasions, he has responded to referees' suggestions at great inconvenience to himself. When told, for example, that the experiments should be repeated at an independent laboratory, he arranged for this to be done.

"Certainly there can be no justification, at this stage, for an attempt to use Benveniste's conclusions for malign purposes—homeopathic medicine, for example.

"But, those of supernatural inclinations will protest, is it not grossly unfair that science should put aside, even temporarily, some surprising and unexpected observations (such as these) while apparently welcoming others which are no less surprising (such as the recent suggestion that there may be a 'fifth force' between material objects)? The explanation is simple, but perhaps for that reason, not widely understood. It is entirely possible for physicists to welcome the notion of the fifth force because it would be a novel happening which could nevertheless be accommodated within the accepted framework of science. Benveniste's observations, on the other hand, are startling not merely because they point to a novel phenomenon, but because they strike at the roots of two centuries of observation and rationalization of physical phenomena. Where, for example, would elementary principles such as the Law of Mass Action be if Benveniste is proved correct?"

Obviously, the implications of these results are perceived as threatening to a view of science which has become hegemonic over the past 200 years. They are, in other words, "unorthodox," which is to say, they contradict "right opin-

ion,” which is the meaning of ortho (= right)-doxy (= doctrine or opinion).

These particular results were so unorthodox that *Nature*, which initially received the paper on Aug. 24, 1987, did not accept it for publication until June 13, 1988. During this time, the experiments were rerun at a number of other laboratories by request of the referees reviewing the paper. In addition, Benveniste repeatedly requested *Nature* to send representatives to the laboratory to observe the experiments and redo them during this period.

Nature finally agreed to publish the paper in its July 14, 1988 issue, after a visit by an investigative committee was to have been made to evaluate Benveniste's laboratory. Then, *Nature* decided to publish the article, which had been accepted on June 13, 1988, on June 30, 1988, which may be some sort of speed record for publication of a paper in a major journal. The investigative committee was to come after publication.

Now, it might seem a bit odd that after taking nearly a year to accept a paper for publication, *Nature* could not have waited two more weeks until its investigative committee had finished its work. Especially since there were such serious reservations about the results. As *Nature* itself had noted, Benveniste himself was puzzled by the results and had sought assistance in finding an explanation for them.

That there was a different agenda than the search for truth became evident when the composition of the committee became known. It was to consist of John Maddox, the editor of *Nature*, James (“The Amazing”) Randi, a professional magician, and Mr. Walter Stewart, an investigator of scientific “fraud.”

Mr. Randi, a highly talented professional magician, has carved out a reputation for himself as a debunker of so-called “paranormal,” or as the editors of *Nature* would put it, “supernatural” phenomena. One of Mr. Randi's targets was Uri Geller, the Israeli mystic, about whose alleged psychic powers *Nature* had once published an article which drew some criticism. Mr. Randi's forte is detecting the sorts of sleight of hand which escape the usual scientifically trained observer.

Mr. Stewart is a National Institutes of Health scientist who is one of a group of scientific “bounty hunters,” whose qualifications were best described by Mr. Maddox: “They have no substantial scientific published record of their own—they are self-appointed keepers of the scientific conscience.” Even more interesting, Mr. Stewart was one of the referees of Benveniste's paper, who, with the raw data and statistics in his hands, cleared the paper for publication.

Conspicuously absent from the group was any scientist with actual laboratory experience in the area in question. When Dr. Benveniste became aware of the composition of the committee, he experienced a well-justified apprehension. His apprehension was borne out in spades by subsequent events.

This intrepid group of “ghostbusters” descended upon Benveniste's laboratory to exorcise the malignant spirits of high aqueous dilution, once and for all. Unfortunately, during the first three days of the Inquisition, the high dilution degranulation effect occurred in three out of the four trials and in the other trial degranulation did not occur even at high concentrations of the antibody, indicating a problem with that particular specimen as opposed to a statistical variation in the method. The samples were examined “blind,” that is to say, that the identity of the particular sample was unknown to the person analyzing the sample.

Mr. Stewart then declared these results “valueless” and proceeded to alter the experimental procedure in order to obtain a trial in which the effect did not occur. In order to facilitate this, Mr. Randi employed his talents as a professional magician to distract the laboratory technician assigned to observe Mr. Stewart while he prepared the samples for analysis. Having obtained one such trial, he and his fellow truth seekers then packed their bags and issued a report, reeking with innuendos of incompetence and willful misconduct on the part of Benveniste and his laboratory staff.

In true inquisitorial fashion, Mr. Maddox then offered not to print the report if Dr. Benveniste would recant his heresy. Dr. Benveniste declined this kind offer and wrote a response to the report, which was published along with the report in the July 28, 1988 issue of *Nature*.

The report concluded that Benveniste's results were not to be believed because they were not reproducible and were “based chiefly on a series of experiments which are statistically ill controlled, from which no substantial effort has been made to exclude systematic error, including observer bias, and whose interpretation has been clouded by the exclusion of measurements in conflict with the claim that anti-IgE at ‘high dilution’ will degranulate basophils.”

This all sounds very damning until you consider that Mr. Randi apparently detected no sleight of hand on the part of the laboratory personnel, and in fact, used his own abilities on that score to help Stewart produce a trial that did not work after three that did. As for the statistics, Stewart had them in hand when he refereed the paper. If they were so bad, why was the paper cleared for publication without informing Benveniste of the problem beforehand? What about the other laboratories where the effect was reproduced? It is hard to escape the conviction that a precommitment to get a certain result was greater on the part of the investigating team than on the part of Benveniste's group.

Now, these results may represent an artifact, an uncontrolled condition or practice in a given laboratory, or they may not. If they do, it is common to at least four laboratories in different parts of the world, and may be affecting other studies in these and other laboratories. If so, an effort to identify it is vital to ensure the accuracy of other such assays in these laboratories. Such an effort would require one or more experienced laboratory scientist with background and

expertise in the particular techniques and equipment being used.

From the composition of the investigating team, however, it is obvious that the gameplan was to document fraud, and when that failed, the fallback was a series of scattershot accusations and innuendos. In retrospect, it would appear that a decision was taken to rush the article into print and then print a devastating attack as the most effective method of destroying not only it, but Benveniste and his collaborators, and the general line of research into high dilution effects.

Benveniste's heresy is not the more obvious case of "forbidden ideas," but the more profound one of having witnessed, and reported, "forbidden events."

The target of this witchhunt may appear to be homeopathy, a branch of medical practice based on the efficacy of highly diluted solutions of various drugs. But, while Benveniste is interested in phenomena occurring at high dilution, he holds no particular brief for homeopathy, and published an article in the March 5, 1988 issue of the medical journal *Lancet* reporting a study which proved that two well-known homeopathic drugs were ineffective.

The real threat represented by Benveniste's data is that they relate to the immune system, an area which so far has proved refractory to adequate explanation by molecular biology—the accepted method of “rationalization of physical phenomena” in the area of living processes. Molecular biology is based on the premise that life arose on the basis of a statistical fluke in the random interaction of molecules and rules out any higher order causal processes.

According to the late Jacques Monod, who won the Nobel prize for studies designed to squeeze the phenomena of biology into the straitjacket of information theory: “Life appeared on earth; what before the event, were the chances that this would occur? The present structure of the biosphere far from excludes the possibility that the decisive event occurred only once. Which would mean that its a priori probability was virtually zero. . . . The universe was not pregnant with life nor the biosphere with man. Our number came up in the Monte Carlo game. Is it any wonder if, like the person who has just made a million at the casino, we feel strange and a little unreal?”

To understand the relevance of this to Benveniste's work, it is necessary to return to the Greek tragedy which Mr. Maddox was so concerned to avoid. This concerned a

congressional investigation of experiments conducted in 1986 by a group headed by Dr. David Baltimore of the Whitehead Institute of the Massachusetts Institute of Technology. These experiments involved the use of transgenic mice to study variations in the formation of antibodies. Transgenic mice are formed by inserting genes of one strain of mice into the embryos of another strain of mice. This work was described by Mr. Maddox as “widely admired for its imaginativeness and productivity.”

In this case, problems arose when a postdoctoral student at the Whitehead Institute, Dr. Margaret O'Toole, testified before a congressional committee that the data published in 1986 could not be experimentally reproduced. Subsequently, Stewart, and Dr. Ned Feder, another “fraud” hunter, joined in the attack on the assays and statistical analyses used by Baltimore's group.

According to Mr. Maddox, the tragedy was that work by Dr. David Baltimore, one of the high priests of molecular biology, “which offers the particular promise of an understanding of the regulation of the immune response in the language of molecular biology, not just in the phenomenological language of immunoassays,” was being ripped to shreds by none other than Walter Stewart, among others.

That this attack was displeasing to the gods, and might have unwholesome consequences for the attackers, was stated quite bluntly by Maddox: “Although O'Toole has left research, at least for the time being, she as well as Feder and Stewart *could be hurt* by what lies ahead, even if their criticisms turn out to be correct.” (Emphasis added.)

Maddox also explained how selective rigor must be applied to orthodox research: “The chances are that the 1986 article in the dispute is flawed in some of its analyses, but that it has also demonstrated that transgenic mice are an interesting way of learning how the immune system is regulated. That process will continue, uninhibited by the errors (alleged or otherwise) in the 1986 paper. Who in ordinary circumstances, would complain of that, error [unproven] notwithstanding?”

Is it not relevant to inquire whether Maddox might have persuaded Stewart to reduce his chances of getting “hurt” by turning his “nit-picking persistence” (again quoting Maddox) onto a more acceptable target? Certainly the sweetly reasonable tolerance for Baltimore's questionable results is in sharp contrast to his personally supervised hatchet job on Benveniste.

Benveniste's heresy is not the more obvious case of “forbidden ideas,” but the more profound one of having witnessed, and reported, “forbidden events.” The gods of orthodoxy can always eliminate ideas by assassinating, physically or otherwise, those who espouse them. But natural phenomena are a consequence of that underlying lawfulness of the universe which proceeds with, to use an appropriately French term, *la belle indifférence* to the wishes of the self-styled Gods of Olympus who think they run “the system.”

An extraordinary discovery that should revolutionize biology

by Laurent Rosenfeld

On June 30, the British science magazine *Nature* (Vol. 333, dated June 30, 1988, pp. 816-818.) published an article by the team of Prof. Jacques Benveniste, head of the INSERM 200 laboratory, the French institute of medical research. This groundbreaking work concerns "Human basophil degranulation triggered by very dilute antiserum against IgE."

The dilutions in question are homeopathic types of dilution, at which there is, in principle, no molecule of the antiserum left in the solution. These results, which have already been reproduced by four other teams internationally, should revolutionize all our knowledge of biology, chemistry, and physics, especially our knowledge of the function of the immune system.

Benveniste and his colleagues investigated the ability of progressively more dilute solutions of antibodies to cause the loss of histamine-containing granules in white blood cells, called basophils. The solutions were prepared by a process known as serial dilution, in which a tenth part of one solution is diluted with nine parts of water and mixed thoroughly. A tenth part of this new solution is then mixed with nine parts of water, and so on. This results in dilutions of 1/10, 1/100, 1/1,000 and so forth.

Based on the molecular weight of the antibody molecule and the initial concentration, once a dilution of 1 part in 10^{14} had been reached, less than one molecule of antibody was present in the system. Yet, activity was still present at dilutions of 1 part in 10^{120} !

The activity was measured by microscopic examination of the basophils for loss of staining of the histamine granules. Not only were low dilutions (below the point at which antibody molecules could be present) capable of producing the effect, but the effect appeared, then disappeared, then reappeared in a periodic fashion as the dilution process continued.

Similar periodic waves of degranulation of basophils were seen with other substances. However, water in which such molecules had not been present at one time did not produce the effect. In other words, even though the molecule might

not be present at the high dilution, it had to have been present at a lower dilution in order for the high dilution effect to occur. In addition, vigorous agitation of the solution was necessary for the effect to appear at high dilution.

Shock to the scientific establishment

The idea of "key-molecules" and "lock-molecules" which presently dominates the field of immunological research should, in this light, be completely revised. In a popular article published in *Le Monde*, Benveniste stated, "Our procedure consists in dipping the key of a car in the Seine river in Paris, and picking up some water in Le Havre [at the mouth of the Seine, 100 miles down the river], and using it to start up the same automobile, and not another one."

In fact, this image is inadequate: Dipping the key in Paris and picking up the water in the Gulf of Mexico would give a better idea of the process, and yet, one still very much inferior to the reality.

The discovery so shakes the currently accepted textbook views of the field that *Nature*, which had received this paper on Aug. 24, 1987, took until June 13, 1988 to clear it for publication. Only then did the referees reviewing the article finally accept it, after several other teams were asked to repeat the experiments, and even then, with two "editorial reservations."

The abstract reads as follows:

"When Human polymorphonuclear basophils, a type of white blood cell with antibodies of the immunoglobulin E (IgE) type on its surface, are exposed to anti-IgE antibodies, they release histamine from their intracellular granules and change their staining properties. The latter can be demonstrated at dilutions of anti-IgE that range from 1×10^{-2} to 1×10^{-120} ; over that range, there are successive peaks of degranulation from 40% to 60% of the basophils, despite the calculated absence of any anti-IgE molecules at the highest dilutions. Since dilutions need to be accompanied by vigorous shaking for the effects to be observed, transmission of

the biological information could be related to the molecular organization of water.”

So, what Professor Benveniste has done is to obtain an allergic reaction with basically pure water which had been in contact with a specific allergen, but could not possibly have still contained any molecule of that allergen.

High levels of dilution

His procedure is parallel to the one followed in homeopathy. Take an allergen such as, for example, bee venom, and mix it with 10 times as much pure water, and shake strongly; take some of this mixture, mix with 10 times as much pure water, and shake again; and just follow the same procedure 10, 20, 50, or 100 times. Obviously, the concentration of the original allergen falls by a factor of 10 at each step of the process.

A basic law of physics says that one molecule-gram of water (18 grams) contains 6.022×10^{23} (Avogadro's number) molecules, which means that after having repeated the decimal dilution operation about 24 times (what is called in homeopathy a “12CH” dilution, or a 10^{-24} dilution), there is little chance of one molecule of the original allergen remaining, let alone after the operation is repeated up to 120 times, i. e., the dilution of 1×10^{-120} at which Benveniste's team still found an allergic reaction.

This is like pouring a glass of whiskey into a gallon of water, taking a glass of that and pouring it into another gallon of water; and after repeating the operation 60 times, getting drunk on the end product. If that worked, Seagram's would go bankrupt very quickly!

To give an idea of what a 10^{-120} dilution is, it is estimated that there are only about 10^{28} molecules of water in the universe, and that there are about 10^{60} atoms in the universe. So, the dilution is like mixing one molecule with the universe, and taking one molecule of the mix and mixing it again with the universe.

A rigorous procedure

The experimental procedure was entirely rigorous, and has been checked and counterchecked by several different teams in Israel, Italy, and Canada, all with the same result. Before deciding to publish these incredible results, which most scientists deemed impossible, but yet, conceded were done according to the most rigorous rules, *Nature* even demanded that Benveniste hire a special officer to control the “double-blind” procedure for interpretation of the results.

The exact procedure is as follows.

Various substances were used at different stages of the work, especially goat anti-human IgE (Fc) antiserum, monoclonal anti-human IgE antibodies, specific antigen in allergic patients, phospholipase A2 from bee venom or porcine pancreas, Na + (sodium) ionophore monensin (up to 90% degranulation at 1×10^{-30} M th) and the Ca + + (calcium) ionophores A23187 and ionomycin (1×10^{-38} M th). At each

step of the dilution process, the mixture was thoroughly mixed for 10 seconds using a vortex.

In the end, a cell suspension was added, containing white cell enriched plasma from venous blood donated by healthy donors. Samples were incubated 30 minutes, stained, and the red-stained basophils (i. e., non-degranulated basophils) were counted under the microscope by several operators (who, of course, did not know which kind of samples they were working on: The samples were labeled according to blind, double-coded procedures).

Serial dilutions were performed in such a way as to rule out experimental errors: For example, “Pipette tips and glass micropipettes were discarded between each dilution.” And various other checks were performed. Chemical and physical methods were used to check that the actual dilution did follow the theoretical pattern, thereby checking that no accidental polluting of a very diluted sample by a much less diluted sample occurred.

The implications

In sum, chemically pure water “remembers” the allergen with which it was once mixed. Benveniste hypothesizes that water keeps some form of the *electromagnetic configuration of the geometrical structure* of the allergen. Furthermore, it appears that if the mixed substance is frozen and thawed, or heated at a temperature of 70° to 80°C, or submitted to ultrasound, then the effect disappears, and also that the “shaking” of the mix is necessary at every step of dilution.

This would confirm the idea that there is a need for the substance to “print” its structure onto the water, and then a need for the mixed water to in turn “print” its structure at the next dilution test; if something is done to break this structure, such as freeze-thawing or heating the water, then the structure is lost.

Investigations of the physical and chemical nature of the entity active in the solution at high dilutions give the following extremely interesting results:

“1) The importance of agitation in the transmission of information was explored by pipetting dilutions up and down ten times and comparing with the usual 10s[cond]-vortexing. Although the two processes resulted in the same dilution (degranulation at 1×10^2 and 1×10^3 were superimposable whatever the dilution process), degranulation did not occur at high dilutions after pipetting. Ten-second vortexing was the minimum time required, but vortexing for longer (30 or 60 s[conds]) did not increase high-dilution activity. So transmission of the information depended on vigorous agitation, possibly inducing a submolecular organization of water or closely related liquids. 2) The latter is possible as ethanol and propanol could also support the phenomenon. In contrast, dilutions in dimethylsulphoxide did not transmit the information from one dilution to the other, but increasing the proportion of water in dimethylsulphoxide resulted in the appearance and increment of the activity at high dilutions.

3) Heating, freeze-thawing, or ultrasonification suppressed the activity of highly diluted solutions, but not the activity of several active compounds at high concentrations. A striking feature was that molecules reacted to heat according to their distinctive heat sensitivity, whereas all highly diluted solutions ceased to be active between 70 and 80°C. This result suggests a common mechanism operating at high dilution, independent of the nature of the starting molecule.

"Therefore we propose that none of the starting molecules is present in the dilutions beyond the Avogadro limit and that specific information must have been transmitted during the dilution/shaking process. Water could act as a 'template' for the molecule, for example, by an infinite hydrogen-bonded network, or electric and magnetic fields."

Background

Although considered some sort of maverick by his peers in the scientific community, Benveniste is not a homeopathy freak out to prove that it indeed works. He is interested in these phenomena and wants to study them, but is not at all the type to fake results.

In fact, on March 5, 1988, he published in *The Lancet*, an article on work proving that two well-known homeopathic drugs, Opium 15CH and Raphanus 5CH, had no effects on the clinical conditions for which they were supposed to work. This would tend to indicate that he is interested in scientific data, and not ideology.

Homeopathy is based on three assumptions: 1) high dilutions of the effective substance have as much of an effect as (or even more than) the original substance; 2) shaking the substance at each dilution is a necessary step for the effect to occur; 3) contrary to the normal medical dogma (*contraria contrariis curantur*, i.e., formally, if a patient is constipated, you solve the problem by something that induces diarrhea), homeopathy says that by prescribing a substance which has an effect similar to the pathology, there is a kind of immunization effect; the body somehow learns to fight the disease.

Benveniste's findings vindicate, at least theoretically, the first two assumptions, which most "rationalist" scientists believe to be a scientific heresy, and the third one seems to make sense (it is the basis of vaccinations, serotherapies, etc.), at least in certain circumstances. Yet, the way homeopathy is usually performed is, at the very least, extremely questionable.

For example, without entering into many details, the way "similarity of effects" is used for defining a treatment is less than rigorous. Hence, Benveniste's other findings, reported above, on Opium 15CH and Raphanus 5CH.

In fact, the main point of this discovery is not that it confirms homeopathy, but that it shakes the very foundations of prevailing biochemistry, biology, and even physics. It confirms the importance of expanding investigations in the field of optical biophysics, in order to achieve a more sophisticated understanding of the living process.

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Conservatism revisited: not much to offer today

by William Jones

Right from the Beginning

by Patrick Buchanan

Little, Brown and Company, Boston, 1988

392 pages with index, \$18.95 hardbound

Conservative columnist Pat Buchanan has published his autobiography *cum* conservative manifesto, presumably as a bid to line himself up as a future leader of the Conservative Movement. One could undoubtedly discuss the pros and cons concerning Buchanan's qualifications for donning the mantle of conservative guru, although after reading his book with an eye on the results of the much-touted conservative Reagan Revolution, it would appear that a much more fundamental question than that of Buchanan's leadership qualifications would be of interest in such a review. One should rather pose the question as to whether conservatism even serves as a viable political alternative, seeing the disastrous course this country has taken after eight years of leadership by the former flagship of that same movement.

I imagine that it's difficult for anyone who grew up during the the Second World War or the period immediately following, not to feel a tinge of nostalgia reading Pat Buchanan's description of his childhood and upbringing in a moderate-sized Scottish-Irish Catholic family with nine children in the Washington, D.C. area. In this case such nostalgia is probably not merely the psychological phenomenon of reflection on what memory enshrines as "the good old days." For it is a fact that the world generally was in much better physical shape—economically, politically, and socially—during that time, than it is now. A comparison of the relatively tolerable

reality of the 1950s with the incredible ugliness and insanity of contemporary America tends to enhance any sense of longing such a "remembrance of things past" would otherwise entail. But apart from the shades of *Zeitgeist* which provide something of the charm of the book, Buchanan also makes an attempt to give the readers a psychological and philosophical profile of what makes Pat Buchanan tick.

In that, I believe, the book is quite enlightening, not only in indicating serious flaws in Buchanan's own moral and psychological make-up, but also in that of the Conservative Movement itself. "If you're not part of the solution, you're part of the problem," goes an old leftist cliché—and yet one with a grain of truth in it. If, as Pat Buchanan seems to admit, this country has marched down the road to moral and social depravity during roughly the last 30 years, the question must be asked why Buchanan's Conservative Movement did not succeed in "turning the tide" of that process—even though it has wielded considerable power at the very helm of government, most prominently during the Nixon and Reagan administrations.

One of the prime reasons has undoubtedly been the inability of the Conservative Movement to inject into broader sections of the political environment a sense of vision and idealism, namely, that this nation has a purpose, and that that purpose is global in scope, and that that purpose must serve as a focal point for which the citizens of this nation are responsible for realizing with some element of their being. "Ask not what your country can do for you, ask what you can do for your country," became a rallying cry for the more idealistic elements of the 1960s—and yet it was coined by a speechwriter for the liberal "Kennedy Revolution." Even Buchanan characterizing the civil rights movement as "liberalism's finest hour," woefully admits that during the 1960s,

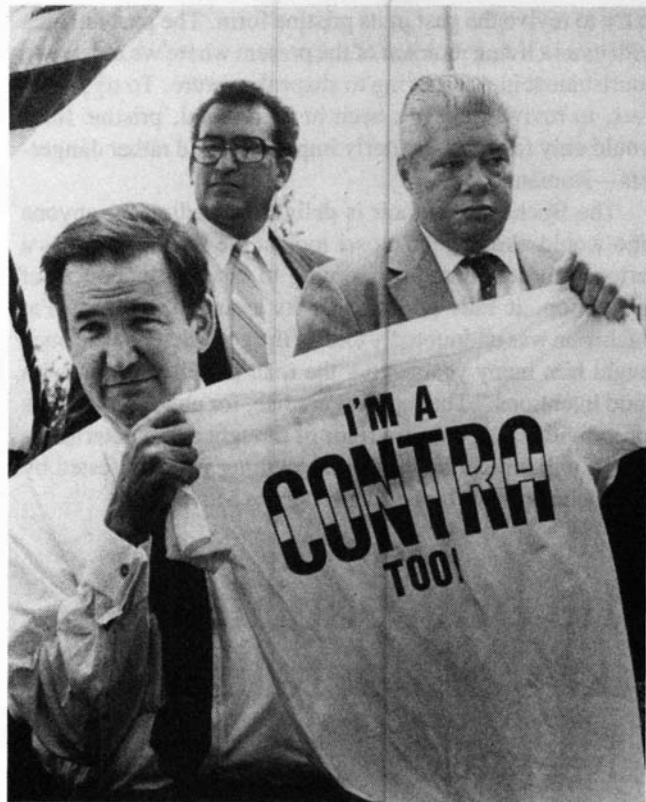
the conservatives took a back seat to the liberals in mobilizing the hearts and minds of the people.

The Conservative Movement showed very few signs of intellectual rigor in trying to work out a strategy for the problems confronting our nation. The growing signs of major dislocations in our economy, especially after the initiation of LBJ's Not-So-Great Society, the gradual undermining of a commitment to a U.S. global military presence (largely through the debilitating, slogging pace of the meat-grinder of a Vietnam War) as well as the steady deterioration of the educational system (and of the cultural environment generally) by the liberal education reforms—all this never quite succeeded in provoking any systematic response from the Conservative Movement.

