

EIR

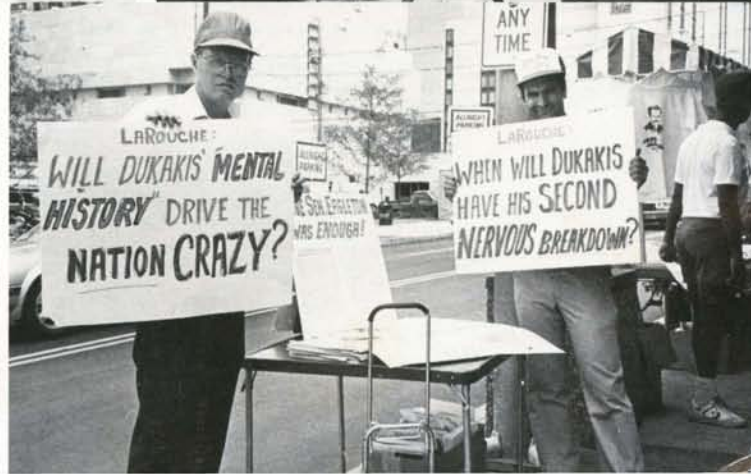
Executive Intelligence Review

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1988 in Review

Lyndon LaRouche's battle
to save Western civilization



LaRouche Delivers the Signal

A worldwide anti-Bolshevik resistance struggle

Issued on Nov. 14, 1988 by Lyndon H. LaRouche, Jr.:

Moscow's pre-orchestration of the forced resignation of West Germany's Bundestag President Philipp Jenninger set off the trip-wire warning.

In this circumstance, like that of the fabled Good Samaritan of the New Testament, I find myself in the circumstance the responsibility for a certain action falls upon me. So, as the Hand of Providence fell upon that Good Samaritan, in that fashion, it has demanded that I do an awesome deed, which I do here and now.

So, let the alarm be sounded; the trumpet shall not sound an uncertain note.

Let those who refuse to submit to Soviet worldwide imperial aggression rally to the ranks of a new, global resistance movement, prepared to fight the agents and accomplices of Soviet interest in the same spirit as anti-communist resistance organizations fought the fascist tyrannies of Germany and Italy.

Let us swear the Rütli Oath from "Wilhelm Tell." Let it be made clear, that wherever the communist imperial interest shall destroy governments, or subvert them to such a degree that they become virtually pro-Soviet varieties of Quisling rule which so cease, treasonously, to be lawful authority, the new Resistance shall launch what modern China's experience defines as "People's War" against the communists and their accomplices.

Let no one doubt, that once such conflict were forced upon us, there is no turning back, whatever the cost, until the mop-up of the last remnant of the adversary has been accomplished within each and all of our nations.

The Jenninger issue

For the occasion of the fiftieth anniversary of the Nazis' 1938 Kristallnacht atrocities against Germany Jews, the president of West Germany's lower house of parliament, the Bundestag, Philipp Jenninger, prepared the written form of an address. On the subject of the conditions leading into that Nazi crime against humanity, the written text of the address is among the noblest utterances in honor of the victims during the entirety of the past fifty years.

Almost the entirety of this address was delivered to the Bundestag's open session by Herr Jenninger. During that delivery, certain members of the Bundestag walked out in actual or simulated protest. Promptly, the KGB's assets and most of the European liberal press responded to the address with statements about it which are shown to be utter lies by comparison with the written text and electronic record of the oral reading.

Investigation shows that this reaction among the liberal press was pre-orchestrated, in cooperation with known assets of the Soviet KGB, such as the VVN organization.

This coincides with a pattern of recent and current developments which show institutions of Western governments capitulating to demands of Soviet agencies and KGB-controlled or KGB-complicit persons and agencies, in a more or less equally naked, and shameful way. The fact that Herr Jenninger was induced to resign his

post under such Soviet-pre-orchestrated pressures, makes that incident the signal occurrence within a pattern of developments requiring the mobilization of a global anti-communist resistance force.