The 'free market' straitjacket

The ideological straitjacket imposed on the Conservative Movement by the "free market" ideology and the inability to distinguish between friend and foe except on the basis of that schematic ideological formula, condemned conservatism to a state of relative (and absolute) impotence. In a period in which the budding nation-states of Ibero-America, Africa, and Asia were seeking an independent existence in the international community, after having broken the chains of the "free market" of the colonial powers, the Conservative Movement had very little to offer. This was indeed unfortunate since the United States was one of the few countries which had similarly broken out of its own colonial status through a life-and-death struggle with the "free market" ideology of Adam Smith of the British intelligence services. Because of the anti-colonial tradition of the United States, its reputation as a friend of the developing sector countries was at that time quite strong. That reputation has since become considerably tarnished. Had Gen. Douglas MacArthur's policy toward Japan and South Korea become a more general element in the conservative armory, the postwar world would have looked much different.

The ideological sloganeering and sophistry, which today characterizes all too many of our conservative pundits, was not always the fallback option of conservative thinkers in this country. Go back even to the turn of the century, and you will find an intellectual depth and a level of culture in the conservative movement in this country rarely seen these days—within the Catholic Church (where Pat Buchanan's conservatism had its first nourishment) and within society at large. The great Irish-born Archbishop of Philadelphia, Patrick John Ryan, known in the last half of the 1800s as one of the most eminent pulpit orators of his day, a staunch conservative and a strong proponent of the American System, was a student of Plato, and a great admirer of Leibniz, whom he characterized as "one of the greatest men that Protestantism—or any other ism—can boast of." Ryan drew thousands—Catholics as well as non-Catholics—to his sermons and lectures. We have a dim reflection of the remnants of that



Pat Buchanan displays his conservative credentials, at a Washington, D.C. rally in 1986.

tradition in the famous West Point speech by Douglas MacArthur. MacArthur was still old enough to have been imbued with the higher cultural standard of what was at that time the Conservative Movement in this country.

For today's "free market" conservative, however, Plato is a totalitarian and Socrates (at best) a misguided idealist. When the likes of Bill Buckley can be canonized a "saint of conservatives" (as a recent sympathetic biography is entitled), it's obvious that "conservatism" as ideology is becoming rather satanic. Conservatism in this country no longer understands its own roots. The great Whig tradition of the 1800s, which produced an Abraham Lincoln and a Henry Carey may often be cited with approval by our present-day conservative ideologues—but it is little understood. The paeans to their memory may be dutifully recited, and their monuments regularly visited, but their practice of life and their thought has become anathema to today's conservative pundits.

Buchanan's book illuminates the very flaws of the that conservative "ideology." "One must look back," said the great maestro Giuseppe Verdi, "in order to move forward." For it is only in studying the great moments and the great individuals that preceded us, helping to shape the present, that we can elicit the general principles whereby we ourselves may shape the future. It would, however, be a grave mistake

to try to revive the past in its pristine form. The past remains with us as a living moment of the present where we must seek nourishment in our striving to shape the future. To try, however, to revive what has been in its original, pristine form would only result in an utterly impotent—and rather dangerous—Romanticism.

The Buchanan memoir is delightful reading for anyone who would like to get a closer look at the *Zeitgeist*, but as a serious political manifesto aiming to change the course of this nation, it falls far short of its assumed goal. As Pat Buchanan was undoubtedly told by the good Sisters who once taught him many years ago, “the road to hell is paved with good intentions.” The road to Paradise, for nations as well as for individuals, requires a rigor of thought and a determination of will which far surpasses anything yet manifested by Pat Buchanan—or by his Conservative Movement.

The philosophical roots of liberalism

by Peter M. Schuller

Whose Justice? Which Rationality?

by Alasdair MacIntyre
University of Notre Dame Press, Notre Dame,
Indiana, 1988
410 pages, \$22.95 hardbound

In our anti-philosophical age, few books in academic philosophy have much impact on the larger world. This one portends, however, to have some degree of real effect.

The overall organization of the book is to contrast what MacIntyre calls the rationality and morality of tradition-informed inquiry with the abstract, formal reason of the Enlightenment and its social embodiment: modernity's liberalism.

A rational tradition is defined as a historically developed and developing set of social institutions and forms of activity. Rationality so understood postulates that persons are members of a social order (one which itself is embedded in a larger cosmic order). Thus, tradition-informed inquiry acknowledges the socially and historically shaped nature of its theories and practices. It recognizes that how one thinks and acts determines the material for further thinking and acting; it holds that there are no pure “data.”

The Enlightenment proposed to overthrow tradition entirely as part of its scheme of liberation. It postulated the philosophical construct of The Individual, someone essen-

tially self-sufficient in rationality and morality, and whose relations in society are mere adjuncts to his inner self. Such an individual is supposed to be able to rigorously and correctly generate true conclusions by working on “data,” with a mind uninfluenced by his circumstances and no matter how he otherwise lives his life. This view has been embodied in a way of life which MacIntyre identifies as liberalism, which comes in three main varieties: conservative, liberal, and radical liberalism.

It is MacIntyre's thesis that liberalism has become a kind of tradition, although recognized as such by very few. Thus, its claims that it is the ultimate and purely neutral rationality are false. Further, MacIntyre believes that this ideal of abstract and pure reason is a false ideal. He holds that we must consciously return to a rationality of traditions. But liberalism is not the tradition which MacIntyre thinks suffices. In fact, he is concerned to show the incoherence and irrationality of liberalism.

He organizes the book by first narrating three different traditions of rationality and morality: the Aristotelian, the Thomist, and the 17th-century Scottish. MacIntyre gives a feel of the differences among them and also the sharper differences they collectively have with liberalism.

He then gives an account of the Enlightenment, stressing its concept of the pure individual—what in an earlier work (*After Virtue*, 1981) he called “the empty self.” This concept meshed with free market practices and in that conjunction constituted, contrary to its own self-conception, the tradition of liberalism.

The founding of the liberal social order, he argues, was in part motivated by a desire to enable those who espouse widely different and incompatible conceptions of the good life to live together peaceably and to advocate and live by whatever conception of the good each one pleases, unless that conception involves reshaping the life of the rest of the community in accordance with it. But this means that liberalism has its own broad conception of the good, which it imposes wherever it has the power to do so, and that its toleration of rival conceptions in the public arena is definitely limited. This broad view of the good (usually the satisfaction of the largest number of individual preferences, whatever they are and insofar as liberalism can tolerate them) entails that there is no one overriding good which orders subsidiary goods. Instead, life is compartmentalized, and in each compartment some one type of good is pursued.

Pretense of coherency

From this two things follow. The first is that a single person may not have an overall, coherent ordering of preferences, but, to bargain successfully in the public domain, one must engage in the pretense that one does. This pretense tends to become a pathological self-deception. Second, among individuals there are conflicting preferences, but these cannot be resolved on the basis of one overall conception of the

good—a possibility liberalism necessarily denies—so non-rational persuasion displaces rational argument. Thus the endless proliferation of arguments which themselves never resolve issues. This is the opposite of what the Enlightenment promised.

It is in the feeble attempt to escape from this incoherence and from the despair of making this a harmonious order, that people come to deal with public life pragmatically, instead of rationally and with philosophical reflection.

Another strange characteristic of liberalism is that practical (moral) reasoning results not in actions, but in the mere cognitive conclusion of the form: "Such and such ought to be done." But from that conclusion, it often is the case that no action follows. This is so for several reasons. One is that the person's ephemeral preferences may change on the spot. Another is that it is held that preferences, not reasons, are the ultimate movers. A third is that reasons are thought to be mere tools of manipulation, and not themselves practical grounds for ordering life.

Liberalism takes pure preferences to be ultimate givens. Although preferences or desires have always been recognized as possible motives for action, in liberalism they are taken as absolutes, not to be judged, evaluated, and assigned a subordinate place in the order of life as a whole. Rather, the liberal self has only the task of maximizing the satisfaction of as many preferences as possible. Thus, "effectiveness" in achieving, in whatever manner, whatever preferences one has is counted as a high value.

If a person orders his or her own preferences and fulfills them, then that person is held, in liberalism, to have achieved practical rationality. But unlike other Western traditions, this means that one can be rational without yet being just.

Like many traditions, liberalism excludes from serious consideration any position outside its own orthodoxy. But liberalism pretends that it excludes nothing. It does this either by twisting other positions into variations of itself, or it labels what cannot be so transformed as mad and, therefore, outside legitimate consideration. But it promises to listen to every legitimate voice. Thus, liberalism promises that an adjustment within itself will be found in the near future, which will install perfect justice. But that is a future which comes—and necessarily so. In these ways, all debates allowed within liberalism are merely ways of preserving the liberal social order.

MacIntyre also attacks two spawns of liberalism: relativism and perspectivism. The relativist claims that between basically different theories and modes of life, there can be no rational judgment. Perspectivism, despairing of the actualization of Enlightenment norms of formal rationalism while refusing to give them up, declares that there is no truth or falsity, there are just different, co-equal perspectives on reality. MacIntyre argues that traditions, on their own criteria, can recognize deficiencies in themselves, even to the point of accepting a different tradition as entirely better.

It is his insightful analysis (not all the points of which can be reviewed here) of the basics of liberalism in its various guises which makes this book powerful. In presenting this virtual autopsy, MacIntyre hopes to start a process of self-knowledge of those living in a liberal order which can begin to be transformative. It is, in fact, likely that some philosophers, followed by literary theorists and then artists (as well as a few interested laymen) will see this portrait of modernism's pathology and begin seeking alternatives.

However, MacIntyre offers us no positive vision to get us out of what he identifies as another dark age, except to wait for a "new, doubtless very different, St. Benedict," as he had written previously.

No way to win the peace

by Mary McCourt Burdman

Troubled days of peace: Mountbatten and South East Asia Command 1945-46

by Peter Dennis

Manchester University Press, United Kingdom
War, Armed Forces and Society series, 1987
270 pages with index, £27.95 hardbound

Although the scope of this book is limited to the period of Lord Mountbatten's control of the British-led South East Asian Command (SEAC) in the months following the Japanese surrender in 1945, such a well-researched book contributes to understanding the current situation in Asian-U.S.-European relations.

The author, Lecturer in History at the Australian Defence Force Academy at the University of New South Wales, ultimately endorses the role played by Mountbatten and his commanders in the extremely difficult military and political situation in postwar Southeast Asia—but it is sober praise. The stupidity and viciousness of the Dutch and French in the area defies belief, leaving the British to "succeed" only in comparison.

Dennis details a wealth of information on the roles of all the concerned Allies—the United States, Britain, France, and the Netherlands—in making it extremely difficult for SEAC to carry out its primary tasks of demobilizing and disarming the Japanese troops, rescuing prisoners of war and internees, and restoring law and order. The men, equipment, and shipping provided were insufficient to deal with these tasks—when Japan surrendered, there were about 600,000

fully armed Japanese troops in the region, none of whom had been defeated in battle, and hundreds of thousands of POWs and internees, whose whereabouts were mostly unknown. Worse, there was no intelligence on the actual political situation within the region, especially on the strength of the nationalist governments which had just proclaimed themselves in Indochina and Indonesia—and only a colonial policy for the future of these nations.

The colonial Netherlands and France, had been conquered nations in Europe, and with Britain, were ignominiously defeated by the Japanese in 1941-42. Toward the end of the war, the Japanese had encouraged the nationalist movements throughout the region, but the colonial nations had no policy, other than armed force, to deal with the nationalist governments. The desperation of the European nations to recover their empires, demonstrates the bankruptcy of Western policy coming out of World War II, especially after the death of President Roosevelt and the end of his “American Century” policy. Rather than a development policy for the southeast Asian nations that were to show such remarkable economic growth a few decades later, the colonial nations were determined to use whatever force necessary to retake power and salvage their own economies.

To do this, the European nations enlisted the enemy Japanese Army, to “maintain order” throughout the region, and until early 1946, months after surrender, armed Japanese soldiers were used against the nationalists—although many Japanese, of course, handed over their arms to the Viet Minh or Sukarno forces. The ultimate Dutch, French, and British defeat was assured.

The Potsdam summit in August 1945 was another Yalta for East Asia. The United States redrew the areas under the Southeast and Southwest (U.S.) Asian commands, handing over all of Indonesia (then the Netherlands East Indies) and Indochina, as well as Burma and Malaya, to the British under Mountbatten, and washing its hands of this problematic region. Indochina was divided north and south between SEAC and China. The “Europeanists” consolidated control in the U.S. State Department, selling out what should have been in U.S. interest in Southeast Asia, to allow the return—by military force—of the former colonial powers.

However, as Dennis presents in devastating detail, SEAC and the French and Dutch “limped” back into the region. Outside of MacArthur’s command, there was no policy for “winning the peace” in Asia. The Allies had agreed already in 1944 that British soldiers would be discharged as early as possible for reconstruction at home, leaving the SEAC with the choice of using well-trained Indian troops—a big political danger for Britain in India—the untrained and vicious French and Dutch colonial troops just released from detention camps, or the Japanese.

As their military situation deteriorated, the Japanese had initiated a quasi-independent Indonesia, and on Aug. 17, 1945, Sukarno and Muhammed Hatta proclaimed an Indo-

nesian republic. Unaware—and unwilling to learn—of the breadth of the nationalist movement, the Dutch refused utterly to allow any negotiations that would have given even de facto recognition to the nationalists. The British had only some 1,500 troops facing 100,000 Indonesians, some so fanatical they attacked tanks with bamboo spears, but refused to allow the Dutch to land, realizing this would send the situation over the edge.

In Indochina, another crisis point with just one British brigade under Maj. Gen. Douglas Gracey to take control from the 70,000 Japanese soldiers near Saigon alone, SEAC went over to the French. After widespread Vietnamese riots broke out in September, Gracey helped the French colonialists stage a coup against the provisional Viet Minh government, and made good the French shortcomings with Indian troops to the point of using air power against Vietnamese.

Mountbatten alone was not responsible for the policy failure, but certainly his tremendous political ambition conceded to the Dutch and French what they needed to force their way back into Southeast Asia. Mountbatten defied the Allied Joint Chiefs policy of repatriating all Japanese troops as fast as possible, and allowed the Dutch to keep some 22,500 Japanese troops in the Netherlands East Indies for labor. “Dickie” Mountbatten also sacrificed his N.E.I. commander, Lt. Gen. Sir Philip Christison, who had been appointed to “carry the can” in this nasty situation. Because Christison insisted, even for military reasons, on negotiating with the nationalists, Mountbatten forced him out as the Dutch asked, before cutting out himself in order to be back in London in time for the June 1946 victory parade.

Dr. Dennis’s book is well worth reading. The primary thing I would quarrel with is its price, which might restrict it to the technical, rather than general, reader.

Sophistry on behalf of Moscow’s troops

by Daniel Platt

Revolutionaries and Functionaries: The Dual Face of Terrorism

by Richard Falk

E.P. Dutton, New York, 1988

222 pages, \$17.95 hardbound

Professor Falk’s principal qualification to discuss the problem of terrorism is that he has been promoting it energetically for years. The ostensible thesis of this book is that to break

the cycle of terror and counterterror, we should attribute equal legitimacy to terrorist acts perpetrated by guerrilla organizations ("revolutionaries") and those acts perpetrated or sponsored by state organizations ("functionaries").

This argument was employed by the ideologues of the New Left during the 1960s, to assist the fledgling student revolutionaries to shed their scruples about political violence—"the state does it, so we can too." Professor Falk labors to convince us that this is not his intention, that he personally disapproves of both functionary *and* revolutionary terrorism, although toward the end of the book, he begins to let his guard down a little. At one point he asserts that when the African National Congress in South Africa "necklaces" suspected informers or collaborators, or perpetrates acts of sabotage against the economy, these may not be construed as terrorist actions because they are directed against "non-innocent" targets in a "legitimate armed struggle."

Elsewhere he rails against Pope Paul VI for publishing the following message to the Red Brigades following the Aldo Moro kidnaping of 1978: "Men of the Red Brigades, give me, the interpreter of many of your fellow citizens, the hope that a victorious sentiment of humanity still resides in your soul. I wait, praying, and always loving you, for the proof." Falk maintains that if the Pope really wanted to acknowledge the humanity of the guerrillas, he would have abandoned the Vatican's strong no-negotiation stand, which he did not.

Putting aside, however, the question of whether Falk's argument is sincere, he certainly did not need to write a 222-page book to make this rather simple point. What makes this book almost interesting are the unstated assumptions the argument is premised on, and the conclusions drawn, not from Falk's finicky discussion of the legitimate and illegitimate uses of political violence, but from those same unstated assumptions, which Falk hopes we have come to accept in the course of his tedious book.

The central sophistry in Falk's discussion of combat among contending political forces, is that he eliminates any discussion of the cultural bases of the conflict. He depicts a Hobbesian world of heteronomically contending parties, some stronger, some weaker, and thus having recourse to different means of imposing their will on one another. Falk proposes a nicer set of rules to regulate these seemingly inevitable conflicts. He thus neatly avoids addressing a fact central to any rigorous discussion of terrorism: The use of terror as a political or military tactic implicitly favors an oligarchical order over a republican one, strengthening tyrannies and weakening constitutional states, *regardless of whether it is employed by the state itself, or by insurgents.*

Falk anxiously dismisses the idea that the Soviets sponsor terrorism as global irregular warfare; he contends that they are merely opportunistically supporting a spontaneous "sociological phenomenon," and reminds us gleefully throughout the book that the Reagan administration has been recently

caught in similar behavior, i.e., the Iran-Contra scandal. The irony here is that it is the oligarchical elements in the United States, for example the Project Democracy crowd behind the Iran-Contra debacle, that historically have collaborated with the Soviets through the various Trust arrangements.

If the reader will buy Falk's assumption that all contending parties proceed from similar Hobbesian impulses to the conflict, perhaps he will buy the conclusion that Falk insinuates throughout this book: National sovereignty is the problem. He states (page 92): "The realist believes that states pursue their own interests by all means at their disposal, and that war is both a natural outcome of international conflict and an absolute contest of wills. Idealists do not disagree, but believe that global reform is feasible as well as desirable. Realists do not often doubt the desirability of reform, but they are skeptical of the willingness of states to diminish their sovereignty."

For a more candid statement of this ideology, I refer you to Arnold Toynbee, intellectual granddaddy of Falk and all his colleagues down at the Council on Foreign Relations. Toynbee wrote, "If we are to save ourselves, we shall certainly have to resign ourselves to submitting to a number of political and economic changes that will be highly unpalatable and disagreeable to most people. For instance, the sov-

In Defense Policy and as a Military Phenomenon

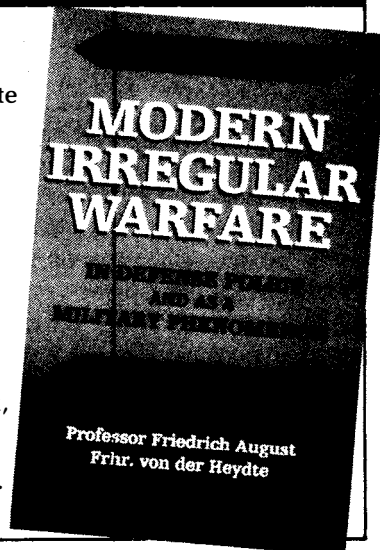
Modern Irregular Warfare

by Professor
Friedrich August
Frhr. von der Heydte

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ereign independence of this planet's 140 local states will have to be subordinated to a world government. . . . Can these necessary reforms be carried out by any regime that is not armed with dictatorial powers? I believe this is the really big political question that confronts us now." (*Surviving the Future*, 1971, pp. 111-114.)

For an insightful and productive discussion of the problem of terrorism and war, I suggest *Modern Irregular Warfare*, by Prof. Friedrich August Frhr. von der Heydte.

The human mind is not a computer

by Warren J. Hamerman

From Message to Mind: Directions in Neurobiology

edited by S.S. Easter, Jr., K.F. Barald, and B.M. Carlson

Sunderland: Sinauer Associates Inc., 1988
368 pages, paperbound \$35.00, hardbound \$55.00

Neuroelectric Systems

by Sid Deutsch and Evangelia Micheli-Tzanakov
New York: New York University Press, 1987
479 pages

These two books are part of the ongoing scientific publishing explosion on how the brain is supposed to work. While the scope and approach of the various books differ, the authors all live in the "artificial intelligence" computer age. They share the worst common bias of modern science—namely, that the brain and its supporting neurological system are a highly intricate "mechanical" device, a sort of super-sophisticated, linear computer complex. The circuitry conforms to a hyper-dense hardwired computer chip array.

The underlying fallacious assumption of such modern approaches to the brain and nervous system is not modern at all. The bias can be traced back to the grandfather of crude mechanism and reductionism in modern science, the French Jesuit René Descartes (1596-1650). Descartes was responsible both for the dictum that "man is a machine," and for the

notion that linear sense perceptions, transmitted as on-off signals through highly complicated "networking," are the dominant model of mental activity.

Neuroelectric Systems is a textbook which grew out of the Polytechnic Institute of Brooklyn's program in biomedical engineering, and approaches the mammalian nervous system through the eyes of an electrical engineer. The authors describe their intended audience as "people who are engaged in the marriage of biology and/or medicine and engineering." After a series of useful introductory chapters on the basic physiological systems that "gather, process and transmit information impinging upon them from the outside world, usually in the form of complex systems," the book then unsuccessfully tries to apply hardwired, linear engineering circuitry diagrams to non-linear biological processes, such as skeletal muscle activity, the auditory system, vision, and brain activity.

From Message to Mind is a comprehensive overview of the frontiers of developmental neurobiology, and presents a broad panorama of ongoing research. It covers such areas as molecular approaches to neural development, intercellular contacts, the molecular biology of the brain, axonal "path-finding," cell differentiation in the nervous system, and the mechanical aspects of "the turned-on brain." The underlying "marriage" which this book promotes is of the bride of molecular biology and modern genetics, to the traditional groom of the neurosciences.

Happily, the work emphasizes that the intricate neuronal connections that comprise the complex circuits of the brain are not established chaotically during development. Since there are many more synapses in the brain than genes in the genome, the intricacies of neuronal circuits cannot be based upon a "one gene-one synapse" formula. Thus, we get to explore areas of cell-to-cell communication, and intra-cell signals as well.

If genes don't regulate the signals, what does? Unfortunately, the regulation process proposed here is copied from one of modern molecular biology's other dogmas: Cell surface molecules that adhere to cell membranes are the signal "markers." The mechanisms presented are directly borrowed from the vocabulary of the antigen-antibody interactions of modern immunology. One wonders why such an otherwise interesting book would completely ignore the wealth of modern biophysics research spectroscopies which are mapping non-linear group interactions and "tunings" in the brain through such technologies as Nuclear Magnetic Resonance (NMR), Positron Emission Tomography, and so forth.

Also, one searches in vain for insight by the authors into the fact that, each day, it is becoming more apparent that AIDS is primarily a neurological disease, and not merely an immunological disease. If the approach at the frontiers of research is not shifted, we fear that neurobiology will be as wickedly outsmarted by the AIDS virus as immunology and molecular genetics have been.

One of the greatest choreographers

by Katherine Kanter

The Bournonville Ballets, a Photographic Record 1844-1933

Compiled and annotated by Knud Arne Juergensen
Dance Books, London, 1987
179 pages, clothbound.

Buy this book if you have any interest at all in pantomime, acting, or dancing.

Auguste de Bournonville (1805-79) was one of the greatest choreographers of his century; thirteen ballets by him that have been kept up by the Royal Danish Ballet are the only living proof of what ballet was like before the Ballets Russes de Diaghilev made it into a kind of Grand Cirque. Bournonville was trained in the Paris Opera in the 1820s, but today, in France, only the Russian school is taught, unfortunately.

This new book by Juergensen, brings together old photographs of Bournonville's ballets, including some that have dropped out of the repertoire, arranged in such a way that you can see for yourself what changes in interpretation have taken place over the last 150 years. It is exciting, for several reasons: First, you can see, taking into account the vagaries of old photography, just how much weight the old dancers gave to the expression of the face, the eyes, and the attention to detail, down to the hands. Nowadays, all over the world, the emphasis is on the legs and the body.

Second, you find out astonishing things. Can you imagine, a ballet, "Pontemolle," with "a series of dances depicting the different epochs in the history of Roman art, from Ancient Rome through the Renaissance, to end with the Rococo period"? Who would dare to do that today, unless he wanted to make a cheap pastiche? Bournonville dared it, and only someone who had carefully studied da Vinci and Raphael, as he had, could pull it off. It is also wonderful to see, how Bournonville dedicated one of his ballets to each nation: Norway, Flanders, France, Spain, Italy, Poland, and so on, using the national dances of each, and then building those dances up to the level of art dancing.

Juergensen was trained as a dancer himself, and now stages Bournonville ballets outside Denmark. His remarks are therefore more hitting than those by passive "critics." For example, what he says on mime is something that actors, opera singers, everybody in the theater profession, who wants to fight their own egomania, should think about:

"Bournonville's special mimic 'epaulement' . . . may look rather stylized to our eyes today, but in his own time provided the dancers with a language through which they could 'live' within the roles. This particular 'mime d'ensemble' . . . was expressed from *inside*, that is, through beautifully modeled groups, as opposed to the 'outward' conventional dramatic gestures directed at the audience which have become so predominant in today's performances. The Bournonville mime, in its origin, was given stronger dramatic and realistic accents. Bournonville's original strong accenting of this so-called 'dramatic truth' was soon considered a little old-fashioned in style." Juergensen shows through a series of photographs, how one character, from "Napoli," the street singer, has been turned from almost a tragic figure, into a clown, since the turn of the century.

In 1933, Harald Lander was named head of the Royal Danish Ballet, and, according to Juergensen, subjected Bournonville's pieces to such heavy changes and revisions that he decided to stop the tale told by the book at that date. Juergensen does not believe that Bournonville was such a 'light, comic' author as he is usually made out to be; he believes he had more depth. Nor does he seem to be too enthusiastic about Lander's changes.

This writer is not really able to judge whether his argument is all true, but he has made a very good case for it, and the photographs, as he has set them out, are very telling. I think he has published this book to help dancers get back to a way of thinking closer to Bournonville, and I think the book does succeed in doing that. It is a fine piece of work which should be bought and studied carefully by people in all branches of the theater profession.

Books Received

Kennedy, Oswald, Castro, Khrushchev, by I. Yefimov, Hermitage Press, Tenafly, N.J., 1987, \$13.50 paper, 334pp.

The Juarez Myth in Mexico, by Charles A. Weeks, The University of Alabama Press, University, Ala., 1987, \$24.95 hardbound, 204pp.

The Spanish Civil War as a Religious Tragedy, by Jose M. Sanchez, University of Notre Dame Press, Notre Dame, Indiana, 1987, \$22.95 hardbound, 272pp.

Ibero-Americans map war-plan against drugs, IMF

by Robyn Quijano

When 200 delegates from 22 Ibero-American nations left Panama after four days of intensive work, planning a "Second Amphictyonic Congress," the groundwork was set for building a continent-wide movement that will convene a heads-of-state summit in 1992 to institutionalize a "Latin American Federation." The first such congress, organized by Simón Bolívar in 1826 to unite the continent's newly formed republics, was the last time all the governments of the region had met for such a purpose.

The delegates, made up of a broad spectrum of Ibero-American leaders including senators, congressmen, labor leaders, historians, scientists, ex-ministers, and retired military officers, were conscious of the historic nature of their task. The final document, the "Declaration of Panama," insists, "It is historically imperative that we achieve Latin American integration, as the only way we can confront and overcome the constant and permanent threats against our countries, stemming from the foreign debt, the drug trade, and imperialism's military and economic aggressions."

Panama's President Manuel Solís Palma told the delegates in his opening speech Aug. 9, "We meet with the purpose of achieving the integration of all our potential for greatness into a single force, that will at last put an end to the servitude imposed upon our peoples."

The delegates concluded that the region must jointly launch an all-out war on drugs (including jailing financiers who work with the drug trade), limit debt payments looting the area's resources, and build great infrastructure projects and scientific research centers to transform Ibero-America into an economic superpower. This action program was presented to the final plenum as the documents of nine workshops. (See below.)

Since the debt crisis first exploded in 1982, when then Mexican President José López Portillo nationalized the banks and unsuccessfully sought Brazilian and Argentine backing for a debt moratorium, continental unity has been on the agenda. At every point at which one President would courageously declare himself at war with the International Monetary Fund, in defense of the living standards of his



The President of Panama, Manuel Solís Palma, with General Manuel Noriega, Commander of the Defense Forces, at a moment of celebration during the conference.

increasingly battered population, operations were run to assure that no united group of nations would declare themselves ready to do battle in defense of the economic sovereignty of the region.

In July 1985, when Peruvian President Alan García declared war against the IMF, and unilaterally decided to pay only 10% of export earnings for debt service, the continent once again failed to respond. Again in February 1987, when Brazil declared a debt moratorium, bankers scurried around the continent making promises to other nations in crisis. Between promises and threats, no continental defense was mounted.

Brazil, the continent's largest debtor, could have turned the tables on the usurers who have designed the total dismemberment of the economies of the region, with a little help from its neighbors. Ibero-America lost a crucial opportunity to end the genocide and start building an economic system based on morality.

Finance Minister Dilson Funaro, the architect of the Brazilian debt moratorium, was forced to resign on April 30, 1987. The defense of the continent was once again postponed. The statistics are still being compiled that will show how many hundreds of thousand of infant deaths resulted from the lack of a joint command of Ibero-American nations ready to fight for the survival of their people.

The historic conference in Panama City, launched the process that will give Ibero-America such a capability.

Were the United States government in the hands of leaders like George Washington, Alexander Hamilton, or Abraham Lincoln, U.S. policy would be to assist the nations of the south to build industrial economies. Such a policy would cause an economic boom that would benefit the United States

economically, and bolster U.S. security. Nothing would be more beneficial to the United States than being surrounded by independent sovereign republics undergoing industrial growth.

Just before the 1982 debt crisis exploded, Lyndon LaRouche wrote *Operation Juárez*, an economic plan dedicated to his friends in the Mexican government, that envisioned the possibility that the United States could be moved to adopt a sane and moral economic policy toward the nations of Central and South America. Such overturning of IMF policy would require strong actions on the part of a unified Ibero-America to demonstrate that they would no longer put up with IMF dictates. Should the Western oligarchy prevail in imposing such policies, Ibero-America could survive by creating a common market, unifying its vast human and natural resources, LaRouche wrote.

The Panama conference brought such economic integration into focus for 200 leaders, who have gone back to organize a war for survival. But before the delegates had even left Panama City, they had already accomplished a crucial part of their task.

The host nation, Panama, was not only the site of the first Amphictyonic Congress. It is the nation most under siege, a republic that requires urgent back-up from its neighbors. The continental show of support for Panamanian President Solís Palma and Defense Forces commander Gen. Manuel Noriega was demonstrated in the final declaration, which condemned "the systematic political and economic aggressions against the Republic of Panama on the part of the Reagan administration," and condemned U.S. intentions to unilaterally abrogate the Panama Canal Treaties, "under threat of invasion."

The day the conference closed, the Peruvian government

announced formal recognition of the Solís Palma government, and regret that Panama had been removed from the Group of Eight nations comprising the Contadora support group. The Reagan administration's months-old operation to enlist Ibero-American nations in its war against Panama suffered a harsh setback.

Gen. Manuel Noriega closed the conference, reminding the delegates, "Panama is the mirror in which the rest of the governments and peoples below the Rio Bravo can see themselves reflected. . . . Like us, so too could every country

shout out the aggressions it has endured." He praised the crucial steps already accomplished. "There were no ideological positions, nor radical postures. . . . In Christian fashion, we sought out that which unites us, rather than that which divides us."

The tactics used for over 160 years to divide the continent—border conflicts, racial and ethnic conflicts, and the ideological conflicts of right and left—were overcome, while the delegates deliberated on the crucial mission that Ibero-America, united, must now fulfill.

Declaration of Panama

The delegates of the nations of Latin America and the Caribbean to the Meeting Toward a Second Amphictyonic Congress of Panama, meeting in Panama City from August 8-12, 1988, declare:

WHEREAS:

1) Hardly had they obtained independence, when the old Spanish colonies, united by the swords of the Liberators Bolívar and San Martín, were fragmented and balkanized by the concerted action of the exporting oligarchies and the foreign imperialist powers. With the *Patria Grande* divided, its Republics began to be the victims of innumerable violations of their sovereignty, of their territorial integrity, and of their dignity, by foreign powers who have imposed upon us new forms of neo-colonialist and imperialist domination.

2) As a result of the perpetuation of that domination, the development of our peoples has been impeded, submerging them in unemployment, malnutrition, hunger, illiteracy, backwardness, and violence that constitutes the social drama of our peoples down to the present day.

3) That this ignominious situation is aggravated by an unjust International Economic and Juridical Order, which has encouraged the overdevelopment of imperial powers at the cost of the exploitation of our human and natural resources.

4) That the relations of dependency based on that unjust International Order have led us into an indebtedness greater than \$400 billion, whose interest costs constitute a heavy burden on our weak economies, establishing a relation of domination by international finance capital.

5) That in this period, there exist numerous points of tension that constitute a flagrant violation of the peace, security, territorial integrity, sovereignty, independence, and human rights of the hemisphere, such as the occupa-

tion of the Malvinas by an extra-continental power, the aggressions by the United States against Nicaragua, El Salvador, in Central America, and against Panama.

6) That with systematic political and economic aggressions against the Republic of Panama on the part of the Reagan administration, the intention of ignoring the Torrijos-Carter Treaties is made clear, and is confirmed in the United States Congress by a resolution that seeks its unilateral abrogation under threat of invasion.

WE DECLARE:

1) That all these facts define for us a scenario that gives currency to the call made by the liberator Simón Bolívar when, in warning of the danger that threatens our nations through the expansionism of the Colossus of the North, he convoked the First Amphictyonic Congress of Panama.

2) That, for the purpose of the 1992 commemoration of the Fifth Centennial of the meeting of two cultures, the Latin American and Caribbean heads of state meet with the intention of forming or institutionalizing the Latin American Confederation.

3) That the concretization of that project of the *Patria Grande* that Bolívar conceived must be the result of the conscious will of all our peoples, and will only be achievable through the consolidation of national democracies in our states.

4) That it is historically imperative that we achieve Latin American integration, as the only way in which we can confront and overcome the constant and permanent threats against our countries, stemming from the foreign debt, the drug trade, and imperialism's military and economic aggressions.

WE REITERATE!

We energetically reject the aggression by the United States government, and we offer our firm determination to raise the voice of the *Patria Grande*, from Mexico to Argentina, in defense of the integrity and sovereignty of the Panamanian people.

We are determined to win this initial battle for the dignity of all of Latin America and the Caribbean.

Policies for an integrated continent

Reports from the task forces organized at the 'Meeting Toward a Second Amphictyonic Congress' in Panama, Aug. 8-12.

We quote here from the most notable of the reports delivered back to the plenary sessions of the Panama meeting, following sessions of the working groups on Aug. 9 and 10. Each major heading refers to a particular commission which delivered the report.

Economic sovereignty, integration, and foreign debt

Considering that:

1) The defense of the economic sovereignty and integration of the Latin American continent and the Caribbean has become an urgent and unpostponable necessity to confront the threats made against them by the international financial oligarchy and its local representatives, who exercise new forms of colonial domination through innumerable mechanisms centered on the manipulation of the foreign debt.

2) Our countries' foreign debt is an ominous manifestation of neo-colonial relations, through the subtle methods of financial speculation and the unpunished exercise of international usury, which is no less brutal or criminal than domination by [use of] arms.

3) The foreign debt, the cause of the anguish and impoverishment of millions of human beings, is . . . the detonator of the long-postponed integration of our peoples, paving the way for the establishment of a New International Order.

4) Debt service grows more rapidly than our ability to pay, and rather than diminishing the level of indebtedness, increases it. . . . The major portion of that debt is illegitimate in origin, while two-thirds of the total, voluminous in size, arises from financial speculation.

5) Due to the servicing of the debt, the debtor nations of our region have become net exporters of capital. . . .

6) The financial institutions of the postwar period, the International Monetary Fund, the World Bank, the Inter-American Development Bank, have become instruments of the international banks and usurious interests; [they are] true gendarmes for imposing economic policies contrary to our national interests and independent development.

7) These policies have subverted the economic development of Latin American and Caribbean nations, through the brutal austerity of the public budget, the imposition of usurious national and international interest rates, the fall in raw materials prices, monetary devaluation, capital flight, restrictions on capital destined for production, and wage freezes, thus provoking a profound economic depression and greater dependency and domination.

8) The austerity policies imposed, and the economic depression they have generated, have brought with them unemployment and the desperation of millions of human beings, decapitalization, the dismantling of strategic sectors, privatization of para-state companies, reduction of production of food and other goods which are essential for the maintenance of our population.

9) Latin America and the Caribbean make up a portion of our planet in which hunger predominates. In effect, the real food shortages confront us with yet a greater danger: They expose a population at the limits of its physical survival, thus placing at grave risk the very existence of nations. With only 8% of the world's population, and with 15% of the world's territory, the area our nations occupy is underpopulated.

10) Development will be the name of peace on our continent and in the world, but only to the degree to which we rescue the principles which inspired our civilization and the founders of our Republic. . . . We must recognize the unequivocal fact that we have the potential for the most complete complementarity and economic self-sufficiency.

11) Creditors, far from seeking a humane solution respectful toward the debtors, use the foreign debt as an instrument of subjugation which is an offense against the dignity and sovereignty of all nations. Given that bilateral efforts have been fruitless and counterproductive, to emerge from this situation,

This Commission concludes that:

1) . . . From a political standpoint, it is essential to preserve integrity and independence, as well as to promote the development of peoples. The debt must be subordinate to this cardinal objective.

To guarantee the firmness of this position, the nations of

Latin America, the Caribbean, and of the entire Third World, must establish a joint negotiating strategy vis-à-vis the creditors.

2) . . . Without the democratic participation of peoples, directly or through their representative organizations, governments will not confront the international banks, nor will they be able to change the privileges of those elites bound to foreign interests.

3) There is unanimous rejection of the interventions by the International Monetary Fund, the World Bank, the Inter-American Development Bank, the Paris Club and other financial institutions, as well as of their neo-liberal economic recipes, including proposals for capitalization of interests.

4) Reject the privatization of companies, service entities and other state agencies, as well as the conversion of debt by territorial areas which primarily involve those in which renewable natural wealth is concentrated. . . .

5) Recommend to the Latin American and Caribbean governments that they audit the debt of their respective countries, and suspend payment, until creditors accept formulas based on the following guidelines:

a) Limit payment to a defined percentage of the amount of each country's export income, making debt payment compatible with growth policies.

b) Reduce [debt] to levels in accordance with development.

c) Establish economic relations in the context of a new Just Economic Order.

6) Promote integration . . . on the basis of:

a) Rejection of economic policies based on financial speculation, promoting programs which have at their center, production and labor.

b) Financial reorganization of each country and the creation of regional financial and development institutions.

c) Creation of a common market, in view of the complementarity of nations and regional self-sufficiency, as well as strengthening [institutions] already existing.

d) Getting under way infrastructural projects for physical communication and integration, as well as for the integration of scientific and technological efforts.

e) Rejecting malthusian demographic control policies which the Club of Rome and transnationals impose on our nations.

Security, defense and armed forces in Latin America and the Caribbean

The traditional conception of regional and integral collective security is based on premises which today are obsolete. The Inter-American security system has gone out of commission. The Malvinas War, the open discrepancies about how to handle the Central American conflict, economic tensions between the United States and Latin America, the ob-

solescence of South American geopolitical balance scenarios, and, on the other hand, extreme poverty and marginality, foreign debts, narcotics traffic, foreign troop presences in Latin America and the Caribbean and the persistence of colonial enclaves have radically modified the original concept of security.

This situation is in addition to a generalized questioning in Latin America and the Caribbean of the Inter-American Security system, concretized in TIAR [Inter-American Reciprocal Assistance Treaty]. This is clearly the case after the Malvinas War, the Grenada Invasion, the Central American crisis, and the Panama situation.

The creation of [our] own security system should not be centered on an exclusively military hemispheric conception, but mainly deal with political, economic and social aspects. Its strategic focus should be oriented toward neutralizing external aggressions.

From this situation is deduced the utility of annulling the Reciprocal Assistance Treaty, since its application today has no justification for Latin America and the Caribbean in the face of an eventual threat from outside the continent.

The foundation should be laid for a new conception of security and defense for Latin America and the Caribbean to guarantee its self-determination and non-intervention in the area's internal affairs; and to avoid having social changes in the region being considered as phenomena of political instability and potential threats to the region's strategic and security interests.

There must be established a mechanism for collective economic security for rapid adoption of common defense and response measures to confront measures whose goal is to sanction, coerce or pressure a Latin American or Caribbean country. SELA [Latin American Economic System] is viewed as the proper agency for this. We thus reject the economic pressures against the Republic of Panama.

In relation with the regional reality, it is seen that: ● The real national enemies of our peoples are social injustice and foreign oppression in political, economic, social, and military fields; ● there is a gap between the social community and the military layer in the majority of Latin American countries; and, ● the questioning of national security doctrines is evident.

For those reasons, it is deemed useful to create a Latin American and Caribbean consultative organ as a permanent mechanism of political harmonizing. It is considered that the "Group of Eight" should open the way for setting up [our] own political system. Consequently, we demand that its members immediately reincorporate Panama into that body.

The military complement of this political system in the realm of Latin American and Caribbean security and defense should be a regional-level General Staff, a defense college at the same level, strengthened with periodic meetings of the general commanders of the armed forces of the area's countries.

We reject and condemn all the types of aggression and

threats of military intervention [being made] against Panama. Also, the constant violations of the 1977 Torrijos-Carter Panama Canal Treaties, and we condemn the United States' pretensions to disavow said treaties.

Reservations

The Argentine delegation makes a reservation on the concept of annulling TIAR, but supports its revision.

The Costa Rican delegation, taking into account the particularity of its history, and given the declarations expressed by this document, states: 1) That in our country the army was proscribed as a permanent institution and that currently our principal weapon consists of not having any. 2) We recognize and value the role of the armed forces of those countries which have known how to place themselves side by side with their peoples in fighting to defend sovereignty and socio-economic development. 3) We call for those armed forces which are on their peoples' side to maintain a position of respect for human rights and to obey the recommendations contained in this document.

Integration commission of the Latin American labor movement

"Either all of us save Latin America, or no one will save her."

This commission, on behalf of the integration of all Latin America's workers for the amphictyony dreamed of by Bolívar and the other forefathers of our subcontinent:

Given the profound crisis affecting all of Latin America, caused by the failure of the models imposed by the imperialist powers in alliance with anti-national sectors, and especially the neo-liberal, pro-IMF and privatizing policy promoted by these groups;

Given that this critical situation has grievously abused, especially, the Latin American working class, causing an across-the-board deterioration of living standards, and unemployment and underemployment that is growing terribly, propagating misery and death;

Given that this situation constitutes an affront to the political and social integrity of all of our nations;

Given the criminal and abusive aggression of the United States of America against the political and economic integrity of Panama and Nicaragua;

This commission resolves:

To reject the aggression to which the sovereign republics of Panama, Nicaragua, and Argentina, in its Malvinas Islands, were and continue to be subjected;

To reject the economic aggression which all of Latin American is suffering;

To hail the process of unity that the Chilean labor movement is undergoing at this time.

We declare the formal constitution of a planning committee, which will be in charge of coordinating all the efforts

The roll call of parliamentarians

The following Ibero-American national and state-level congressmen and senators attended the proceedings of the Meeting Toward a Second Amphictyonic Congress of Panama.

Peru

Rep. Norman Arellano Lozano; Rep. Wilber Ben-dezú; Rep. Bernardino Céspedes; Sen. Carlos Melgar; Sen. Jasmell Muñoz; Rep. Carlos Rivas Dávila; Rep. Juan Valdivia Romero.

Dominican Republic

Rep. Ambriori Díaz Estrella.

Argentina

Rep. Raúl Drueta; Rep. Eduardo Ferreira; Rep. Ramón Francisco Jiménez; Rep. Gastón Ortiz Maldonado; Rep. Daniel Angel Zavatela.

Uruguay

Rep. Marino Irazoqui.

Brazil

Rep. Ruy Germano Nedel; Rep. Irajá Rodrigues; Rep. Luiz Salomão.

Mexico

Rep. Cecilia Soto de Estévez; Rep. Martín Tavira.

toward a meeting of all Latin American workers organizations, for the concretization of an Association of Latin American Workers.

In this context, we will hold a series of meetings in the republics of Peru and Argentina. In the Republic of Peru, as a form of solidarity with our Chilean brothers, in rejection of the current repressive regime. And in the Republic of Argentina, to consolidate and revise the work of the planning committee toward the formation of the Association of Latin American Workers.

Toward these ends, we invite all Latin American workers to the aforementioned meetings.

We declare that this call to unity of Latin America's workers includes all exploited and marginalized sectors, organized and unorganized, employed, underemployed, and unemployed, rural and urban, who make up the real working class of Latin America's social formation.



Carlos Martínez

Conference delegates at a wreath-laying ceremony at the tomb of the late General Omar Torrijos. Violations of the treaties Torrijos made with the United States were harshly condemned by the military commission at the meeting in Panama, which proposed annulling the Reciprocal Assistance Treaty.

This new Association of Latin American Workers which we seek to reactivate on the basis of novel ideas, proposes as its programmatic foundation to work on three essential points:

Social justice; political sovereignty; and economic independence.

To achieve these, we view as necessary respect for ideological and independent pluralism, and the achievement of a permanent solidarity of militant classes.

This unity of the working class to which we aspire, we view as an element both integral and proper to the Bolivarian spirit and longings that will make possible the successful realization of the Second Latin American Amphictyonic Congress.

The fight against the drug trade as a factor of integration

Introduction

We, the members of the commission who analyzed the problem of the drug trade within the framework of the Meeting Toward a Second Amphictyonic Congress of Panama, who are convinced that man is made in the image and likeness of God and that, therefore, he possesses such inalienable rights as the right to life, to dignity, to work, to freedom, to equality and, in sum, to all the universal and transcendental principles for which our forefathers fought—rights that are guaranteed under democratic systems and within the principles of self-determination of peoples—condemn the drug trade as a tool of alienation, domination, slavery, disintegration of individuals, societies and nationals; therefore, we assume the responsibility for constructing in this “continent

of hope” the vanguard center of the fight against the drug trade and against narco-terrorism.

Evaluation

. . . Latin American problems derived from the drug trade are not the exclusive responsibility of our continent. However, the solution for Latin America lies with Latin America herself.

The drug trade assaults us socially and culturally, since it destroys the intimate structure of the family and of society. It creates negative patterns among consumers, making them lose their view of solidarity and integration with the rest of society. . . . Cultural interchange with the North, primarily, has brought with it the adoption of patterns of conduct of drug assimilation.

Our people have traditionally sought out means of emotional relaxation very different from those which today make up the generational characteristics of drug addiction in North America, such that the cultural aggression we suffer today is enormous. . . .

The drug trade . . . damages the structural basis of the agricultural economies of our peoples, affecting their habits of production and increasing the levels of economic dependency:

The drug trade represents a very efficient tool for the colonization of our nations. Truly, the narco-dollars do not benefit Latin America at all; on the contrary, the drug trade has systematically destroyed the productive sectors of the economy. . . . Further, the illegal money derived from narcotics profits is, together with the foreign debt and flight capital, the primary cause of monetary and financial chaos in Latin America. . . .

There exists the generalized myth that the drug trade

produces foreign exchange that positively contributes to the continent's economy; some even think that without the narco-dollars, the continent could not maintain its financial system. But precisely the opposite is the case. . . . During the past ten years, Latin America has exported nearly one trillion dollars on account of narcotics. That is, one million million dollars, equivalent to 15% of the gross national product of all of Latin America.

However, there is not a single financial indicator to show the "positive" effect of the drug "industry" on any Latin American economy. . . . From 1980 through today, unemployment grew dramatically, in the midst of the drug-trafficking boom. . . . The dismantling of fixed capital gross investment—and of production in general—occurred in the years of the highest income from the drug trade. . . .

Narco-dollars go to swell the pockets of the bankers, to whom we owe the foreign debt. . . . The few narco-dollars which remain, or which return—an estimated 15%—are squandered on real estate, bribery, and other forms of corruption. They are also used to create private armies and terrorist groups that endanger the security and defense of our nations . . . and these fortunes express themselves in the financial and monetary systems as one of the principal causes of inflation, devaluation and flight capital. . . .

The drug trade assaults us politically, since its criminal organization affects the social structures and seeks to claim quotas of political power inside some states and sectors of society, including within the United States itself, through the financing of political campaigns intended to promote drug-linked politicians.

In the international arena, the drug trade presents itself as an element serving the foreign policy designs of the different imperialisms, primarily based on economic looting, on the financing of terrorists and of some guerrilla groups, and in the use of charges of drug trafficking against Latin American countries and leaders, at moments when these raise their voices in defense of their people. . . .

The drug trade today has its consumer market in U.S. society. . . . The participants in this meeting . . . express our deep concern over the drama of drug addiction in the heart of that society. This phenomenon will necessarily produce a generation of physical and, worse yet, spiritual invalids, to the detriment of their own society and to the detriment of societies worldwide. . . . We declare that our fight against the drug trade is both moral and universal and that, therefore, we shall defeat the drug trade not only for the benefit of our peoples but also for the benefit of peoples throughout the entire world.

Latin America is, therefore, not the owner of this criminal enterprise; to know its real owners it is enough to follow the trail of its payoffs, and this is an activity that is carried out in and through the most important world economic centers. . . .

It is no accident that His Holiness John Paul II had said in his last visit to Colombia that:

"Slavery . . . has been abolished throughout the world, but at the same time, newer and more subtle forms of slavery have emerged . . . today, as in the seventeenth century . . . the ambition for money captures the hearts of many persons and turns them through the drug trade into traffickers in the freedom of their brothers, who are enslaved with a slavery more terrible, at times, than that of the black slaves. The slave traders prevent their victims from exercising their freedom, while the drug traffickers lead their victims to the very destruction of the personality itself. . . ."

Conclusion

Based on the foregoing, the members of the commission who analyzed the problem of the drug trade . . . resolved that Latin America should undertake urgent measures.

It is precisely by means of integration that we find the key to successfully confronting the drug trade. The drug trade should be viewed as an enemy which—with a political, military and economic power which, at times, surpasses the power of each of our separate nations—has invaded the continent; therefore, a continental alliance should be immediately forged against this invading enemy. . . .

Through a summit meeting, the Presidents of Latin America should decree and announce a continental alliance against the drug trade.

As a first step, they should detect the fields of marijuana, cocaine, and poppy in all of Latin America, as well as the laboratories and centers of distribution. For this, we could solicit the political and technological—but not military—support of other nations.

In each of our nations, the forces designated by the political power should launch a devastating attack that simultaneously destroys all the cultivation, laboratories and distribution centers of drugs; while at the same time fighting the criminal drug traffickers themselves, achieving as a result the collapse of narcotics supply and producing intelligence information that would permit getting to the real target of the operation: namely, the big shots who finance the trade and launder the dirty money.

As a second step, these financiers and bankers should be judged and jailed on charges of treason to their nations. Their goods should be immediately embargoed, and the resources obtained through this just war should go to establishing a fund that could be called "Rodrigo Lara Bonilla," in honor of the Colombian [justice] minister who gave his life in this war. Such a fund should serve to create a Latin American Common Market and a Latin American Monetary Fund, which would give us independence from the IMF and from other financial multinationals; it would serve to finance great integration projects, such as the continental railroad, river integration, and other infrastructure and energy projects to generate employment and well-being, while substituting in this way the cultivation of poison with works that create employment and real wealth, and providing the peasants victimized by drug cultivation with a cooperative agricultural program

Argentine presidential hopeful salutes meeting

Carlos Saúl Menem, the candidate of the Justicialist (Peronist) Party for President of Argentina in next year's elections, sent this message to the conference in Panama:

Dear comrades:

On the occasion of such a great event, and taking advantage of the journey of Peronist comrades who will participate in the same, I wanted to be present and together with you, at least through these lines.

I have asked my comrade Héctor Flores, Esq. to represent me personally, in my capacity as candidate of the Justicialist Party for President of the nation, and to be the bearer of a fraternal embrace to all of you and to the noble and courageous Panamanian people.

I wish to confirm my pledge, that next year when I assume the highest office by the mandate of my people, I shall continue working together with all my Latin American brethren for the definitive union of our peoples. Implementing with fidelity and humility the historical mandate of Bolívar, of San Martín, of Rosas, of Perón, and of Torrijos.

Wishing you full success in the culmination of your work, I am with you spiritually, reiterating my confidence that the year 2000 shall find us definitively united and not under domination.

Fraternally,

Carlos Saúl Menem

to provide each of our nations with long-awaited food self-sufficiency.

In the second place, we propose the creation of an international court to deal with the issue of drug trafficking, or the creation of a special commission charged with the matter of the drug trade, to be included at the High Court of Justice at The Hague. The Hague, being a prestigious international institution, will be called upon to hear the complaints of accusing nations . . . for the purpose of defending our peoples and the peoples of the world from the scheme of hegemonic domination that uses the drug trade as an element of foreign policy, as we described earlier.

In the third place, we encourage meetings of Latin American legislators to lead to energetic actions in regard to the fight against the drug trade and the prevention and rehabilitation of drug dependency. This should include the interchange of different legislation on the matter and should lead

to the unification of legal concepts that will enable the frontal war against the drug trade to prosper.

In the fourth place, we propose that mechanisms of control be set up to prevent the laundering of money, flight capital, and the distortion of the economy that is caused by . . . the narco-dollars in the financial system of our countries. . . .

In the sixth place, in defense of our peoples, Latin America should create means of protecting itself from cultural penetration, by basing itself on the principles of family, of beauty, and of love, in counterposition to the hedonism of the rock counterculture, of pornography, drugs and the satanic sects.

Finally, we call upon Latin America's political leadership to deeply consider the fact that the drug trade . . . is intimately linked to other scourges, such as the foreign debt, poverty, and underdevelopment, and therefore, we will never be able to resolve these latter problems without defeating the former. All of this will help toward the creation of a new international economic order.

In sum, we maintain that there can be no compatibility between the drug trade and democracy, between the drug trade and sovereignty, between the drug trade and the *Patria Grande*.

Science and technology for integration

The path to greater degrees of political and economic independence for a united Latin America has as one of its principal components the self-sustaining development of our own scientific-technological capacities.

The current state of disintegration of the scientific and technological efforts of the continent prove that the institutions charged with regional coordination have shown poor efficiency in structuring a successful program of Latin American scientific collaboration.

Therefore, the delegates meeting in the Commission of Science and Technology for Integration, recommend the adoption of the following points:

1) To emphasize the importance of scientific and technological development within respective national projects, an emphasis that should manifest itself in larger government budgets in the areas of science, technological, and higher education.

2) To promote the creation of a "Latin American Forum of Science and Technology," made up of governmental and non-governmental agencies, to permit the widest possible discussion and consultation for the purpose of orienting the respective national science and technology programs toward joint and complementary development.

Said forum will serve as a means of exchanging information on technology supply and demand and on the state of the principal research and development projects on the con-



Carlos Martínez

A view of the auditorium during a plenary session. These delegates laid the groundwork for the realization of the century-old dream of the "Patria Grande"—the Greater Fatherland of an Ibero-American and Caribbean community of sovereign, fraternal nation-states.

tinents; which would also assist in the establishment of multinational or regional programs in the basic sciences, in research and development, and in training of human resources.

3) To identify, concretely, great research and development projects which, by their importance in solving the great challenges of developing the continent, become promoters of integration, as exemplified in the following cases:

a) In the area of information and communications, it is essential to have a project of Latin American telecommunications and systems of information, whose establishment assures direct and efficient contact among our peoples.

b) In the area of health, projects and working groups should be formed which have as their goal arriving at the next century free of the scourges of underdevelopment, such as malaria, Chagas' disease, tuberculosis, and gastrointestinal illness, and preparedness to combat such new threats to public health as AIDS.

c) In the area of energy, the creation of interdisciplinary research groups should be promoted, whose goal is developing the areas of energy production that with all likelihood will dominate the scientific-technological spectrum over the course of the next century; such is the case for nuclear fusion energy, superconductivity, and other advanced forms of energy generation.

4) In particular, the creation of a Latin American Commission of Atomic Energy is recommended, to orient and integrate efforts in nuclear matters. Thus will Latin America be able to rely on having the complete nuclear combustion cycle, and various nations both great and small will participate in a complementary way in this effort, and will enjoy its benefits not only in the field of nuclear electricity generation, but also from the entire range of technological applications

that nuclear energy has on the fields of education, health, agriculture, food production, etc.

5) The case of the pharmaceutical industry in Latin America was especially addressed. The urgent need to achieve self-sufficiency in this area became painfully evident in the Malvinas War, and the threat of blocking shipments of pharmaceutical products from abroad is raised each time one of our countries expresses disagreement with the economic policies of the centers of economic power.

Therefore, this commission recommended continuation of the standing policy of excluding patents on products intended for human, animal, and vegetable health, such that this protection of markets assures an abundant and cheap production of pharmaceuticals. This effort should be complemented by developing multiple initiatives to assure in the medium term the existence of our own industrial and technological base in this field. This implies supporting the current projects of Latin American pharmaceutical multinational companies, as well as the promotion of regional centers of research and development, the training of human resources, and establishment of mechanisms for unifying norms, systems of production and quality control. At the same time, we must consider the creation of an oversight committee on medicines and toxins.

The technological development of Latin America requires the strengthening of national markets within the framework of regional integration, which leads to the greater interdependence of our economies.

Finally, we commit our greatest efforts to disseminating the results of this meeting among the Latin American scientific community, to expand the noble task launched here to achieve a Latin American *Patria Grande*.

Zia assassination a Soviet act of war

by Linda de Hoyos

The Aug. 17 murder of Pakistani President Zia ul-Haq has sent a shockwave through this vital strategic region, and could well mark a decisive shift in the global strategic crisis.

The immediately relevant facts are these:

President Zia was murdered when a C-130 Hercules Transport aircraft exploded and crashed shortly after takeoff from Balapur in the Pakistani Northeast Frontier Province. Also killed on the plane were U.S. Ambassador Arnold Raphel and U.S. Military Attaché Brig. Gen. Bernard Wasson. The crash also caused the deaths of 15 leading Pakistani generals and military officers, including the chairman of the Joint Chiefs of Staff, Gen. Akhtar Abdur Rahman, who also served as the liaison for the supplying and training of forces fighting the Soviet Union in Afghanistan; and Lt. Gen. Mian Mohammed Afzul, Army chief on the Pakistani general staff.

Two U.S. military teams have been sent to Pakistan to investigate the crash. As of Aug. 20, reports indicated that the plane had been destroyed in a mid-air explosion likely caused by a bomb placed inside the transport plane. Preliminary reports on the contents of the plane's "black box" found at the crash site, indicated that the pilots had no foreknowledge of trouble in the plane's functioning. Ideas that the plane could have been knocked out by a ground-to-air missile have been eliminated, since there was no sign of the missile's "tail" at the time. Initial State Department claims that the plane's crashing was "an accident" have been completely dispelled.

Although the news media in the West have focused on the sabotage-murder as if it were the surgical removal of a single, rather troublesome, individual, the sabotage de-

stroyed leading members of the Pakistani military, the country's ruling institution. Whether Pakistan, a nation beset by increasingly violent centrifugal forces based on religious, political, and tribal identities, can withstand the Aug. 17 body-blow remains to be seen.

If it does not, then not only President Zia, but the nation of Pakistan, will have been sacrificed in the "New Yalta" condominium among Moscow, Washington, and Beijing, bringing the "rule of empires" directly to the gates of India.

The identity of the party that actually "pulled the trigger" will likely never be known. However, there is no doubt as to the most immediate beneficiary of Zia's death: the Soviet Union. The Pakistani President's death warrant was the April 15 Afghanistan accord, which Zia is known to have opposed and signed only under extreme pressure from the United States. Zia maintained that any Afghan accord must not only include the withdrawal of Soviet troops from Afghanistan and the halt of supplies to the Afghan mujahideen, but must also encompass a political solution and the creation of a coalition government in Kabul. Otherwise, Zia maintained, the war would not end, and the 3 million Afghan refugees currently in Pakistan, would not and could not return home. Pressure from the U.S. State Department—centered upon Pakistan's nuclear capability and the U.S. arms supply to Pakistan—forced Zia to sign the sell-out accord.

The result, as *EIR* has documented since April, was that the Geneva accord gave Moscow the green light to pursue its undeclared war against Pakistan, with increased terror-bombings in the Northwest Frontier Province bordering Af-

ghanistan, and domestic penetration operations. The tip-off, however, that President Zia was a target of Soviet assassination, was the June 18 attempt on the life of Turkish Prime Minister Turgut Özal, with whom Pakistan has had close relations. Özal has distinguished himself by resisting the Washington sell-out of his country; he had publicly met with American anti-Yalta leader Lyndon LaRouche in Ankara in 1987. The attempt on Özal signaled that Moscow was fully prepared to eliminate from the scene any statesman who might dare to stand up to the New Yalta sell-out to the Soviet empire.

Soviet threats

In the days leading up to Zia's assassination, Pakistan was the target of increasingly harsh threats from Moscow. The threats were timed with the Aug. 15 deadline for the withdrawal of half of the Soviet troops from Afghanistan. On Aug. 13, Afghan Vice President Abdol Rahim Hatif signaled Soviet plans for Afghanistan's partitioning, stating that Soviet troops would remain in five Afghan provinces: the province surrounding Kabul, the western Afghan province of Herat, and three provinces that form a contiguous link between Kabul and the Soviet border—those of Parwan, Baghlan, and Samangan.

The withdrawal was accompanied by fierce fighting between the Soviet-Afghan armies and the resistance mujahideen. On Aug. 13, sources reported that the mujahideen had taken control of all major highways linking Kandahar to Kabul, and were closing in on the southeastern city. "The city will fall within the next 30 days since the Soviets are gone," reported Western diplomatic sources. The battle of Kandahar is being coordinated by the Hezbe Islami factions of Yunis Khaled and Gulbodin Hekmatyar, the Jamiat Islami of Burhanuddin Rabbani, and the National Front.

On Aug. 16, the Soviets reported that the mujahideen had seized the northern provincial capital of Kunduz, as Soviet troops pulled out. Russian Lt. Gen. Boris Gromov, commander of Soviet forces in Afghanistan, told reporters that the Soviet Union would not attempt to retake the city, and claimed that Soviet soldiers "were not taking part and would not take part" in military operations in Kunduz province. The next day, however, the city was retaken by Soviet forces.

In addition, according to the Italian daily *Corriere della Sera* of Aug. 20, the mujahideen had succeeded early in the week of Aug. 15 in blowing up the largest Soviet arms depot in Afghanistan. The depot, located in Kelagay, 250 kilometers down the road linking Kabul to the Soviet border, was hit by two missiles, one of which hit the gasoline tank. The result was a fireball which destroyed the arms depot, where the Soviets reportedly kept two years' worth of ammunition supply for the Afghan Army and Soviet occupying troops. An estimated 800 men were killed, including Russian soldiers and their families who lived on the perimeter of the base.

Alongside these military escalations, the Soviets churned out increasingly harsh statements threatening Pakistan:

Aug. 14: TASS analyst Yuri Kornilov denounced President Zia personally, attacking "more cunning overt and covert opponents of the [Afghan] settlement, who seek to justify their violations. Zia said the Geneva Agreements are mandatory for everyone except for the Afghan 'freedom fighters.' . . . The connivance of Pakistan at the establishment on its territory by the 'Alliance of the Seven' [the seven parties of the Afghan Resistance based in Pakistan] of the so-called interim government, was a crude violation of the Geneva accords."

Aug. 15: Moscow issued an official declaration condemning Pakistani "violations of the agreements," and warned that if the "violations do not stop . . . steps will be taken" against Pakistan by the Soviet Union.

Aug. 16: Soviet Foreign Ministry spokesman Gennadi Gerasimov, at a Moscow press conference, stressed the government declaration's formulation: "The Soviet Union reserves the right to take whatever steps the situation requires" in the face of continued Pakistani violations of the Geneva accords. While refusing to specify what these "steps" would be, he ominously threatened that the Soviet government declaration "can be evaluated as an official warning to Pakistan."

TASS described in great detail Pakistani measures to step up the conflict, claiming that "20-30 lorries with arms and ammunition travel daily from Peshawar to Nangarhar Province alone." Long-range rockets are being stockpiled in the Shakardara gorge for use later on Kabul, it added. It quoted "some data" as pointing to the future arrival of a U.S. transport aircraft in Karachi, with a "large shipment of heavy sophisticated weapons for detachments of the alliance of the seven parties."

Aug. 16: The Soviet government daily *Izvestia* carried an interview with Lt. Gen. Boris Gromov, the commander of the Soviet forces in Afghanistan. Gromov was asked about the prospects inside Afghanistan following a Soviet withdrawal, and replied: "The Afghanistan problem will not be solved either today or tomorrow." What happens "is up to Pakistan . . . the problem is the violation of the Geneva accords by Pakistan. . . . Pakistan has sent increased amounts of arms to the rebels . . . and continues its interference in Afghanistan's internal affairs." Gromov, in an implicit demand for the right of hot pursuit onto Pakistani territory, stressed the recurring "problem" of Afghan guerrillas enjoying the sanctuary of Pakistani territory.

Aug. 16: Soviet ambassador to India Oleg G. Bondar denounced Pakistani "obstructionist" policies in a press conference in New Delhi, adding that "the Soviet Union reserves for itself, in that case, the right to take measures that are necessitated by the situation" in Afghanistan.

Aug. 17: Moscow announced that on Aug. 15, "Phase One" of their withdrawal from Afghanistan had ended, and that "Phase Two" would "begin in November." There will be

no further troop withdrawal for the next three months.

On the same day, Zia and leaders of the Pakistani military were killed. The assassinations indicate that the Soviets are fully prepared to move the Afghan war into and against Pakistan. Already, in the last two months, the Soviet-Afghan aircraft have violated Pakistani airspace 120 times—that is, twice a day. Before this period, the violations occurred approximately every two weeks. Then, on Aug. 19, saboteurs launched simultaneous dawn rocket attacks on three strategic oil installations in Karachi, Pakistan.

The official reactions from the Soviet Union to Zia's death were equally blunt. Soviet Foreign Ministry official Gerasimov—the same who had threatened Zia two days before—stated on Zia's death: "Soviet-Pakistani relations were not so good. George Shultz called President Zia a great fighter for freedom. I do not find this correct. Freedom and democracy go together."

Green lights from the West

On Aug. 18, Dan Rather's CBS-News headlined its story on the assassination of President Zia: "Tragedy or Opportunity?" That statement, echoed in the commentary put out from New Yalta appeasers in London and Washington, signifies that the Moscow had been given guarantees from certain factions in the West that the elimination of Zia and the Pakistani military would not provoke a counter-response.

The rationale for the conspiracy for Zia's murder was amplified by the *Financial Times*' lead editorial Aug. 19. "Providing Moscow and Washington can keep their lines of communication open, there is a chance that President Zia's departure [!] could contribute to a more clear-cut solution to the Afghan problem, which has been the main cause of superpower rivalry in this corner of Asia since 1979," the City of London paper wrote. Noting Zia's insistent support for the Afghan rebels, the *Financial Times* noted that the Soviet Union "understandably" does not wish to delay its withdrawal, or see Afghan leader Najibullah negotiate from a position of weakness.

"If the Reagan administration is convinced of Soviet intentions regarding Afghanistan, there is an opportunity for Washington to use its influence in Pakistan so that the heat is taken off the Afghan issue," the *Times* continued. "Washington cannot squeeze much more mileage from the Afghan resistance, and the Geneva agreement has had the effect of reducing Pakistan's geopolitical importance. . . . The easing of superpower tensions, the stand-off relationship, though still uneasy between India and Pakistan, and the changing nature of intelligence surveillance have rendered Pakistan less crucial. Taking Afghanistan off the boil would have the further advantage of allowing the Pakistani political class and the military to concentrate fully on internal matters, and there are enough of these, starting with the need to evolve a more democratic form of government."

The same line was echoed by former State Department

operative Steven Cohen, of the University of Illinois, on ABC-TV's "Nightline" Aug. 17. Cohen implied that the removal of Zia would not permit the implementation of the Afghan accords, and that Pakistan would move toward along the constitutional process towards full democratic rule. He himself, Cohen indicated, had argued with Zia on the issue of the Afghan accords, and had worked with his friend "Arnie" Raphel to force the accords on Pakistan.

There is a faction of dissenters from this rosy view, including Andrew Goldberg of the Washington, D.C. Center for Strategic and International Studies, who has stated that Zia's death is "the Shah of Iran all over again," since there "is nothing in the wings" in Pakistan to fill the political vacuum. "A bad death for the West," was the London *Times*' lead editorial Aug. 18. If the explosion was a bomb, "it is the Afghan Communists, and their Soviet backers, on whom the suspicion of the world is bound heavily to fall. It is a suspicion which will take more assuaging than Mr. Gorbachev may be able to provide," the *Times* stated. Zia's opposition to the Soviets was motivated by "good nationalistic reasons," the editorial noted, because he feared the Soviet threat to Pakistan and the attempts by Kabul to break up Pakistan.

The greatest disaster will occur, if disorder breaks out in Pakistan, and India attempts to "pay back in kind" Pakistani support for unrest in the Punjab, the *Times* said. India has been fostering relations with Kabul since Moscow announced the pullout, "thereby forming a last link in what could be a potentially disastrous chain of events for the subcontinent."

That is precisely the immediate danger. The brutality of the attack on Pakistan and its leadership brings to mind another period when the Soviet Union declared war on the United States and allies by striking at the Asian rim: 1983. In that year, on Aug. 14, dissidents in Pakistan launched a major destabilization of the Pakistani government, heavily interlaced with Soviet-backed separatists. This was soon followed by the Sept. 1 downing of the KAL-007 airliner by the Soviet Union, and the Kremlin's lurid self-justification for its murder. On Oct. 9, North Korean terrorists—likely in league with East German intelligence—carried out the bombing-murder of four members of the South Korea government and other Korean leaders, in Rangoon, Burma. The creation of this new "Arc of Crisis" in Asia culminated in the Oct. 31, 1984, assassination of Indian Prime Minister Indira Gandhi.

The danger is as acute now, for the leaders of sovereign nations. Pakistan is now under siege by the Soviet Union, internally and from without. In Burma, an uprising sparked by New Yalta and Soviet assets threatens to unleash a new catastrophe of destabilization that will have immediate crisis-effects on Thailand. In South Korea, U.S., Japanese, and Korean intelligence services are bracing for an expected terrorist atrocity to be carried out during the upcoming Olympic Games, most likely to be carried out by the Soviet terror international's Japanese Red Army. Such is the "peace" that appeasement to Moscow has brought the world.

The shattering of the myth of the 'independent' New People's Army

by Our Special Correspondent

Recent developments in the Philippines are shattering the myth that the communist New People's Army is a "home-grown" insurgency independent of the international Soviet irregular warfare apparatus. On Aug. 9, Stellan Hermansson, the head of the youth organization of the Swedish Communist Party, fled the Philippines while under indictment for giving aid and support to the NPA. Among other charges, he is accused of having turned over \$30,000 to the Alex Bancyao Brigade (ABB), the NPA's urban guerrilla unit responsible for assassinating "enemies of the people."

Meanwhile, documents captured by the Philippine Army in a raid on an NPA hideout in Manila revealed the international apparatus that has been providing monetary and political support to the NPA, channeled in part through a network of bank accounts and transport companies in Hong Kong, Singapore, and elsewhere.

Hermansson, along with a West German Protestant minister, Klaus Schmitt, and Antonio Bosch, a naturalized Filipino formerly from West Germany, were arrested June 8 while returning from a "visit" to an NPA guerrilla base outside Manila. They were later charged with having taken part in an armed attack on the village of San Francisco last February, where two village officials, including the mayor, were killed.

A look at the backgrounds of the three individuals will confirm that the Soviets have chosen to deploy their irregular warfare assets built up in Europe and the United States, assets associated with "liberation" ideologues among church circles, and their assets in the radicalized youth movement of Western Europe, particularly the so-called Autonomous groups, as well as their own Communist Parties in the West. These groups' acts of terrorism, violence, and sabotage often parallel and intersect Soviet and East bloc spetsnaz (special forces) operations targeted throughout Western Europe primarily against NATO military facilities and national electricity and transportation grids.

In the Philippines, this pattern is being mimicked with repeated terrorist attacks on American servicemen stationed at the Subic Bay Naval Base and Clark Air Base that have taken the lives of several Americans in the past year. Further, Soviet spetsnaz teams have reportedly penetrated the perim-

eters of these bases. Reports that the Soviets seek permission to set up a commercial shipping enterprise in the Philippines to service their fishing and commercial fleet have raised fears among Filipino and American military circles that the Soviets would use this as a base for espionage and spetsnaz operations, as they have done in Belgium and Spain, where such enterprises have been set up.

The mentality of common crime

Before going further, something must be said about investigative method. If one must be convinced of Soviet backing by a smoking Kalashnikov or the presence of Cuban advisers, one is missing the forest for the trees. In a sense, Soviet irregular warfare is premised on the two fundamentals of any other common criminal act: *motive*, and *modus operandi*.

Their motive is strategic: getting rid of American bases. Any strategic doctrine designed to counter the Soviet Union must ensure the ability to strike the Soviets at any point on their entire perimeter. This is indispensable to counter the Soviet advantage of striking at any point on the Eurasian landmass from internal lines of communications. Clark Air Base and Subic Bay Naval Base are key for the United States to deploy anywhere on the Asian continent, in an arc stretching from the Korean peninsula to the Persian Gulf. Their loss, coupled with a potential American strategic withdrawal from Western Europe, would leave the Soviets indisputably the dominant, if not ruling, power of the Eurasian landmass.

The Soviets take certain local problems into account—just as a bank robber, if he sees his target heavily guarded during business hours, is unlikely to enter through the front door at 11 o'clock in the morning, but might try tunneling into the safe from a nearby building. Filipinos, mainly Christian and often very Americanized, are averse to the dogmatic Marxist-Leninism of the usual Soviet-backed guerrilla armies. Another obstacle is physical. The Philippines, unlike other Soviet targets, is a nation of islands, hundreds of miles from the Asian continent. Shipment of heavy weapons required for a decisive civil war is quite impossible.

Thus, Moscow has chosen to act through proxies with a two-pronged operation, aimed at providing outside support

for the NPA itself and more broadly, spurring a basic shift of Philippine society and culture away from the United States and Westernizing ideals of progress, and away from the moral values of the Catholic Church.

The Swedish Communist

Stellen Hermansson, along with the other two suspects, was arrested on June 8, 1988 while returning from a "journalistic visit" to an NPA camp outside Manila. He was later positively identified as having taken part in an armed NPA attack on the town of San Francisco. Two rolls of film seized by the police following his arrest later revealed a picture of Hermansson in the NPA camp, brandishing a Browning heavy machinegun, complete with bandeleros of 50-caliber ammunition around his neck.

Also seized was his notebook, containing entries indicating clandestine meetings with urban guerrillas and the transfer of 200,000 Swedish kroner (\$30,000) to the Alex Bancyo Brigade (ABB), the NPA unit responsible for assassination of their urban-based enemies. Although he denied taking part in the San Francisco attack, he could not deny the other evidence, only saying its discovery was "unfortunate." He was later indicted for aiding and abetting the NPA, and, only after intensive pressure from the Swedish government, was he let out on bail. Although his passport had been seized to prevent him from leaving the Philippines, the Swedish Embassy, in an unprecedented move, issued him a new passport, enabling him to jump bail and flee the country.

Hermansson is no simple idealistic Communist. He is the head of the youth section of the Swedish Communist Party (VKP) and editor of their publication *Roed Press* (*Red Press*). Despite being reputed a "Eurocommunist" party, the VKP keeps excellent relations with the Soviet Communist Party. As a parliamentary party, its support of the shaky Social Democratic government of Sweden is crucial to the Soviet design of pushing Sweden further into the orbit of Soviet foreign policy objectives on Europe's northern flank. This dependence clearly secured the direct intervention of the Swedish government at the highest levels to secure his release.

Hermansson's *Roed Press* has published articles not only defending terrorist groups such as the Kurdish PKK, but openly calling for the use of violence in political campaigns, and giving instructions on how best to smash shop windows and most effectively to lie to the police. He personally was the leader of the violent demonstrations that met Nancy Reagan in Sweden in 1987.

This advocacy of violence coheres with orders coming from Moscow to the European Communist Parties to begin direct support of revolutionary violence, a shift signaled in the publications of the West German Communist Party (DKP), which despite its small membership receives \$30 million per year from East Germany. In an article authored by one Harald Projanskia, the DKP calls for open "dialogue" with the vio-

lent Autonomous Groups and the terrorist Revolutionary Cells, as long as their use of violence does not "contradict" their "anti-imperialist goals." This article appeared shortly after the Nov. 2, 1987 murder of two West German police officers by Autonomous rioters during demonstrations near Frankfurt, West Germany.

Hermansson's functioning as a courier of cash payments to terrorist assassin teams in Manila like the ABB, clearly fits with the above shift in the Soviet-led international communist movement.

The liberationist minister

The other two individuals arrested June 8 have similar credentials. Klaus Schmitt comes out of the liberationist left circles in the West German Protestant Church (EKD). The EKD has been the center of West Germany's "peace politics," which seeks a de facto neutralization of West Germany under Soviet inspiration. The theme of their annual Church Week exhibition was West German reconciliation with the people of the Soviet Union for the crimes of Nazi Germany during World War II. Among the hundreds of action groups present along with the DKP and Soviet and East European representatives, were 30 dealing with the Philippines!

Schmitt works for the Protestant missionary organization, Dienste in Übersee (Service Overseas) based in Stuttgart. In the Philippines he operates out of the Philippine National Council of Churches, which is part of the World Council of Churches. The WCC, through the membership of the Russian Orthodox Church, is used by the Soviets to run the peace movement and other "progressive" movements around the world.

While living in West Germany, Schmitt worked for the EKD's apparatus in Cologne which brought him into the circle of the Philippine Action Group and Philippine Information Center. All such groups are in direct contact with the NPA's National Democratic Front office in Utrecht, The Netherlands. The NPA's official representative is Luis Jalandoni, an ex-Catholic priest. The Philippine Action Group was founded by a group of leftist Protestant theologians. Although Schmitt is currently standing trial for the same charges as Hermansson, he was released on bail at the insistence of West German Foreign Minister Hans-Dietrich Genscher.

The third individual arrested, Antonio Bosch, had been involved in left-wing politics for many years and is said to be a close friend of Klaus Schmitt's.

Schmitt and Bosch continue to stand trial and their case as of this writing is inconclusive. Nonetheless, the Filipino government is starting to release information on the massive international political and financial support being channeled into the NPA. In a statement in the Philippine press, Foreign Minister Raul Manglapus revealed that private Dutch organizations, NOVIB and the XYZ movement, had channeled millions of dollars to the NPA through financing 39 projects

of so-called Non-Governmental Organizations.

Documents seized by the Philippine Army in a raid on an NPA hideout revealed the massive international support apparatus. One document, "Report on International Solidarity Work—January 1986 to November 1987," details the network including numbers of "exposurists" or visitors to the NPA and their front groups, from 31 countries including Japan, United States, Western and Eastern Europe, totaling 1,753 individuals. No fewer than 69 organizations, ranging from left-oriented charities to the Japanese Communist Party, are listed as having funneled money into the NPA's coffers—among them, the Philippine Action Group and the World Council of Churches.

The same cache revealed that the NPA maintains a network of foreign bank accounts and shipping and forwarding companies in Singapore, Hong Kong, and elsewhere, where money from support groups, plus "protection" money from foreign multinational companies operating in the Philippines, is deposited. It is believed, but not confirmed, that one account is held at the Hongkong and Shanghai Banking Corporation. Estimated at several million dollars, it is used to buy weapons and ammunition. Shipments are handled by the shipping and forwarding companies. It is even believed that many of the so-called "fisheries" projects financed by Western aid agencies are actually supplying boats to ship weapons.

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Assad weighs options for Syria's crisis

by Selim al Khodr

The silence coming from Damascus is deafening, it has been noted by intelligence observers. Indeed, who can cite any major statements from Syria's President Hafez al Assad or the numerous vice presidents, from Abdel Halim Khaddam to Rifaat al Assad, since Iran's decision to accept U.N. Resolution 598 in July?

In less than a month, Hafez al Assad, who likes to think of himself as a spider sitting in a middle of a web covering the entire Middle Eastern region, has seen many of his strings cut. He was not consulted by his Iranian allies on their decision to abruptly end the Gulf War, and was as taken aback as anyone. He was even less informed prior to Jordan's King Hussein's dramatic decision to renounce all claims to the West Bank and Gaza Strip.

Assad's pride may have been hurt, and badly, but this matters little in comparison to the full implications for Syria of these two moves. In a matter of a few weeks, close to eight years of an elaborately worked-out strategy whereby Damascus had established its position as the regional power-broker, will have come to nothing.

Twist in relations with Teheran

Of decisive importance is the end of the Gulf War. Though this does not put, at least not immediately, an end to the "strategic relationship" between Damascus and Teheran, it means the isolation of Syria. The relationship had a value when Iran was threatening the Gulf countries which, in turn, had to go to Damascus to convey their messages to Teheran. To play such a role, Syria has received no less than 4 million tons of oil from Iran since 1981, at a value of \$2 billion, much less than the market price, and more than five times less than the amount in blackmail money paid by the Gulf countries under the cover of "financial help to the steadfastness countries."

The Syrians did not miss the fact that one of Iranian Foreign Minister Ali Akbar Velayati's first gestures when he reached the U.N. headquarters in New York last month, was to meet with all the Arab ambassadors with which Iran does not have diplomatic relations. Velayati's message was simple: Iran has taken the "strategic initiative" of choosing peace, and is ready to establish a direct dialogue with the Gulf Cooperation Council (GCC)—no more intermediaries.

Though it is unknown whether the Gulf countries have already shifted their policy toward Syria, Iran has become cooler.

On Aug. 12, Velayati transmitted a message to Assad from Iranian President Ali Khamenei, in which he asked if Assad would be kind enough to finally pay the \$2 billion. Iran at peace needs money for reconstruction and does not need to use Syria to threaten Iraq with a western front.

Concretely, this leaves Syria in a lonely but open confrontation with an Iraqi regime, which as yet shows no sign of being destabilized by the ongoing peace talks. Confident of Iraq's present position, on Aug. 15, Iraqi Vice President Taha Yassin Ramadan denounced Assad as a "traitor to the Arab Nation," whose country should be "expelled from the Arab League." Indeed, the principle is that if neither Iraq and Iran won or lost the war, their allies and proxies did.

Just as Iraq is about to sacrifice the Iranian Mujahideen and the Iranian Kurds, Iran will get rid of its ill-fated Badr 9 units made of Iraqi Shi'ites, and its Iraqi Kurds. Intelligence sources say a tacit agreement between Baghdad and Teheran is that fighting and skirmishes may be allowed to go on in the coming weeks, for each other's proxies to massacre each other, hence saving both capitals a major embarrassment. Likewise, when it has to choose between the GCC and Syria, Iran will choose the former.

Controlling the Palestinians

Assad is all too aware of these calculations. And this has been aggravated by his total failure to control the Palestinian movement, which he considered Syria's trump card in the Middle East conflict with Israel. The Jordanian decision to renounce claims to the West Bank and Gaza occupied by the Israelis, is expected to lead the Palestine Liberation Organization (PLO) to create a government-in-exile which, to add insult to injury, might even be headquartered in Baghdad or in Cairo.

There will not be any room for Syria's pet Palestinians of the stamp of Abu Musa and others. Already sensing the change, pro-Syrian groups like the Popular Front for the Liberation of Palestine (PFLP) of George Habbash have declared themselves favorable to such a move; no one wants to miss the chance of a portfolio, even an exiled one. Doubtless, Habbash's move may also have been inspired by the desire of the Syrians to be able to subvert from within rather than without. There is nonetheless the concrete danger that Habbash will then use whatever role he has in such a government, as leverage to gain more independence from the Syrians. This may leave Damascus with the only card it is good at, deploying international terrorists against key Palestinian figures.

According to intelligence sources, this series of events has put President Assad into a state of cold fury. One of the first victims of Assad's temper was State Department envoy Richard Murphy, when they met in Damascus on Aug. 5. Murphy had come to assess Assad's reactions to King Hus-

sein's move, as well as to present the latest list prepared by the State Department for the Lebanese presidential elections. Murphy's list contained five names. Breaking with his pattern of never displaying emotion in diplomatic negotiations, Assad went into a fit of rage and asked Murphy whether there were any American troops in Beirut. He then threw the list into the garbage, saying that Syria had already made its choice for Lebanon.

Intelligence sources report that, as of that time, this was actually not the case. However, Assad then decided to throw all caution to the winds and granted his support for the candidacy of former President Suleyman Franjeh, in full knowledge that the candidacy could not be accepted by the mainstream of the Christian community, which recalls how he had called on Syria to intervene in 1976.

Only a few weeks earlier, Assad had felt confident enough to consider a compromise candidate for Lebanon. When Franjeh had first requested his backing, Assad had gone into a flattering tirade on how Franjeh was "too important" to be encumbered by the mere post of Lebanon's President. Franjeh returned home, his hopes doused.

This rapid change of mood indicates that Syria is committed to consolidating its power in Lebanon as rapidly as possible, regardless of the blood price to be paid. Lebanon is Syria's last card for the time being. It needs a stooge as President to implement rapid political and constitutional reforms. Syria's sudden shift has also been prompted by the fact that Iraq, since the lull in the Gulf war fighting started, began investing arms and money in Lebanon. Samir Geagea's Lebanese Forces as well as the PLO have been the recipients of this explicitly anti-Syrian military aid.

Lastly, Lebanon is important because that is where the hostages are located. After his row with Murphy, Assad sent a request that U.S. Ambassador to the U.N. Vernon Walters come to Damascus. This has nothing to do with the Lebanese elections, obviously. Syria wants to impress on Washington that ongoing negotiations between the United States and Iran will be fruitless, unless Syria's role is recognized. The same message prompted the visit of Velayati to Damascus, with Iran calling on Syria to "help." That is at least a card that Assad can play right now.

While he is not expected to hamper Iran's promises to West Germany for a rapid release of the one West German hostage, some delay may occur as far as the American, and especially the British, hostages are concerned. Assad is also furious at the fact that while London is taking the fast lane to reestablishing full relations with Iran, the country which ordered the kidnaping of the hostages, there is no change in Anglo-Syrian relations. London is still adamant that Syria has not displayed enough willingness to break with terrorism. This has become a major problem in the relations between Syria and the European Community as a whole.

Hence, Syria's political silence bodes no good, but contains the seeds of Hafez al Assad's usual bloody tricks.

González creeps toward 'dialogue' as terrorists escalate attacks

by Katherine Kanter

A scandal of great proportions has broken out in Spain, since the Aug. 3 court order of prison without bail for two high-ranking police officers, José Amedeo Fouce and Michel Domínguez Martínez, accused of having organized hit squads against the Basque terrorist group ETA. The press and the left wing, which maintain that all policemen are potential torturers and murderers, are having a field day with the Amedeo case. Is their joy justified?

It is no secret, that ETA and its political fronts like Herri Batasuna, which used to be run by rotten ruling circles in the West who wanted to have a lever to use against General Franco, have, in the last five years, been completely purged and retooled as a strike force by the Soviet Union. Herri Batasuna is now holding anti-American demonstrations, and demanding that the U.S. bases and all U.S. troops be pulled out of Spain. In June, the Portuguese police leaked to the press that a Soviet citizen, Serguei Yegorov Aranceta, was heading an ETA commando unit hiding out somewhere in their country. Terrorism is no longer a police security matter, it is a military matter.

Pattern of escalation

Let us glance through a partial list of the incidents involving terrorists that have occurred since July 12, the day the two officers were first jailed. It is partial, because the daily press reports do not mention all the "minor" bomb attacks, industrial sabotage by "ecologists," and so forth, unless there are victims.

- July 12: Anti-tank grenades, weapons, munition, and 100 kgs of the high-explosive amonal are found in an ETA cache near Bilbao. Also found is a vehicle fitted out with grenade-launchers, and equipment for faking license plates. The ETA cell was preparing an attack on the San Sebastian naval headquarters, an attack on the civil governor of that City, and a car bomb attack on a police van, according to notes found in the cache.

- July 13: French police discover in a cache set up by the

ETA member Julen Madariaga, a machine to make grenades, grenade-launchers, and equipment to fix bombs to the chassis of police cars. Julen Madariaga was one of the darlings of the international left scene in the 1970s.

- July 15: It is made public that unnamed Spanish banks offer to guarantee the payment of the huge ransom which ETA is demanding for the industrialist they kidnaped on Feb. 24, Emiliano Revilla, to the tune of well over \$3.8 million. "Control Risks," a branch of Lloyds' Insurance, is called in by the industrialist's daughter to figure out how to get the money into the hands of ETA, by tricking the French and Spanish police who have been working closely to stop the ransom being paid. It does seem, that Lloyds', Control Risks, and the "unnamed" banks may be conniving to pay into the hands of murderers, a sum of money enough to keep ETA going for one full year. (When the Italian Instructing Magistrate Alessandrini once publicly mooted the role of Lloyds' Insurance in affairs involving the Red Brigades in the late 1970s, he was shot down and killed on the streets of Milan.)

- July 15: Twelve masked individuals take a supermarket in Guipuzcoa province by storm, and destroy all the French products to protest cooperation between French and Spanish police.

- July 18: Instructing Magistrate Luis Lerga, a specialist in flight capital cases and money-laundering, is held up by armed individuals in the garage under his apartment and robbed of all his funds just as he was leaving for a vacation.

- July 18: Pierre Joxe, the new Socialist interior minister of France, announces that the judicial procedure known as "extreme urgency" started by Chirac's minister Charles Pasqua, to expel ETA members from France onto Spanish soil, has been ended, in favor of a "case by case" approach.

- July 18: Miguel Pérez Curto, a Galician industrialist, is fired on at point-blank range by two GRAPO terrorists, when he refuses to pay the 4 million pesetas "revolutionary head tax" that GRAPO is demanding from all businessmen in the province, on the model of ETA. Though severely

wounded, Pérez was able to identify one of the attackers as Laureano Ortega, a GRAPO member freed shortly before from jail, presumably for "good behavior."

- July 19: Severe violence breaks out during a strike of seamen in Las Palmas; riots break out at so many points at once, that the police lose control; barricades are set on fire, and several policemen are wounded by stones and projectiles. The civil governor states that the violence was instigated by cell members of a group called "Cultural Revolution" who do not belong to any of the striking trade unions; several are arrested. Las Palmas is the largest Soviet merchant marine base outside the Soviet bloc.

- July 19: Police are ordered to call off the *cordon sanitaire* around a factory occupied by "squatters," called Metal Mazda, near Madrid. As soon as the police leave, the squatters cover the walls with graffiti like "Bourgeois pigs, you will soon all be dead," and photographs of the Hafenstrasse occupation in Hamburg, West Germany. A German "adviser" to the squatters left the factory on or about the day a terrorist attempt failed against the NATO meeting near the naval base of Rota, in mid-June. The Socialist municipality of Madrid, is now "negotiating" with the squatters to give them a "permanent home" in the center of Madrid.

- July 19: The president of the Basque Provinces, José Ardanza, meets in Strasbourg with members of the Council of Europe, to plan a Council of Europe/European Tribunal conference in those provinces, this year, whose object is to protest so-called violation of "rights of national minorities in Europe," and "torture" by police officials in Spain. Virtually every ETA member arrested today claims, with the help of high-priced lawyers like Fernando de Salas, that he has been tortured by police.

- July 23: The ETA front Herri Batasuna, expresses joy at the jailing of Amedeo, which, they say, will "lead to the Watergate of Felipe González," the Spanish prime minister.

- July 25: 1,500 people, including members of the ETA front Herri Batasuna, demonstrate in Santiago de Compostela, demanding that members of the Galician terrorist group EGPB be freed.

- July 26: The new secretary of interior to the Basque government, Juan Lasa, says he believes that political negotiations with ETA are a good thing. Txema Montera, Herri Batasuna deputy to the European Parliament, says the same.

- July 26: A French car is incinerated in San Sebastian by terrorists.

- July 27: The Spanish Communist Party announces that they are preparing "mass demonstrations" against the new anti-terror draft legislation.

- July 28: The new Spanish interior minister, Corcuera, says that "dialogue with ETA could become a fact, if they free Revilla."

- July 31: Carlos Buñuel García, a peasant, loses both legs when a bomb goes off in a field he was ploughing near Saragossa. The bomb was left behind by ETA members setting up a grenade attack against a playground for Civil Guard



Spanish Prime Minister Felipe González: Will he let Spain slide into the abyss?

children inside a barracks.

- July 31: *El País* in a euphoric half-page article, "After Barrionuevo, Dialogue with ETA," reveals that the Spanish Socialist Party wished for positive, open mediation with ETA following political rather than security imperatives, and therefore, on July 7, reshuffled the government.

- Aug. 1: The chief officer of the Barcelona police brigade in charge of protecting endangered individuals, is charged with accepting tips and small gifts from an Arab princess the brigade was watching over, strongly smacking of FBI "stings" against the police in the United States.

- Aug. 2: Thirty masked individuals organized by Herri Batasuna, screaming atheist slogans, attack Basque government officials entering the High Mass in the order of Saint Ignacio, in the Church of Loyola.

- Aug. 2: Terra Lliure, a Catalan terrorist group which works with ETA, announces that their congress in southern France has just voted up the same platform as ETA, the so-called "KAS," which calls for armed struggle until "the territory is totally liberated."

- Aug. 3: The Spanish High Court ratifies the order of prison without bail for Amedeo and Domínguez, who were involved in the "Operations" division of the fight against ETA.

- Aug. 3: The Santander courts refuse to allow charges to be dropped against the eight Civil Guard members accused

of having used anti-riot gas against masked and armed "strikers," in a closed area, which led to the death of a rioter.

● Aug. 6: An Herri Batasuna leader says Revilla will be killed by ETA, unless the government allows his family to pay the ransom.

● Aug. 9: A ten-kilo bomb goes off in El Ferrol beside Franco's statue.

● Aug. 11: Herri Batasuna, which is helping the ETA campaign to kill off anyone who sells heroin outside ETA circuits, launches a lynch mob of several hundred people against five supposed small-time dealers in Pamplona.

● Aug. 12: A bomb explodes in front of the courthouse in La Coruña.

● Aug. 13: Twelve bombs explode in the provinces of Cantabria, La Rioja, and Alava, mainly against French automobile firms. Many more bombs are deactivated by the Civil Guard. All rail traffic in the Valley of the Ebro is cut through Aug. 12, due to bomb threats. Bombs cut the rails on the Agoncillo bridge in La Rioja. The Santander-Torrelavega highway is cut for one hour. The fact that so many bombs had been planted in such a short time, and over such a large geographical area, would seem to indicate a new logistical capability of terrorism in Spain.

● Aug. 13: In the Basque city of San Sebastian, dozens of persons are injured in a street battle between Herri Batasuna and local police. Two hundred persons throw themselves on the policemen, who are forced to turn and flee.

Government backs down

Prime Minister Felipe González's government reshuffle on July 7 bodes absolutely no good. The new interior minister, Corcuera, is a Basque electrician, with no known experience of security matters, and replaces José Barrionuevo, who had stuck to the line that to negotiate with terrorists is to negotiate the end of the Spanish nation. The signing of the Gorbachov-Reagan agreements to disarm Western Europe meant the end for Barrionuevo and fellow hard-liners like Ricardo Damborenea, who was just expelled from his post as head of the Socialist Party in the Basque Provinces and replaced by another man who has faith in "dialogue" with ETA, Ramón Jauregui.

The new Spanish justice minister, Enrique Mugica Herzog, also a Basque, is thought to be part of those U.S. Justice Department circles who bent to Soviet demands, by stripping Arthur Rudolph, Karl Linna, and John Demjanjuk of their American nationality, and setting up the June 1988 FBI raid on the U.S. Pentagon. The new minister of culture, Jorge Semprún, has shuttled continuously between France and the East bloc, and is said to be very close to French Interior Minister Pierre Joxe, who also believes in "amnesty" for "political" crimes like terrorism. Semprún was for 20 years, on the Central Committee of the Communist Party of Spain, responsible for running underground networks against Franco. Many of these "underground railways," still work and are used by ETA.

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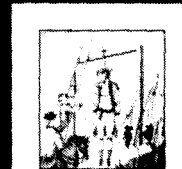
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Bills seek to grab Panama Canal for U.S.

by Gretchen Small

The introduction of two resolutions calling for the abrogation of the 1979 Panama Canal Treaties, presented on Aug. 10 by Rep. Philip Crane (R-Ill.) and Sen. Steven Symms (R-Idaho) in their respective chambers of Congress, opens a new and dangerous phase in the United States' crazy crusade against Panama.

In presenting the resolution, Crane insisted that the United States has sovereignty not just over the Canal, but over the internal affairs of Panama. The 1903 Treaties (granting the United States rights *in perpetuity* in Panama) and the DeConcini Reservation to the 1979 Treaties, express what U.S. policy must be, he argued.

The DeConcini Reservation, which declares that the U.S. has the right to intervene in Panama "unilaterally, without a prior request by the government of Panama and, if necessary, against the opposition of the government of Panama," was never accepted by any government of Panama.

Joined by the activation of various anti-treaty lobbying committees, the resolutions signal that the U.S. Establishment has decided to gear up a political mobilization on the Canal question, to prepare the ground for U.S. military action to remove Panamanian Defense Forces Commander Gen. Manuel Noriega from power, and reassert perpetual U.S. sovereignty over the Panama Canal.

The Establishment is counting on mobilizing U.S. Conservatives who never faced up to the fact that, since a U.S. right in perpetuity over the Canal will never be accepted in Panama, insisting on such claims can never secure the defense of the Canal.

Defending the Canal is not the concern of those in the Establishment running the current anti-Panama war, however. Their idea, spelled out by the Council on Foreign Relations' Richard Falk in a Spring 1978 article in *Foreign Policy* magazine, was that "ambiguities" in the Canal Treaties would inevitably lead to war between Panama and the United States, just as differences over the 1954 Geneva Accords "culminated in the Vietnam War."

U.S. military intervention over the Canal runs the risk of embroiling the United States in more than an unwinnable war inside Panama, however. All too few in Washington have considered the prospect that any such intervention might turn into a war against a unified Ibero-American fighting force. Those who have not, would do well to study the documents issued at a recent conference in Panama City on continental

integration, published on page 37.

Crane's resolution, and an Aug. 13 *Washington Post* article reporting that a U.S. interagency planning group is studying the option of military invasion of Panama, were quickly reported in the Ibero-American press. On Aug. 14, Peru's *La Crónica* put the news together. Crane's actions were discussed at the conference in Panama, *La Crónica* reports, and "unanimous" support was given to Panama's sovereignty over the Canal. "The temperament of the delegations is that any aggression against Panama, is an aggression against all Latin America, because it would set a precedent which could be repeated in any of our countries," the daily concluded.

Keep friends, or lose the Canal

Delegates to that meeting, as well as the international press, got a taste of the mood in Panama at the annual Aug. 12 military parade, held for the past four years to celebrate the founding of the elite Panamanian Battalion 2000, which will guard the Canal come the year 2000. Most U.S. media were so fixated on whether General Noriega would announce his resignation from the Defense Forces and/or declare his candidacy for the presidency (he did neither), that there was little reporting of what actually took place.

This year, the Aug. 12 celebrations were renamed an Act of Resistance for the Sovereignty and Dignity of the Nation. Panama's newly created citizen-militia, the Dignity Battalions, joined the Panamanian Defense Forces (PDF) in their parade, while General Noriega warned that Panama will fight if the 1979 Treaties are overturned.

In his speech at the ceremonies, President Manuel Solís Palma decried foreign efforts to create "a fight between the military and civilians. . . . The PDF, the soldier and the civilian, are part of a nation with the joint responsibility of making it advance. . . . Panama is one, composed of military and civilians." He added that Panama has been free from the war afflicting the rest of Central America thus far, because its armed forces believe that security requires securing the development of a nation, and the welfare of its citizens.

How long that peace can be maintained depends in large part on Panama's ability to revive economic activity. According to the Aug. 14 *Washington Post*, the Reagan administration is considering prohibiting shipments of U.S. cash to Panama (the dollar is used as Panama's national currency), or, one better, "undermining public confidence in government checks," by putting the U.S. government into the business of counterfeiting National Bank of Panama checks!

The resurgence of the U.S.-directed civilian insurgency, quiet for months, around the Aug. 14 funeral of Nazi and former President Arnulfo Arias, may prove more important, however. When an estimated 100,000 turned out for Arias's funeral service, which turned into a march against the government, opposition leaders regained confidence that they have a chance of organizing an opposition movement more lasting than their Civic Crusade.

From Noriega's speech

Here are excerpts from Gen. Manuel Noriega's Resistance Day speech, delivered in Panama City on Aug. 12.

. . . For the first time in the Republic's history, representative units of our armed forces are marching together with the Dignity Battalions, which are the people armed for survival. We have armed these people, and those weapons will not be taken back, because they belong to the people. These are the people armed for survival against aggression. . . .

We insist: Not even the largest army in the world can defend the Canal, as Gen. [Wallace] Nutting used to say, as Gen. [Paul] Gorman repeated, as Gen. [John] Galvin stated: They cannot defend the Canal, even if they post U.S. soldiers inch by inch along the Canal from the Atlantic to the Pacific! The Canal can only be defended by those who live along its banks, by its owners, by those who gave it birth, by the Panamanian people!

And today, just as U.S. law permits the truth to be known after 10 years, we want to report that if they had not approved the Torrijos-Carter Treaties, Torrijos would have blown up the Canal. These men who are here were going to blow up the Canal. . . . They were already in the heart of the Canal, and these men were moved to tears when they were told to halt, that the order is not to blow up the Canal, because the Canal is now Panamanian. . . .

Yesterday we said: Respect Panama; take your hands off Panama. And we are saying it again today, in the presence of the aristocracy of talent which accompanies us in the summons Toward the Second Amphictyonic Congress. We repeat: Take your hands off Panama. . . .

They have wanted to impose on us a democracy, patented *Made in USA*. With what right do they demand a democracy, when they wish to deny us the right to have an independent, free, and sovereign nation—without which democracy is not possible? Because without a fatherland, no political system is viable. The nation comes first: The territory, the single flag, and sovereignty are what permits the selection of a democracy reflecting the image and profile of the people. . . .

Noriega is not the problem. Noriega did not exist in 1968 and in 1970, when Torrijos faced the empire. Nor did Torrijos exist in 1952 and 1955, when Gen. Remon Cantera faced the empire. . . . The problem is a people, and this people is called Panama. . . . So forget about Noriega. Perhaps Noriega is the last "nice guy" left. If not, ask [Maj. José Hilario] Trujillo and [Maj. Luis] Córdoba. It is preferable, then, that you put up with Noriega.

Democracy can no longer exist here without including

the peasant who works the land and the worker who works for hours in the shop or the factory, and who have equal rights to those who invest capital or who apply technology and the knowledge learned in their professions. This concept of participation is what avoids violence, the armed struggles whose example we have very nearby, in other brother countries. . . .

Far from retreating, frightened by those who attempt to become our masters, we wish to continue being worthy of the peoples who struggle against underdevelopment and dependency. . . .

Many Panamanians naively believed that with the new 1977 treaties, Panama and the United States were going to begin a permanent honeymoon, forgetting that for the United States, a treaty is nothing but, as Torrijos said, a useful but ephemeral act. That the best of treaties can only be judged at the time they are signed, and that the United States signs treaties knowing full well that it is going to violate them blatantly. . . .

From the beginning of the Republic, the United States has intervened directly and indirectly in Panama with the objective of achieving the establishment of a government that would be docile to the interests of that power. . . .

Several strategies are used for this purpose: popular urban insurrection . . . the buying of consciences, with a \$100 million fund . . . rented rebellions, with the goal of fostering a split in the armed forces. . . .

Today there is a new destabilization strategy, which consists of . . . a change in the structure of personnel in charge of the Canal, in order to give authority and responsibility for command to the secretary of the Board of Directors. The Canal will be run by remote control from Washington, eliminating the authority of the administrators. . . . Lowering the Panama Canal Commission budget, which will decrease the funds allocated for maintenance, personnel training, and probably result in a reduction of the labor force. . . . The purpose of this is to turn workers against the government. . . .

Canal revenues have been transferred to aid the Contras—that's why they refused to allow the Canal books to be examined. . . .

I want to tell you that Washington invested more than \$100 million in this war. . . .

From here, from this land free of colonialism, I am telling the world that no soldier or dependent of the U.S. armed forces, male or female, has been killed, injured, kidnaped, or reported missing. . . . The international community must know that throughout this entire period of crisis, the Panama Canal's operation has not been in any way hindered or jeopardized. . . .

You can rest assured that the next President of this country will come by legitimate consultation with the ballot boxes, and will not be imposed from the barracks of the Defense Forces, nor the Union Club bar, nor Washington's sullied air of scandals and deals. . . .

Mass flight from perestroika

The dramatic increase in emigration of East bloc ethnic Germans to Germany has everything to do with austerity

An ever-increasing flow of immigrants from the East bloc into West Germany is reported. In 1987, some 78,000 came; by the end of 1988, the figure will have tripled. More than 200,000 are expected to arrive in Germany, mainly from the Soviet Union, Poland, and Romania, but also Hungary, Czechoslovakia, and Bulgaria. A cautious prognosis by experts speaks of some 2 million to be expected by the end of 1991.

All in all, 3.5 million ethnic Germans are still living in the East, 2 million in the Soviet Union, 1 million in Poland, and about 220,000 each in Romania and Hungary. Most of them can be traced back to the big emigration treks of Germans to the East in the 17th and 18th centuries. Ironically, their fate comes full circle: Then, they tried to escape limitations and repression under the German oligarchs; today, they flee from repression by the postwar czars of the East.

To these 3.5 million ethnic Germans, one has to add the 17 million Germans living under Soviet domination in East Germany. All in all, more than 20 million Germans have been kept hostage by the Kremlin since 1945.

With very rare exceptions, as for family reasons, most of the ethnic Germans prefer to settle in West Germany. They are emigrating mainly for economic-social reasons, because working and living conditions are getting unbearable with the pace of militarization imposed on the Warsaw Pact economies under the *perestroika* of the Ogarkov Plan.

A special problem emerged in Ro-

mania, with dictator Ceausescu's crazed plan to eradicate some 8,000 villages in the northwestern regions, where more than 200,000 ethnic Germans are cut off from food, new housing, medicine, churches, and literature. Better skilled and a bit more productive than most of the indigenous Romanians, they are deprived of whatever they produce by the regime for exports into the Soviet Union and the West, and what is left is the poor ration of potatoes the average Romanian has to live on.

Faced with a similarly worsening situation, many of the 2 million ethnic Hungarians living next to the German minority in northwestern Romania, escape into neighboring Hungary. Reports have it that since the beginning of this year, at least 40,000 ethnic Hungarians have gone west.

The ethnic Germans don't have that choice to just cross the border, and that is why Ceausescu is using them for blackmail of West Germany. Since the mid-1970s, after the signing of the 1975 Helsinki Accord, an "emigration quota" has been arranged between Romania and West Germany. A few thousand would be allowed to leave Romania each year, at a fixed "per capita price." First, this was 3,000 deutschemarks the Bonn government had to pay, then 5,000 and 8,000, and since the end of 1987, the "price" is 15,000 deutschemarks.

In late spring 1988, Ceausescu made a cynical offer to Bonn to bail out all of the German minority for a "preferential, one-time sum." Rumors have it that the Romanian dictator thinks of a sum of up to 12 billion

deutschemarks. The Bonn government, having been a business partner with Ceausescu in this despicable trade with human lives for reasons of "détente" propaganda, speaks of 2.5 billion. A big public outcry has emerged over the Romanian issue, but less attention is paid to the fact that the Polish regime has no such "emigration quota" for ethnic Germans, but is generously being provided with credit lines from West German banks. No public attention is placed, either, on the fact that East Germany has been "selling" emigrants to the Bonn government for a sum of between DM 50,000 and 100,000 per capita for years.

This trade with human lives, which goes along with rosy statements on "more conciliation on the eastern side" and a new "level of tolerance" on the part of East German leader Honecker or Moscow's Gorbachov, is disgusting enough.

The fact that the figures of immigration from the East are pointing upward, and the costs the immigrants impose on West German society, may cause a shift of perception, and hopefully also of policy, in Bonn. The costs are immense, because the immigrants, mostly whole families, arrive with nothing more than a few bags filled with some clothes and other personal belongings. They need homes and jobs, schools and medical care, also professional training—and credit.

The Bonn government is posed with the alternative either to continue its austerity policy and worsen the social situation in Germany, or to return to the rapid-growth economy of the 1940s and 1950s, when 13 million German war and post-war refugees and expellees from the Soviet-occupied East were successfully integrated in the free western part of Germany.

India's Eighth Five Year Plan

Where does the money go? A little talked-about report throws light on the much-discussed "resource gap."

A recent report on government debt from the office of India's Comptroller and Auditor General has added weight to fears that the country is heading for an increasingly severe resource crunch that may cripple the Eighth Five Year Plan, which begins in 1990.

At about \$22 billion, the present budget deficit is still manageable. But public debt is growing so fast that the government may soon be in the unenviable position of borrowing more just to pay interest, the report indicates.

The news is not really new. But is there a way out? Most practitioners of the dismal science and those who would like to discredit the present government for apparent short-term political gains are already targeting the big-ticket "non-plan" expenditure items such as defense and various subsidies—mostly for agriculture—for the chopping block.

Curiously, meanwhile, a wall of silence surrounds another government report that proves that some \$20 billion is being salted away on 300-odd mismanaged government projects. Anyone serious about a way out of the "resource crunch" would recognize, in the 1987-88 report of the Ministry of Program Implementation, a road map to the proverbial buried treasure.

There is no doubt that Prime Minister Rajiv Gandhi had precisely this in mind when he set up the new ministry in 1985-86. Now that its first comprehensive report is out, action appropriate to the horrifying extent of waste it documents is called for. It will go a long way to balancing the budget, and speeding up economic growth in general.

The Ministry's Project Monitoring Division was charged with monitoring all projects of approved capital cost of \$15 million or more. Breaking down the projects according to the size of financial outlay—Mega, Major, or Medium—the Division gave a status report on 311 projects in 13 sectors. This "Flash Report" documents the nature of the project, the estimated cost, the anticipated cost, the expected date of commissioning, and the length of delay.

The results read like a "Can You Top This?" of economic suicide cases. Of 124 Mega and Major projects, at least 78 have already been delayed, and their anticipated capital cost has escalated by 71%. For the 124 projects, estimated completion costs have jumped by 52%, an increase of more than \$17 billion in real terms—or nearly the equivalent of the budget deficit!

The cost of time overruns in terms of loss of rated production from the day the project was scheduled to go on line, has so far not been considered.

The report attempts to identify the causes of cost and time escalation. A prominent theme is lack of project preparation prior to investment. For example, the Koel-Karo Hydropower Project in Bihar, where dams on two rivers are to produce 710 MW of electrical power. Begun in 1982, the project was originally estimated to cost \$280 million. Five years later, the anticipated capital cost has nearly quadrupled, and the December 1988 completion date is viewed as fiction.

What happened is a familiar story. No provision was made for the 7,000

families who would be displaced by the dams and reservoirs until two years into the project, when the matter was taken to the Supreme Court. Now the project has virtually come to a halt, while the Bihar government, under court order, prepares a multimillion-dollar rehabilitation and compensation plan. The only thing moving is overhead expenditures. It is anyone's guess when, if at all, and at what final cost the project will be completed.

Another example that shows more dramatically the implications of the problem, is the Vishakhapatnam Steel Plant in Andhra Pradesh, designed to produce 2.66 million tons of steel per year and started in 1979 with commissioning slated for December 1987. The rescheduled commissioning date for the "first stage," producing only 1.2 million tons of steel per annum, is a probably fictitious December 1988.

What went wrong? Everything, probably. The machine shop took seven years to complete (a similar one was built at a private-sector steel plant in two and a half years, at half the cost). The project cost has already risen by \$3.0 billion—enough to build two more integrated steel plants of the same capacity—and the final cost of the project could be as high as \$7.2 billion. This kind of cost-overrun means the plant can never make a profit unless the price of steel is jacked up more than 200%.

Instead of producing wealth for the nation, Vishakhapatnam and hundreds of other projects are eating up the nation's wealth. It is common knowledge that large government projects are the focus of "milking" by politicians and enterprising bureaucrats. The Ministry of Program Implementation doesn't say this, but how else can you explain the portrait the report does detail, of sloppiness, incompetence, and poor organization at virtually every stage?

President presses ahead on austerity

The Mexican system's refusal to ease austerity further splinters the ruling PRI party.

President Miguel de la Madrid's insistence on increasing austerity in order to continue paying the \$102 billion foreign debt under the terms set by the International Monetary Fund threatens to split the ruling PRI party at the very moment it most needs unity. The PRI's narrow majority in the newly elected Chamber of Deputies, which will have the final say on who won the disputed July 6 presidential election, will become a minority if labor-based PRI deputies continue going over to opposition candidate Cuauhtémoc Cárdenas.

De la Madrid renounced all his economic maneuvering room Aug. 3 by shooting down rumors he would declare a moratorium on the foreign debt. He told a bankers' meeting that during his final four months in office, "We will avoid demagogic acts or irresponsible pronouncements in favor of a unilateral moratorium, which I understand from opposition parties as an electoral tactic argument, but do not understand from responsible people."

The President pledged to the bankers that he would continue taking "the necessary measures, maintaining fiscal, monetary, and credit discipline—always within the framework of the Economic Solidarity Pact. . . . This is no time to falter, nor to weaken our steps, which have given us such good results."

On Aug. 14, De la Madrid announced the next stage in the Economic Solidarity Pact, a seven-month old corporatist agreement among government, business, and labor. He froze

all wages and many prices. This came as a shocking insult to PRI party labor leaders who had been demanding 43% wage increases to make up for the decline in real wages over the past three years, and had been offered 7% by business. De la Madrid's freeze condemns the country to deeper poverty, lower consumer demand, and deeper recession. That is exactly what ex-banker Agustín Legorreta had said was the substance of the pact.

Carlos Salinas de Gortari, whom the government has named "President-elect," remains fully committed to another six years of austerity and growing poverty. As Budget and Planning Secretary for De la Madrid, he drafted the austerity program. On the eve of the elections he proclaimed, "As for the debt, we put firm negotiations over and above open confrontation." Thus, he pledged to stick to the IMF's rules of the game. Salinas also said his administration would continue the recessionary Economic Solidarity Pact.

Proof that he was serious is that Antonio Ortíz Meña was recently named as the "brain" of his administration's economic program. On receiving a medal from De la Madrid Aug. 1, he called for the Economic Solidarity Pact to continue during the Salinas term. As for his own role in it, "if the next regime calls me, there is no doubt I will come."

Ortíz Meña was given the post of president of the PRI transition team on foreign debt and financing. He is well known in Mexico for having twice been finance secretary, and is trusted

on Wall Street for the way he ran the Inter-American Development Bank to make sure the region's debtor nations put debt service over and above development.

Cárdenas was the real winner of the presidential elections because he articulates the Mexican people's desire to put development over and above debt service. He told a rally in the city of Tlaxcala in early August, "We cannot separate the immediate political struggle from the great majorities. We must *suspend servicing the foreign debt under its current terms*, deepen agrarian reform, protect natural resources, and raise wages."

He repeats this theme everywhere he goes. At the National Polytechnic Institute in Mexico City, Aug. he declared, "We are millions of Mexicans who have decided not to surrender until we achieve democratic transformations in the economic, political and social fields." On Aug. 12, in Colima, he demanded, "Recognition of the popular will expressed at the polls and policy changes to obtain better living standards, economic growth and restoration of the country's dignity."

On Aug. 14, the former head of the PRI, who is now serving as Cárdenas's campaign manager Porfirio Muñoz Ledo, hit the nail on the head. Muñoz Ledo explained to one of the 14 rallies held that day in Mexico City the real issues underlining the opposition's persistence in fighting the vote fraud committed by the government: "If they defraud us now, tomorrow they will not respect the popular will. If we tolerate that they steal elections from us, we will not be able to do anything tomorrow; democracy is today." He concluded, "If Mexico wins, if the people win, better days for our history will come. We will be able to better negotiate the debt and the struggle for sovereignty will revive in many regions of the continent."

Ecuador disrupts Ibero-American unity

The Socialist International used the inauguration of its newest President to sow regional discord.

Rodrigo Borja's inauguration as President of Ecuador Aug. 10 was used by the Socialist International as a stage for disrupting the movement toward Ibero-American unity. Ever since plans were set for the Panama City "Meeting Toward the Second Amphictyonic Congress" at roughly the same time, Socialist International agents began building up the Borja inauguration as a counter-event.

Venezuelan ex-President and Fidel Castro confidant Carlos Andrés Pérez went to great lengths to upstage the Panama conference.

In an Aug. 10 radio address, Borja claimed, with some exaggeration, "This is the most important international meeting that ever took place in Latin America on the occasion of a presidential inauguration." The Cubans had the conflict between the events in Panama and Quito, Ecuador, on the top of their minds. Havana's Cubavision Television asked Fidel Castro Aug. 11, "When Simón Bolívar called for the amphictyonic congress in Panama in one of his letters, he thought of the city of Quito as an alternative to Panama. What do you think?" Castro replied, "If you ask me to vote, I would vote for Quito."

Reagan and Gorbachov agreed at the Moscow summit that Cuba be reintegrated into hemispheric diplomatic affairs. Borja provided Fidel Castro with his first invitation to South America since 1971, giving him an excellent chance to meet a half-dozen Presidents, including Colombia's Virgilio Barco. Barco's Liberal Party decided, just four days after that meeting, to join the Socialist International.

Nicaraguan President Daniel Ortega was another honored guest. As one of his first acts of office, Borja restored diplomatic relations with the Sandinistas, which had been broken by his predecessor.

Integration among the non-communist Ibero-American states, however, did not fare so well. Borja used his inauguration speech to fan the embers of a long-resolved border dispute with Peru. He declared, "We want to settle the territorial dispute that we have had with Peru for such a long time. The existence of this conflict precludes the possibility of attaining economic and social development in the two countries." He demanded "respect for our rights in the Amazon region." The "dispute" had been settled by the Peace and Border Friendship Treaty, signed in Rio de Janeiro in 1942.

Suspecting that Borja might pull such a stunt, Peruvian President Alan García did not go to the inauguration. But he sent a hefty delegation, including Vice President Luis Alberto Sánchez. Sánchez later noted, "an hour and a half to go, news arrived that the speech President Borja was to give had a paragraph alluding to Peru, which is a question which for us is completely settled within a juridical framework." He tried to get the paragraph omitted, but "it was not possible to get any results and, therefore, we did not attend" the ceremony.

Peruvian Foreign Minister Luis González Posada added that Peru's attending the Borja inauguration would have meant accepting his demands in respect to presumed rights over Ama-

zon territories. He stressed the key point: The continent faces much more serious problems, such as foreign debts, narcotics traffic, and terrorism. "We should solidly join together on those themes for what we consider defense of the continent," he insisted. "We seek to add, not to subtract; we seek to multiply, not to divide; and that is our position."

In a speech to his countrymen, Alan García also nailed Borja for his effort to sabotage the historic movement to unite Ibero-America: "To affirm, reiterate, and repeat that there is a conflict after having signed a treaty accepted and guaranteed by other countries, does not contribute to the integration and harmony of the peoples."

García's statement highlights how an arcane border question, which on the surface appears to just be Borja throwing a chauvinist bone to his country's nationalists, has much graver implications. The Rio Protocol signed by Ecuador and Peru in 1942 is guaranteed by four countries: the United States, Argentina, Brazil, and Chile. If Ecuador could get away with unilaterally abrogating that treaty, it would provide a very dangerous precedent for the United States to try to abrogate the 1977 Panama Canal Treaties, despite their being guaranteed by 22 other republics.

In the 19th century, England used "balance of power" schemes to "divide and conquer" South America. Today, border conflicts between neighbors play much the same divisive role for Henry Kissinger's geopolitical strategems. His protégé David Ronfeldt elaborated in mid-1970s RAND Corp. studies how to manipulate a "Second War of the Pacific" in South America. Every time regional integration advances, long-forgotten border conflicts spring back to life like a phoenix.

International Intelligence

New book on Hitler, Stalin 'monsters' pact

A new book by two British authors documents how enthusiastic Josef Stalin actually was to form his alliance with Adolf Hitler in August 1939. The book thus contradicts the Soviet propaganda line that the Hitler-Stalin Pact was only a defensive move forced on Stalin because of Western nations' unwillingness to heed his warnings about Hitler.

The book, written by Anthony Read and David Fisher, is entitled, *The Deadly Embrace*, and is reviewed in the Aug. 16 edition of Britain's *Independent* newspaper, under the title, "Monsters' agreement."

The book reports that one German deserter who escaped to the Soviet Union to warn Stalin about the Nazis' imminent invasion was shot for spreading "disinformation." Stalin himself believed that the Soviet-Nazi alliance could provide the basis for a new world order, a new division of the world between the Axis powers and Soviet Russia.

"Cooperation between Germany and Russia was genuine," the *Independent* review reads. "Stalin enabled the Reich to break the British economic blockade and to defeat France, while Communists in Europe and the United States devoted themselves to the sabotage of the war effort." Stalin "ignored detailed warnings from Churchill and Roosevelt, as well as from Comintern spies, to the effect that Germany was methodically preparing to invade. Russian trains loaded with essential grain and raw materials were still steaming towards the border when German bombers destroyed them in 1941."

Because of Stalin's attitude, the Soviet Union's defenses were "in a state of pitiful unreadiness" when the Nazis actually launched Operation Barbarossa.

Fundamentalists on rampage in Egypt

Muslim fundamentalist sympathizers of the Islamic Jihad terrorist organization in Egypt

went on the rampage for two days Aug. 12-13. The rioting left five persons dead.

The riots erupted when Egyptian police penetrated into the Al Zahraa quarter of the Ain Shams suburb of Cairo. They were looking for two members of Islamic Jihad who had planned a spectacular jail break last month, in which three leaders of the group who had been involved in the 1981 assassination of President Anwar el-Sadat escaped.

The three were spotted, and two were killed by police gunfire. However, as soon as the police entered the quarter, they were met by a barrage of stones. Armored vehicles and paramilitary forces were brought in. On Aug. 12, two persons were killed, and three more died the following day, including two children and a policeman.

Although similar rioting occurred in Aswan and Asyut during August, the Cairo riots were the worst in years, said police sources.

Border clashes between Venezuela, Colombia

Recent border incidents between Colombia and Venezuela have revived tensions between the two capitals.

On Aug. 6, two Venezuelan National Guardsmen opened fire on a Colombian boat on the Rio Orinoco, killing two aboard. Angry Colombians retaliated in a nearby border town; the car of the consul was burned.

Colombia's Foreign Ministry issued an official protest; the Venezuelans responded by protesting the protest, and issuing their own protest for the attack on the consul.

The Bogota daily *La Prensa* fanned the flames, carrying articles charging that Venezuelan border violations are a daily practice; that Venezuelan military actions inside Colombia in 1988 have resulted in 40 deaths and 50 tortured; 50 people arrested by Venezuela's military have disappeared; and so on.

Tensions between the two countries have revolved around the disputed waters in the Gulf of Venezuela, including two disputed islands, Roncador and Quitosueño.

4,000 workers strike Polish coal mine

Four thousand workers began an occupation strike at a coal mine in southern Poland Aug. 16, demanding recognition of the outlawed Solidarity union. A mine official at the Manifest Lipzowy mine in Jastrzebie, near the city of Katowice, said all coal output at the site has come to a halt.

Solidarity leader Lech Walesa said the walkout was due to the failure of government efforts to reform the faltering economy and an inflation rate of almost 50%.

"I think such actions will increase; more protests are unavoidable in a situation where inflation is soaring."

About 900 workers pressed for recognition of Solidarity at rallies at the Rudna Copper Mine in southwestern Poland. Police and Solidarity supporters clashed at the Baltic port city of Gdansk a day earlier.

Thatcher intends to hit IRA financing

British Prime Minister Margaret Thatcher stated on Aug. 15 that her government's fight against the terrorist Irish Republican Army (IRA) will focus on cutting funding conduits to the organization.

Under the heading, "Thatcher Plan to Hit IRA Finances," the *Times* of London Aug. 16 quoted a letter issued by the prime minister, stating the government's "intention to broaden and strengthen the existing offenses in the Prevention of Terrorism (Temporary Provisions) Act. The scope of the prohibited conduct will be expanded so that it will more clearly cover the sort of activities and transactions carried on by banks and other financial institutions, and accountants and other financial advisers. Facilitation of the retention or control of terrorist funds will be an offense."

The police will in the future be helped to "carry out investigations into suspect funds."

One British source told *EIR* that one point of tension between the Thatcher govern-

Briefly

ment and a prospective Dukakis presidency, is the question of "IRA funding coming from the United States," especially from the Boston area.

Some novel proposals from Fidel Castro

During the inauguration of Ecuador's new leftist President, Rodrigo Borja, in Quito Aug. 10, Fidel Castro had some novel proposals for the other Ibero-American Presidents in attendance. Castro chose his meeting with Colombian President Virgilio Barco to air them.

First, proposed the Cuban dictator, Barco ought to take the lead in creating a presidents forum for all of Latin America, which would increase the scope of the Group of Eight Contadora support group, to include the other nations of the continent—obviously including Cuba. Although he is not often so addressed, Fidel Castro is also "President" of Cuba.

Second, proposed the Cuban dictator, Barco, whose nation is under siege by drug-traffickers whose chief financial angel is Robert Vesco, currently based in Cuba—although Castro did not mention that fact—should take the lead in redefining the drug problem as caused by the United States, whose drug consumers provide the major market.

During his inauguration stay, Castro also met with Presidents Alfonsín of Argentina, Arias of Costa Rica, Ortega of Nicaragua, and Soares of Portugal.

Art exhibit reveals Moscow as 'Third Rome'

"Suddenly, Moscow again feels itself the Third Rome," headlines an article in the Aug. 15 *Die Welt*, a West German daily. It reviews an art exhibit at the Gottorf Castle in Schleswig, West Germany, on the subject, "1,000 years of Russian art," with the official title, "The Art of Russia Under the Sign of Orthodoxy." The exhibit will move from there to Tokyo and Paris.

The exhibition is "not only a question of art, but also about the furtherance of politics by other means," says the review. "The government in the Kremlin is reverting openly to an old tradition. Under the Czars, there was a clear, wide-ranging arrangement of understanding between Orthodoxy and the state. Stalin had, in the Second World War, returned to the concept of this tradition, in which he—in reference to the 'Patriotic War' against Napoleon—spoke of the 'Great Patriotic War,' and appealed to Great Russian nationalism under the organizing unity of the church.

"Now, Gorbachov has discovered these 'transmission belts' for himself. By the same token, Russian great-power theory is never alien to, but is allied to, a universal appeal. Moscow conceives itself as the 'Third Rome,' according to the—if at the same time falsified for power politics—prophecy of the Monk of Pskov, Philotheus: 'Two Romes have fallen, the third exists, and the fourth there will never be.' "

Botha warns Washington against sanctions

South African President P.W. Botha, after the U.S. House of Representatives passed a resolution calling for sanctions against South Africa, said that any regional peace settlement may be off if the United States goes through with the sanctions.

Botha stated on Aug. 13 that the "implementation" of Resolution 435, the U.N. settlement plan for Namibia, which is part of the U.S.-Soviet deal on southern Africa, could be "obstructed" or "made impossible as a result of provisions in American legislation."

One of South Africa's conditions for Namibian independence is that the international community take over responsibility for the territory's debts to Pretoria, a measure which could be impeded if the U.S. sanctions bill becomes law. Botha called the "recklessness of members of Congress" who passed this bill "astounding."

President Reagan is expected to veto the bill.

● **A TOP MEMBER** of Abu Nidal's terrorist organization appears to have lived in Sweden after the February 1986 murder of Swedish Premier Olof Palme. Samir Mohammed Khadar is believed to have died during the attack on the Greek liner *City of Poros*. Hidden weapons and "other proof" led Swedish police to conclude that he was planning an attack on Stockholm's Arlanda International Airport.

● **THE VATICAN'S** strict adherence to the *Filioque* doctrine stands in the way of church unity, Russian Orthodox churchmen charged at a congress of the Ecumenical Church Council in Hanover, West Germany Aug. 12. The *Filioque* clause of the Nicene Creed holds that the Holy Spirit flows equally from the Father and the Son, and is the foundation of religious-based Western moral values.

● **OTTO HAPSBURG**, former pretender to the throne of Austria, is on a first-ever tour of Eastern European countries, including stopovers in Hungary, Czechoslovakia, and Poland, on behalf of the European Community.

● **PRINCE PHILIP**, Britain's royal consort, stated in a recent interview that, were he to be reincarnated, he would want to come back to life "as a deadly virus . . . in order to reverse the population explosion," according to a Deutsche Press Agentur news release. Informed sources believe he has already reached his goal.

● **MARSHAL** Sergei Akhromeyev, the Soviet chief of staff, will address the second annual Olof Palme memorial, at the Stockholm Institute for Peace Research on Sept. 29. Akhromeyev will speak on peace and disarmament. Swedish Premier Palme was assassinated in February 1986.

The battle for the presidency is on

by Jeffrey Steinberg

With the conclusion of the Republican National Convention in New Orleans on Aug. 18, the 1988 United States presidential campaign has entered its final and decisive phase.

Vice President George Bush's Thursday, Aug. 18 speech accepting the Republican presidential nomination had been touted as the critical test of whether Bush could step out from behind the shadow of Ronald Reagan, and carve out a clear image as a strong leader capable of fulfilling the requirements of the presidency during a period of grave crisis and severe challenge.

But it was, in fact, a series of actions by Vice President Bush and President Reagan during the weeks leading into New Orleans that set the direction of the remaining 82 days of Campaign '88.

The SDI issue

- On Aug. 2, speaking before the Mid-America Committee convention in Chicago, in what was billed as a major policy speech, Bush delivered his strongest and most unequivocal endorsement to date of President Reagan's Strategic Defense Initiative, a policy associated internationally with Lyndon H. LaRouche, Jr.

Vowing to press ahead with the SDI and to achieve as early a deployment as the technologies permit, Bush sent the first serious public signal of his commitment to carry forward the program that was the high mark of the Reagan presidency.

- The very next day, President Reagan vetoed the Defense Appropriations Bill—principally because it imposed life-threatening cuts in the SDI budget. For the first time since the disastrous INF treaty ratification and President Reagan's Moscow summit lovefest with Gorbachov, the White House showed signs that it was once again awake to the ongoing threat posed by Moscow's growing military supremacy.

According to high-level Pentagon sources, the renewed commitment to SDI was fueled in part by a series of recent military intelligence reports presented to the President that showed that, over the past 12 months of *glasnost*, the Soviet Union had experienced its greatest surge in military production and military R&D in decades.

Another contributing factor, according to the sources, was a series of briefings that the President received from his old friend Dr. Edward Teller, indicating new breakthroughs in SDI research that proved the overall feasibility of the strategic defense program.

In fact, Dr. Teller's report to the President reportedly demonstrated that, had the SDI program proceeded as originally envisioned in Reagan's March 23, 1983 speech, the United States and her European and Asian allies might have already deployed a first generation system.

At an Aug. 4 White House press conference convened to elaborate on his reasons for the defense bill veto, President Reagan called upon *EIR* correspondent Nicholas Benton, and made his now famous quip calling Democratic presidential nominee Michael Dukakis an "invalid." Within moments, Dukakis's still secret medical records and the published reports of his two bouts with clinical depression grabbed world-wide headlines.

In a matter of days, Dukakis's imposing 17% lead over the still-to-be-nominated Bush fell by 10 points. By the time the mental breakdown flap had died down and the GOP convention opened, the pollsters were pronouncing the race too close to call.

- On the eve of the Republican nominating convention, Bush named Treasury Secretary James Baker III to replace Lee Atwater as his campaign chairman. Even more significantly, Bush announced that Paul Laxalt, the former senator

from Nevada, one of President Reagan's longstanding and intimate political allies, would be his campaign co-chairman.

At that point, President Reagan himself announced a personal drive to secure the election of his two-time running mate to the nation's highest office.

It was in the context of these events that Vice President Bush announced his choice of Indiana Sen. Dan Quayle as his running mate upon his arrival at the New Orleans convention on Aug. 16. A Reaganite conservative who had been one of the strongest voices for the SDI on the Senate Armed Services Committee, and who had been one of the last hold-outs opposing the INF treaty, the 41-year-old Quayle symbolized Bush's determination to place himself squarely within the conservative wing of the party, while at the same time asserting his intention to take charge of the ticket—rather than forge what would have been interpreted as a coalition slate, had he selected a more prominent or powerful conservative running mate.

'Competence is a narrow ideal'

The Bush strategy, to cut as wide a philosophical and policy gap between himself and Michael Dukakis as possible, carried right through to the Vice President's acceptance speech on the evening of Aug. 18, before over 100,000 Republican Party activists at the Superdome.

"The stakes are high this year," Bush told the crowd, "and the choice is crucial, for the differences between the two candidates are as deep and wide as they have ever been in our long history. . . .

"And what it all comes down to is this: My opponent's view of the world sees a long slow decline for our country, an inevitable fall mandated by impersonal historical forces. . . .

"He sees America as another pleasant country on the U.N. roll call, somewhere between Albania and Zimbabwe. And I see America as a unique nation with a special role in the world.

"And this has been called the American Century because it is, we were the dominant force for good in the world. We saved Europe, cured polio, went to the Moon, and lit the world with our culture. And now we're on the verge of a new century, and what country's name will it bear? I say it will be another American Century."

Echoing warnings about Michael Dukakis's Mussolini-corporatist outlook, which were previously only uttered by LaRouche, Bush told the crowd:

"But this election isn't only about competence, for competence is a narrow ideal. Competence makes the trains run on time, but doesn't know where they are going. Competence is the creed of the technocrat who makes sure the gears mesh, but doesn't for a second understand the magic of the machine."

Briefly touching on the theme he struck in Chicago on Aug. 2, Bush said,

"In foreign affairs, I'll continue our policy of peace

through strength. I'll move toward further cuts in the strategic and conventional arsenals of both the United States and the Soviet Union, the Eastern bloc and NATO. I'll modernize and preserve our technological edge, and that includes strategic defense."

The fascism of Michael Dukakis

Coming out of New Orleans, George Bush has initially succeeded in establishing a clear line of demarcation between himself and Michael Dukakis on principally one issue: the Strategic Defense Initiative.

According to a wide range of people interviewed by *EIR* in recent days, Bush's recognition that he cannot defeat Michael Dukakis without the strong backing of both Ronald Reagan and the military-industrial establishment, which strongly embraces the SDI, has locked the Vice President into a policy direction that he would be very hard pressed to abandon after November, if he is elected President.

Former Democratic presidential candidate Lyndon H. LaRouche, Jr. (who is now running as an independent for President in a number of states) reported in a widely circulating *EIR* special supplement, "Dukakis's mental health: an objective assessment," that the Democratic convention's nominee poses a grave threat to the future of the Western alliance.

"If elected the next President, Michael Dukakis in Washington would be the figurehead he has been in Boston. His leftist background taken into account, Dukakis has been owned his entire political life by an international financial interest represented in New England by the reinsurance cartel by whom Dukakis's late father was adopted. The immediate financial interest associated with both of his governorships is a Harvard-pivoted Boston financial organization called The Vault, and the Boston law firm of Hill and Barlow. Dukakis, a fanatically ambitious office seeker, has served simply as the political hod-carrier for these interests."

Concretely, LaRouche charged, Dukakis has been designated to deliver the United States over to what British Prime Minister Margaret Thatcher has dubbed an "airy fairy" utopian scheme to impose a world federalist version of universal fascism—in partnership with Moscow.

"In the strictest sense of the term, Michael Dukakis is a fascist. His social policy, to which his campaign speeches attach the name of 'community,' is to eliminate traditional private entrepreneurship in the way Benito Mussolini did in Italy," LaRouche wrote.

Correcting wild misrepresentations by the international liberal media as to exactly what he had said about Dukakis's mental health during the Atlanta Democratic nominating convention in July, LaRouche concluded:

"The man has the makings of a new Nero or Caligula, a man already compared by some to the Biblical Nebuchadnezzar. I am obliged to emphasize again, contrary to internationally featured news-media accounts, I have never claimed that Dukakis was cured of a mental-health disorder."

EIR's Benton assaulted in New Orleans

Late Saturday night, Aug. 13, *Executive Intelligence Review* Washington Bureau Chief and White House correspondent Nicholas F. Benton was brutally assaulted in the streets of New Orleans. He was apparently followed from the Republican Convention Center, where he had been attending a pre-convention event.

Jumped from behind by three or four men and hit upon the back of his head, apparently with a bottle, Benton was knocked unconscious and then beaten around the head. He was apparently driven to and dumped in a location some distance away, and awoke to find himself in the emergency room of Charity Hospital.

While Benton fortunately does not appear to have been severely injured, in the nature of the attack he could easily have been killed. He suffered head injuries requiring ten stitches, and suffered an eye injury which required surgery. The assailants seized both his White House press credentials and his letter of authorization for a Republican National Convention press pass.

The attack has all the signs of a professional operation, particularly since it was conducted by a racially mixed team, which New Orleans police say is extremely unusual in that city.

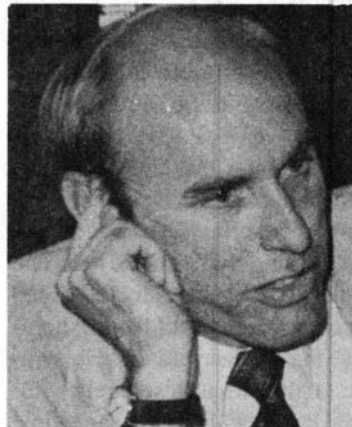
Just one week earlier, Benton had been at the center of the international furor that was unleashed in the wake of his question to President Reagan about Democratic contender Michael Dukakis's health records. As is now well known, it was Benton who asked the question to which President Reagan responded with what became known as the "invalid" joke.

Benton has been covering the White House beat for *Executive Intelligence Review* for the last three years.

The brutal attack on Benton is the second time within two months that a leading associate of Lyndon LaRouche has been the target of a terror attack. In late June Warren J. Hamerman, chairman of the political action committee, the National Democratic Policy Committee, was the victim of an early-morning hit-and-run vehicular homicide attempt.

A press campaign

LaRouche, Benton, and the NDPC as a whole, were among the targets of a vitriolic press campaign launched in the wake of the still-unclarified matter of Democratic contender Dukakis's medical records. Among the more lurid of the items that floated to the surface was a scurrilous article



Nicholas F. Benton, White House correspondent and EIR columnist since 1985.

by LaRouche-hater Joel Bellman, in the Aug. 8 edition of the *Los Angeles Herald Examiner*.

The article singles out Benton's work at the California convention of the Republican Party in 1976, and notes his role in the Dukakis affair. Author Bellman ended with the following call:

"Given the well-known LaRouche propensity for political espionage, sabotage, and subversion, why do reporters give their material any credence at all? Why is the GOP still willing to exploit these anti-Democratic antics? And when will Democrats finally retaliate against the fifth column trying to destroy their party from the inside out?"

And, only hours after Benton was assaulted, the New Orleans correspondent of the Italian Communist Party's newspaper, *L'Unità*, filed an article containing a death-threat against Benton and anyone else working with LaRouche to destroy Michael Dukakis's presidential chances. *L'Unità* correspondent Siegmund Ginzberg wrote in the Aug. 15 issue, "*He who deals a low blow, will die by a low blow.* The dirty campaign of ignominious rumors had hit Dukakis when the LaRouche people (the same LaRouche who accused the Queen of England of drug trafficking) spread the rumor that the U.S. Democratic Party candidate had been treated by a psychiatrist."

The same issue of *L'Unità* contains lavish coverage of an endorsement of Dukakis by none other than President Daniel Ortega, head of the Nicaraguan Sandinista government.

A cover-up coming?

EIR has learned that a cover-up may be under way with respect to the assault on Benton. Sources familiar with the case say that one suspect was taken into custody by the New Orleans Police Department. He was apprehended with Benton's wallet and press credentials in his possession. The police department, however, had not contacted Benton 48 hours after the suspect was arrested.

However, Benton's belongings were apparently turned over to the FBI, despite the FBI's previous assertions that the case was strictly a local police matter, over which it had no jurisdiction.

Judge whitewashes U.S. misconduct in the Boston LaRouche trial

by Our Legal Correspondent

The federal judge presiding over the LaRouche case in Boston has found that there was "institutional and systematic prosecutorial misconduct" by the government, but he has nevertheless ruled that the case can go to trial again.

The rulings, issued on Aug. 11 by Judge Robert E. Keeton (see *Documentation*, next page), were immediately denounced by defense counsel as "ludicrous" and as "a wink and a nod" to the prosecution, telling them that their misconduct will be allowed by the court.

Defense lawyers announced in court that they will file an immediate appeal of one of the rulings, and it expected that this will delay the start of any second trial, now scheduled for Oct. 3.

Misconduct and double jeopardy

Keeton was ruling on two major defense motions, both seeking dismissal of the Boston indictments against presidential candidate Lyndon LaRouche, six other individuals, and five organizations. One motion sought dismissal on grounds of government misconduct, the other on grounds of the Constitution's prohibition against double jeopardy.

The defense moves were prompted by the mistrial which Judge Keeton declared on May 3 on the first trial, for which jury selection had begun in September 1987. The defense contends that the mistrial was caused by the prosecution's failure to disclose relevant evidence which led to lengthy hearings on government misconduct.

Keeton in fact found, in his factual findings, that the government had violated its clear legal obligation to make timely disclosures of exculpatory evidence. He also found that the prosecutors and investigatory agents had made numerous false and inaccurate statements in the course of the trial and evidentiary hearings.

But in order to get around having to dismiss the case, Keeton came up with a tortured interpretation of the law by ruling that the misconduct was "institutional," and not the result of intentional or deliberate misrepresentation by the two prosecutors trying the case for the government. Keeton blamed everybody but the two prosecutors: the U.S. Attorney's office, the Justice Department, investigative agents for the FBI and Secret Service, and even "zealous" defense counsel!

Legal observers were astounded by Keeton's novel idea that the government—which after all brought the case—should not be held responsible for "institutional" misconduct. This is the exact opposite of most theories of corporate liability, under which a corporation is held responsible for the actions of its employees.

The attorney for Lyndon LaRouche blasted Keeton's rulings, saying that the misconduct of the prosecutors in the case was not a mistake or "negligent," but deliberate.

"This case was run from the highest levels of the Justice Department," said attorney Odin P. Anderson of Boston. "Nothing was a mistake. It is ludicrous to say that the prosecutors did not have sufficient backup from the U.S. Attorney's office or the Department of Justice. It is also ludicrous to blame the investigative agencies, especially the Secret Service."

Anderson said that the government has accomplished what it intended with the mistrial, which is a drop-by-drop financial bleeding of the political movement associated with LaRouche. "Repeatedly, government sources have been quoted saying they are conducting a war of attrition against LaRouche and his movement," charged Anderson. "As we argued in our court papers, John Markham, the prosecutor in this case, intentionally provoked a mistrial. He got what he wanted. The only thing better, in Markham's view, would be to hang LaRouche at high noon on the Boston Commons."

Double jeopardy appeal

On Aug. 18, lawyers for the defense filed a notice of appeal and a motion to postpone the second trial while the appeal is heard. Although prosecutor John Markham had indicated earlier that he would probably oppose a stay of the trial, on grounds that the appeal is frivolous, Markham did not take this position in his own Aug. 18 filing. Instead, Markham said the government will ask the appeals court to expedite the appeal and rule on it summarily. The government is now taking the position that this should only delay the start of the second trial until late October or early November. However, many observers believe that because of the seriousness and complexity of the appeal issues, a ruling on the appeal is likely to take many months, delaying the start of the second trial until after the first of the year.

Judge rules: Government lawyers were over-worked

The following are excerpts from Judge Robert E. Keeton's Memorandum and Order, dated Aug. 19, 1988.

. . . I have found government failures to make timely disclosures of information that was in the possession of a government agent and, in some instances, government representations that were inaccurate. . . . I find that the government has been guilty of negligent misrepresentation in relation to these matters. In reaching this finding of failure to exercise reasonable care to assure the accuracy of representations made and the completeness of disclosures made . . . and in finding no intentional violation, I have taken account of the extraordinary burden upon government attorneys assigned to this case, by reason of the massive volume of documentary materials to be examined, the number of defense attorneys making discovery demands upon the government in the representation of their clients, the legal and factual complexities of the charges and of the defenses advanced by defense counsel, and the fact that only two government attorneys have been assigned responsibility for the prosecution of the case and during most periods with each of them having other assigned responsibilities as well as responsibilities to this case. . . . The government's choice to indict and prosecute, and then to commit only limited attorney resources to the case, cannot excuse failure of the government to comply fully with its obligations of due care to comply with disclosure obligations. I find that the government attorneys assigned to this case—AUSA Markham and DOJ Trial Attorney Mark Rasch—have at no time intentionally made any misrepresentation regarding any of the matters that have been the subject of this hearing. Viewing the government's conduct as a whole, however, I find that the government has failed to take due care to assure the accuracy and timeliness of representations and disclosures. . . .

The discretion of the district court to fashion a remedy/sanction to deter illegal conduct is not without limits. I con-

clude, for example, that a district court lacks power to order dismissal solely as a sanction to deter illegal conduct. . . . In choosing a sanction short of dismissal, I conclude that the district court must choose an available remedy that is "narrowly tailored to deter objectionable prosecutorial conduct." . . .

The most important factor to consider is whether the government's conduct was deliberate. . . . Other important factors are how pervasive the misconduct was and whether it was continuous. . . .

The conclusion is inescapable that the government's failure to comply with its disclosure obligations in this case is serious. Although the record does not establish *Brady* violations approaching the scope of those asserted by defendants, the disclosure obligations that were violated were clearly established in the law, not founded on close or debatable legal questions. . . .

At the same time, I conclude that the government's misconduct was neither pervasive nor deliberate. The discovery demands placed upon the government in this case were enormous. The defendants requested a wide variety of information that, potentially at least, might have been material to a number of defenses. The government was obligated by these many requests to conduct an extensive search of the evidence generated by a lengthy, multi-district investigation. On the whole, the government complied with its disclosure obligations. It caused government files throughout the country to be searched, and it disclosed huge quantities of *Brady* and Jencks material. . . . I find on the record before me that the government's failure to make timely disclosure of Emerson materials was overwhelmingly the exception rather than a pervasive or continuous practice.

Many aspects of the evidence before the court support the finding, which I make, that the government's disclosure violations were not deliberate. First, the prosecutors had very little to gain by deliberately *delaying* disclosure. . . .

Second, the court is convinced by the great weight of evidence that the individual prosecutors appearing before the court in the case take the government's disclosure obligations seriously. This is not a case where the defense made a few simple discovery requests to which the prosecutor failed to respond. To the contrary, defendants made thousands of discovery requests, hundreds of which required the government to conduct wide-ranging searches, and the overwhelming majority of which the government responded to with reasonable promptness.

Finally, I find that the government's late disclosures were not deliberate because the specific circumstances presented support a finding of negligence rather than deliberate-ness. . . .

I find that government agents other than the prosecutors appearing before the court in this case were in numerous instances more relaxed in their attitude to *Brady* and Jencks.

On more than one occasion aside from the Emerson matter, agencies in possession of necessary files have been slow to provide them, and individual agents have demonstrated that their own view of disclosure obligations is narrower than the view of the prosecutors (and of the law as determined by the court).

Ultimately, of course, the responsibility for fulfilling the government's disclosure obligations rests with the prosecutors. Agents of the federal government outside the Department of Justice are not as fully and professionally trained in the complexities of *Brady* and *Jencks*. . . . In this case, the prosecutors were limited in their ability to fulfill this responsibility by lack of adequate support and assistance both within and beyond the United States Attorney's office.

The failure of the prosecutors consistently to guarantee the responsiveness of other federal agents was institutional negligence rather than deliberate misconduct. There was no cover-up of evidence extremely damaging to the government's case or delay for tactical advantage; rather, the delayed disclosures are chargeable to a "bureaucratic failure to properly support massive litigation." . . . It is apparent that two prosecutors cannot comprehensively develop trial strategy, prepare and examine witnesses, respond to substantive defense motions from ten (10) zealous defense attorneys, assemble *Jencks* material for more than 150 witnesses, and personally oversee all aspects of the *Brady* search.

The appropriate remedy for this transgression . . . is to pare the trial down to a scope that the government can reasonably support given the resources it sees fit to assign to the case. . . . This is a remedy "narrowly tailored" to deter the kind of institutional and systemic prosecutorial misconduct that occurred during the first trial. . . .

NDPC seeks to quash Writ of Execution

The National Democratic Policy Committee (NDPC) filed a motion on Aug. 16 before Judge A. David Mazzone in Boston, Massachusetts to quash or stay a Writ of Execution for a \$5.1 million fine, since the fine itself is now on appeal before the First Circuit Court of Appeals.

"The NDPC is the First Amendment-protected multi-candidate political action committee of the LaRouche wing of the Democratic Party which ignited an international explosion over the mental incapacity of Michael Dukakis to be nominated as President at the Atlanta Convention. In retal-

iation, friends of Michael Dukakis and William Weld are trying to put it out of political business before the national elections," Warren J. Hamerman, the chairman of the NDPC, announced. He revealed that the NDPC challenge to the Writ includes the following points:

1) The Writ was illegally filed by the government *ex parte* as a trick to try and short-cut the NDPC's right to appeal;

2) The fact that the fine is set at an absurdly high amount of over \$5 million, un masks the fact that the only intention of the Writ is to try and put the NDPC out of political business;

3) Since the NDPC is a political action committee, the government can not come in and "take over" the PAC as if it were a normal business with an income stream and assets to liquidate;

4) It would not only be absurd and impractical for the government to try and run NDPC and "solicit contributions," it would also be illegal and unconstitutional! The NDPC is a Federal Election Commission-regulated political action committee and spends its contributions on political enterprises such as publishing and political campaigning. It is inhibited by statute, regulation, and function from acquiring assets. The law does not allow contributions to be diverted from political activities into other expenditures. Furthermore, since each contributor can only give a fixed amount of money per year, if his or her money were siphoned off by the government, then the constitutional rights of that contributor to give money for political purposes would be destroyed.

5) The NDPC does not have income remotely capable of supporting a bond for a \$5 million judgment. It would take the NDPC, at its level of income generation, well over a decade to raise the money *just to post a bond*, while the appeal will probably be announced within a few months.

6) The government has nothing to lose in waiting for the appeal to be decided. The NDPC is no more able to pay \$5.1 million now than it will be then. The only thing the government would gain is cutting off the NDPC's right to appeal. Only the NDPC's rights to exist and appeal hang in the balance.

7) The Writ was issued illegally and is not valid. It was a maneuver by the government to get around an order by a Richmond, Virginia federal magistrate that the government had to return discovery documents to the NDPC from a previous matter. The government attempted an end-run around the Virginia court by going *ex parte* to a Massachusetts court and getting it to issue the Writ, without telling the Massachusetts court what the Virginia magistrate ruled.

8) Once before, the government tried to collect the \$5.1 million fine from the NDPC, and the First Circuit Court in Massachusetts ordered it to stop until the appeal is decided.

The NDPC is asking the court to stay the collection of the fine pending the outcome of the appeal, or, alternatively, to quash the Writ entirely.

Senators ask renunciation of Hitler-Stalin Pact

Almost one year after Lyndon LaRouche expressed the demand that Mikhail Gorbachov, to demonstrate his *glasnost* sincerity, renounce the Molotov-Ribbentrop Pact of 1940, a.k.a., the Hitler-Stalin Pact, which assigned the Baltic states and sections of what was then Poland to the Soviet Union, 28 senators have written a letter to Gorbachov, telling him to renounce the treaty.

More specifically, they urge Gorbachov to "use the occasion of the upcoming 49th anniversary of the signing of the Molotov-Ribbentrop Pact to order the publication in all the major Soviet newspapers of the Pact's secret protocols, to repudiate those protocols officially and publicly, and to pledge the Soviet government's commitment to restore genuine sovereignty to the Baltic States."

Ironically enough, the letter is signed by very liberal Democrats as well as a handful of conservatives. They point out that the United States has consistently refused to recognize the forcible incorporation of the Baltic states into the U.S.S.R. "So long as your government continues to sanction the ongoing violation of international law and interference in the internal affairs of the Baltic people," the letter continues, "the United States will never abandon its policy of non-recognition."

Perhaps the senators have acted in the hope that Gorbachov will, in fact, make some concrete moves to grant the Baltic states—Lithuania, Latvia, and Estonia—a bit more elbow-room, in order to deflect some of the stiffen-

ing opposition to Gorbachov's *glasnost* by Baltic refugees in this country—a not-inconsiderable lobby group. The letter is to be read at rallies in the three Baltic states on Aug. 23, the 49th anniversary of the Hitler-Stalin Pact, and will also be broadcast to them by the Voice of America and Radio Free Europe.

Senate bill a step in decoupling of NATO

Attached to the Defense Authorization Bill, which was passed on Aug. 11 by a vote of 90-4, was an amendment by Sen. J. Bennett Johnston (D-La.) which could be a major blow to the stability of the Western alliance. It has already been highly criticized by British Prime Minister Margaret Thatcher, one of strongest supporters of Reagan administration policy in Western Europe.

Under the rubric of "burden-sharing," and in an effort to cure what Senator Johnston, citing Prof. Paul Kennedy, calls "imperial overreach," the amendment seeks to limit the number of U.S. dependents (families of U.S. servicemen living abroad) to 413,020, that is, the number of such dependents residing with U.S. military personnel outside the United States on Sept. 30, 1987. As Sen. Strom Thurmond (R-S.C.) pointed out in commenting on this section of the bill, "forcing the separation of young families just to save money is unfair to these people, who are serving their country overseas."

The Johnston amendment also imposes a ceiling of 94,450 on the number of troops assigned to permanent

duty ashore in Japan and Korea. That limitation could be removed only under the condition that the United States would be forced to remove or reduce its manpower in the Philippines.

The most controversial part of the bill, however, is that which limits the costs paid by the United States for U.S. personnel and forces serving abroad, at the level of costs incurred in fiscal year 1989. Any added costs incurred by a deterioration in the value of the dollar would have to be born by the countries in which the U.S. troops are stationed.

In the present situation, in which conservative governments face significant opposition from the socialist and communist parties every time they seek added funds for their military budgets, this could very well lead to parliamentary stalemates, which would lead to the United States withdrawing some of its troops from these countries.

That great friend of the NATO alliance, Sen. Sam Nunn (D-Ga.) did not waste an opportunity to bash the European allies, saying that the Europeans must "take on the principal role of providing heavy armored forces in Europe, necessary ammunition and equipment to sustain their own forces for NATO's 30-day requirement, effective reserves and shelters, and support facilities for U.S.-based aircraft which would be deployed to Europe in any confrontation."

The amendment was accepted and attached to the Appropriations Bill. Now it must go to conference committee to iron out the differences between the House and the Senate versions of the bill. Hopefully, the amendment will be withdrawn before it is allowed to become law and do

irreparable damage to the NATO alliance.

Noriega-bashers wave their magic wands

Sen. Ted Kennedy (D-Mass.) on Aug. 11 submitted a Senate Concurrent Resolution calling on the U.S. government to work with former Panamanian President Eric Delvalle to "achieve the early departure of Gen. Manuel Noriega from office and from Panama." Kennedy apparently hopes thereby to rekindle a resistance in Panama, which has by and large lost its steam. "We must tell them [the people of Panama] that their cause has not been forgotten or surrendered."

The U.S. Senate, especially its liberal Democratic wing, has developed an interesting habit of interfering in the internal affairs of other countries. But the stability of General Noriega's position in Panama and the widespread support he is receiving from Ibero-Americans, indicates that the Massachusetts Democrat's answer to Teddy Roosevelt is speaking much too loudly and carrying a very small stick.

Wirth bill calls for more nuclear energy

A bill introduced into the Senate by Colorado Democrat Tim Wirth, which is aimed at establishing a national energy policy to reduce global warming, calls for nuclear energy and the development of thermonuclear fusion as an electricity source.

The bill by the usually "environ-

mentalist" senator calls for radical measures to eliminate carbon dioxide emissions by 20% by the year 2000. The measure also calls for conserving fossil fuels and tapping "renewable" energy resources, such as wind, solar, geothermal, and hydroelectric power.

But in a section entitled "Advanced Civilian Reactor Programs," the bill states, "Congress finds that the use of energy generated from nuclear fission could potentially supplant economically the burning of fossil fuels and thereby contribute substantially to reducing the rate and scope of global climate change."

The bill calls on the Secretary of Energy to carry out a "comprehensive program of research and development of technologies" for generating electricity from nuclear fission. The criteria for such "nuclear technologies" are that they: 1) permit modular design; 2) exhibit passive safety; 3) be adaptable to standardized construction and licensing; 4) are cost-effective in comparison to other sources of energy; 5) minimize the volume of nuclear waste produced and the cost of nuclear waste disposal; and 6) prevent diversions of radioactive material for use in nuclear weapons.

All well and good, except, why allocate lots of money to develop a "safe" nuclear industry when the U.S. nuclear industry is already a safe one?

And, there is a catch. The bill stipulates, "Notwithstanding any other provision of law, the conditions stipulated by the bill will be the sole criteria for the appropriation of funds for nuclear power plants." Does that mean that nuclear plants not of the design stipulated by the bill will be shut down? That would indeed be a strange way to

eliminate the supposed "greenhouse effect."

At any rate, nuclear energy is back on the table, and, if we want to avoid a catastrophe, we must keep it there.

House passes South Africa sanctions bill

By a vote of 244-132, the House passed the Anti-Apartheid Act Amendments, prohibiting investments in, and certain other activities with respect to, South Africa. Immediately after its passage, Rep. Jim Bunning (R-Ky.) called the legislation "nasty, mean-spirited, counterproductive, showboat morality," pointing out that it in fact tightens the screws on the blacks in South Africa it is supposed to be helping, while "we pat ourselves on our sanctimonious little backs and go home pretending that we have done a wise and noble thing."

And in truth, it is just one more demonstration that a liberal is a person who poses as the benefactor of those he has condemned to death—in this case, California Democrat Ron Delums.

The bill prohibits all investment, all imports—except strategic minerals and publications—and all exports, except disaster relief, to and from South Africa. It also prohibits intelligence agency collaboration. Rep. Timothy Penny (D-Minn.), who had voted twice to override a presidential veto of similar legislation, was also opposed to the amendments, since they would eliminate "our opportunity to monitor South African policies or to attempt to empower blacks through economic means."

National News

Dukakis backs manned space station?

Democratic presidential hopeful Michael Dukakis has given his backing to a manned space station, but apparently only in an effort to skim funds from the Strategic Defense Initiative (SDI).

Dukakis, at a news conference in Shrewsbury, Massachusetts held a few hours before President Reagan was to address the Republican National Convention on Aug. 16, declared that he would establish a cabinet-level National Aeronautics and Space Council with Lloyd Bentsen as chairman, and would make the space station the "first priority" of his space policy.

Dukakis then suggested that he would get the money for such a program by cutting back on SDI. "You can't have every weapons system in the candy store," he said.

Dukakis made a speech Aug. 18 at the Marshall Space Flight Center in Huntsville, Alabama.

Soviet computers back Dukakis

Soviet computers say that Michael Dukakis will beat George Bush in the U.S. presidential race, and that's fine with the Russians, says Radomir Georgevich Bogdanov, vice director of the Moscow U.S.A.-Canada Institute, in an Aug. 13 interview with Italy's *La Repubblica* daily. Bogdanov reports that a special task force on Dukakis has been created at the institute, and he boasts that it is very effective.

Asked how much his people know about Dukakis, Bogdanov replied, "I'll tell you how much we know. There is one girl working with the task force, and I called her at midnight for some information. She gave me Dukakis's complete schedule for the next day."

The task force is well-supplied with Boston phone books, including the business listings for Boston.

Asked if his people know Dukakis personally, Bogdanov said, "We know very

well the people around Dukakis, the so-called Harvard group. Through them, we arrived at our opinion of Dukakis." Bogdanov called Dukakis a "very efficient governor, very active, with a healthy economic management, and great popularity in the state of Massachusetts." Asked whether the Soviets thought Dukakis knew anything about foreign policy, Bogdanov replied, "Was Reagan at first an expert, or Carter? Every President must first of all have a good secretary of state and a good national security adviser. The President must add to this realism, a sense of reason, and good political instincts."

Bogdanov said that it was unnecessary to send people to Washington or Boston to build up contacts with the Dukakis circles. Why should we? he asked rhetorically, noting, "The Americans come here anyway. Three Americans per day visit our institute."

Free needles plan provokes opposition

A rally of 150 people in St. Mark's Church in New York City's Harlem area was organized by Harlem Hospital employees Aug. 15 to protest a city plan to distribute free needles to drug addicts, ostensibly to slow down the spread of AIDS.

Manhattan Borough President David Dinkins condemned the proposed needle giveaway program. "Every day last month, 21 additional men, women, and children were diagnosed with full-blown AIDS in this city," Dinkins told the rally. The number of AIDS cases in Manhattan since the counting began in 1979 exceeded 7,000 as of July 31. One in 50 women giving birth in Manhattan carries the virus.

Estimates are that, in fact, 1 in 10 New Yorkers is infected with the virus, or 500,000 people.

Congressman Charles Rangel from the Harlem district blasted City Health Commissioner Stephen Joseph and told him not to come into his 16th C.D. giving out free clean needles to IV-drug addicts. "My district is ravaged by drug abuse and drug-related crime. As you know, I strongly object to the concept of giving drug addicts clean needles, including your department's pro-

posed pilot needle exchange program, as a means of trying to prevent the transmission of the AIDS virus."

Coretta Scott King at GOP convention

Coretta Scott King, the wife of the late Martin Luther King, Jr., and Benjamin Hooks, head of the National Association for the Advancement of Colored People (NAACP), both attended the Republican National Convention in New Orleans.

Mrs. King said that she did so in order to show herself to be "nonpartisan." She had also attended the Democratic Convention in Atlanta.

Hooks stated that key Republicans had played a significant role during the period of the civil rights movement, and expressed the hope that they would play such a role in the future.

The keynote speech in New Orleans by New Jersey Gov. Thomas Kean, although quite bombastic, stressed the issue of racial equality, quoting Abraham Lincoln a number of times.

Catholic magazine moots election boycott

Restoration, a Catholic magazine published by Trinity Communications of Wanaque, New Jersey and Manassas, Virginia has called the Dukakis-Bush race the "evil of two lessers," and hinted at a possible election boycott.

The magazine said that Catholic voters "find themselves facing a Hobson's choice between two 'manager types' who haven't either the moral gumption or the political vision to lead their respective parties, much less the country, out of the wilderness."

Although the article says that it is still too early to commit to such a strategy, Catholics "might consider going to the polls on Election Day for congressional and state and local races only, and leaving the presidential line blank."

Hadley blasts county Democratic officials

Donald Hadley, the Democratic Party's nominee for Congress in Pennsylvania's 5th C.D., has sent a letter to State Democratic Party Chairman Larry Yatch, calling on Yatch and the State Executive Committee to expel the members of the Montgomery County Democratic Party Executive Committee from their party posts.

Hadley cites as a "gross violation of the Democratic Party's rules" the recent resolution adopted by the County Executive urging Democratic voters to reject his candidacy simply because of his affiliation with Lyndon LaRouche. Hadley calls the resolution "an affront and outrageous insult to the Democratic electorate of the 5th C.D."

On Aug. 16, the *Lansdale Reporter* quoted county chairman William "Buck" Scott endorsing Hadley's Republican opponent.

The article continues, "Hadley said . . . he wasn't surprised by the party's condemnation. 'It's consistent with what they've been doing all along—nothing,' he said. 'They have no platform and no issues. Now they say they reject Lyndon LaRouche. That means they reject stopping drugs and helping farmers in the Midwest. Frankly, I don't want their support anymore. I can do better without it.'"

The Democratic Party rules state explicitly, "No person shall be eligible to serve as a member or officer of any Democratic Committee . . . who . . . by voice, vote, financial support or otherwise has, within two years, supported a candidate in a general election or special election opposed to the duly nominated candidate of the Democratic Party in that election.

Hadley easily defeated an incumbent opponent in the Democratic primary, with 53% of the vote.

The actions of the Montgomery County Democrats are in marked contrast to those of neighboring Chester County, which makes up the bulk of the 5th C.D. Hadley accepted the invitation of the Chester County Democratic Committee to address its monthly meeting, and was introduced by Committee chairman John Lord.

Teamster leader opposes Dukakis

William J. McCarthy, the new president of the Teamsters union, may not follow the line of the AFL-CIO, which plans to endorse Democratic presidential candidate Michael Dukakis at its meeting in Washington on Aug. 25, the *Boston Herald* reported on Aug. 17.

McCarthy has in the past backed conservative candidates, including former Gov. Ed King, who defeated Dukakis in the 1978 Massachusetts gubernatorial race. After the recent death of Teamsters President Jackie Presser, McCarthy won the election to replace him, over pro-Dukakis interim president Weldon Mathis.

The *Herald* quoted a local Teamsters friend of McCarthy, "McCarthy can't stand Dukakis. I bet you 10 to 1 he'll go for Bush. He still thinks like a local guy . . . and he doesn't like liberals too much." Teamsters spokesman Duke Zeller told the *Herald* that no decision has been made so far.

GAO says arms expert violated U.S. security

The General Accounting Office has issued a report charging an employee of the U.S. Arms Control and Disarmament Agency (ACDA), Kathleen Strang, with committing "serious violations involving the handling of classified information," according to a report in the *Washington Times* Aug. 19.

The report was made available only to ACDA and a few members of Congress.

Strang is a nuclear non-proliferation expert. She was suspended from ACDA for six months without pay last year, for leaving top-secret intelligence documents, including cryptographic materials and documents received from agents, outside secure areas.

Current and former ACDA officials are the subject of an FBI obstruction of justice investigation related to the Strang case, according to the *Times*.

● **PRESIDENT REAGAN** has sent a letter to Mikhail Gorbachov asserting again that the Krasnoyarsk phased-array radar violates the ABM treaty. Reagan recently rejected a Pentagon proposal to declare the radar a "material breach" of the treaty, which would have effectively repudiated U.S. legal obligations under the ABM accord. A formal U.S.-Soviet review of the treaty is to begin Aug. 24.

● **A SKELETON STAFF** of six employees with no formal medical training is responsible for investigating and preventing the spread of more than 5,000 cases of infection by dangerous diseases in Chicago's Department of Health.

● **PAMELA CHURCHILL** Harriman, widow of the late Averell Harriman, would undoubtedly be made ambassador to London under a Dukakis presidency, reports the London *Sunday Telegraph*, identifying her as the single most important force in the Democratic Party, and one-time mistress of, at least, Frank Sinatra, Elie de Rothschild, Ali Khan, and Gianni Agnelli. The paper ran a photo of Mrs. Harriman holding hands with Raisa Gorbachova.

● **LAROCHE ENEMY** Edward Bennett Williams, a prominent Washington attorney, died at 68 on Aug. 14. Williams used his "insider" position to run dirty tricks against Lyndon LaRouche's political movement. Among the clients of his law firm were Sen. Joe McCarthy, Henry Kissinger, Robert Vesco, the Swiss government, the CIA, and the *Washington Post*.

● **JDL FUNDER** William Ross was indicted by a federal grand jury on charges of aiding and abetting the sending of a letter bomb in 1980. A wealthy, Los Angeles-based real estate broker, Ross is accused of having commissioned the 1980 murder of computer company owner Brenda Crouthmamel, which killed her secretary instead.

Editorial

The world food crisis

Unless the current policies of the U.S. Department of Agriculture and the European Community (EC) bureaucracy are stopped, and replaced with an emergency world food program, not only will hundreds of millions of human beings be threatened with death by starvation, but a worldwide food shortage will threaten world peace in the most dramatic way.

Hundreds of millions of people in Africa, Asia, and Latin America have already died either of hunger or undernourishment. Yet the United States and the EC Commission continue their brutal reductions in farm capacity, under the pretext that there exists agricultural "overproduction." By measures ranging from forced price reductions for farm products, to contingency schemes, and senseless and destructive environmental restrictions, so much land has been taken out of production that today we are on the brink of a world food crisis of immense proportions.

This world food shortage threatens to wipe out entire developing-sector nations, while in the so-called industrialized nations, a growing army of poor, retired, and unemployed people faces hunger and undernourishment. The blame for this situation lies less with the incompetence of the responsible policymakers, than with a deliberate policy carried out by the food cartel and other international financial forces, who see the instigation of food shortages as a means to increase their own power, and to introduce a new era of feudal conditions. By their schemes, the relatively independent family farm is to vanish, and ex-farmers are to become employed, at far lower wages, in their new agro-industrial complexes.

In the United States, almost half of all family farms have already been lost, and in Western Europe approximately one-third, not only ending an economic livelihood for these farming families, but also cynically depriving many generations of their lives' purpose: All the improvements, all the effort they put in over generations, are gone at a single stroke, and through no fault of their own.

Up to now, the farmers' despair has remained largely hidden from the general public, because the mass

media prefer to stir up hostility against farmers by peddling fairy tales about "overproduction" and farmers' alleged anti-environmentalism. But for anyone who has believed that food grows in the supermarket, it's high time to get concerned about defending our agriculture. People have to eat, otherwise they can't live, and they must consume a well-balanced, nutritious diet in order to remain healthy and physically and mentally active.

The food shortage is also the gravest threat to world peace. Food imports from abroad sustain not only India and the People's Republic of China, but also the Soviet bloc, where the food crisis now looms as the most explosive political factor.

Since 1972, the East bloc's import dependency upon the West has risen steadily, and yet, the hunger catastrophe has worsened in many countries, such as Romania. The West, under the "New Yalta" agreement, continues to send the East bloc huge quantities of food, subsidized by millions of Western tax dollars. But what will happen if the food shortages created by the cartel and the banks make it objectively impossible to continue these shipments? If the hunger-inspired social uprisings in the East bloc increase, won't the Soviet *nomenklatura* be tempted to obtain food supplies from the West by military force—especially when the West, in a suicidal fit, has already disarmed itself?

Our leading institutions are not only responsible for this crisis, but now, in the face of the looming catastrophe, they are pigheadedly refusing to implement urgently needed reforms. It is therefore up to the victimized citizenry to recruit a new republican leadership which will end despotism and which will defend individual freedom. What we need is a movement of patriots of various nations, conscious of their own responsibility, who today can act in the same spirit that inspired the Founding Fathers and the Declaration of Independence, and which Friedrich Schiller held up as a shining example in his freedom-drama *William Tell*.

Then, it was the tyranny of the British colonial masters which had to be crushed; now, it is the stranglehold of the banks and the cartels, which must be broken.

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What Michael Dukakis's personal physician did not report . . .



Pablo Escobar, the kingpin of the "Medellín Cartel," world's biggest cocaine trafficking ring, sent Dukakis a letter last spring praising his "very realistic" stand on drug control, according to the Colombian weekly *Semana*.

Daniel Ortega, the Sandinista President of Nicaragua, thinks "the victory of the Democratic candidate for the White House, Michael Dukakis, would improve the situation in Central America," according to the Italian Communist Party newspaper, Aug. 16, 1988.

Dukakis is "a very efficient governor, very active, with a healthy economic management, and big popularity in the state of Massachusetts," says **Radomir Georghevich Bogdanov**, vice-director of the U.S.A.-Canada Institute in Moscow, in an interview with Italy's *La Repubblica* newspaper on Aug. 15, which predicts that Dukakis will beat Bush in November.

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