The rules of resistance

Wherever we are faced with the conditions which compel the forces of anti-communist resistance to launch "People's War" against the adversary and his instruments, we shall wage such forms of war under the following rules and conditions.

- 1) It shall be a form of warfare described as "People's War."
- 2) It shall be fought according to those rules of justified warfare associated with St. Augustine.
- 3) The heroes around whom this resistance shall be mobilized is the memory of those anti-communist resistance fighters, who fought German and Italian fascism, and often communists, too, during the period up to and following 1945.

To affirm our honor to the memory of those heroes, we teach children to despise Beate Klarsfeld, and all witting accomplices of the KGB's VVN, as wearing the face of the enemies of God and humanity. For the same reason, we despise as low dogs those who betrayed U.S. justice and spat in the face of God, by sending the American citizen Karl Linnas to his death at Soviet hands. These persons are an example of those we demand be brought to trial for their crimes against God and humanity.

- 4) The enemy is communist authority and the accomplices of that authority's actions against our forces. All who fit that description are the forces of the enemy for the purposes of defining our actions of warfare. All these bear the face of the enemy, and shall be brought as low as required, whenever it serves the cause for which we fight that that be done.

- 5) All who die or suffer otherwise in this war shall be to us as martyrs, whose honorable deeds in this cause shall be legendary in the tales told to future generations.

- 6) If we are obliged to enter into such warfare, it would be the enemy who has forced this upon the world. Were he wise, he would hesitate to provoke this war.

Organization of the resistance

- 1) The resistance is organized and spontaneous, and whether organized or spontaneous, is variously open or covert.

- 2) Openly organized forms of organization, serve to carry the political banners of the resistance as a whole. These are the voices which define the principles and policies of the resistance.

- 3) Covertly organized forms of organization flank and envelop the enemy in the institutions of society from which the enemy seeks allegiance and support. Covertly organized efforts seek to cause those institutions to exist to the enemy's disadvantage.

- 4) The most covert form of activity is that which is either spontaneous activity, or is caused to appear so.

- 5) He or she is a member of the resistance, who adheres to the principles and policies of the resistance. These principles and policies are defined by the open political organizations associated with the resistance, from whatever location, and under whatever circumstances they are able to perform this function.

- 6) The combat functions of the resistance are estimated to be about one percent of its total warfare-effort.

- 7) For the most part, the resistance does its work silently, cloaked in mystery, avoiding as much as possible, to report what it has done, or not done, or to report where it has been or not been. As much as possible, the spoor of its work is a shadowy presence in the statistics until such time as its victories enable it to assert its presence and work in its own name.

You can join the resistance, where you sit or stand, without contacting any office or person to do so. But swear the Rütli Oath against communist tyranny and its accomplices, to God and to yourself, and you have joined. Thereafter, act accordingly, as your conscience, and your knowledge of the resistance's signals, principles, and policies, compels you.

EIR

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From the Editor

To those with any sense at all, it is clear that the conviction of Lyndon H. LaRouche and six associates on Dec. 16 in Alexandria, Virginia was a political frameup. Even those who might believe—contrary to fact—that the defendants did something wrong, would have to admit to themselves that the only reason LaRouche and his friends would have been indicted, was because of their offensive political role.

Against all odds, LaRouche and his friends mounted an effective legal defense in Alexandria. Yet they were denied the most fundamental right: trial by a jury of one's peers. During the initial "weeding out" process, Judge Bryan refused to strike for cause, many jurors who were tied to law enforcement or who had relatives in federal law enforcement. When the judge had finished excusals for cause, there were 28 potential jurors left, of whom seven were U.S. government employees, two others had relatives in federal law enforcement, and four had extremely negative profiles. The judge then refused to allow additional peremptory strikes to the defense. Only two of the 12 final jurors had to answer any individual questions. Most never had to say a word during the selection process.

Under these circumstances, the final jury included three government-payrolled employees, including Buster Horton, an employee of the U.S. Department of Agriculture who became the ringleader of the anti-LaRouche lynch mob the jury turned into. Readers of *EIR* know well that the USDA is a hotbed of hostility to LaRouche, who has exposed the food shortage and the deliberate policies behind it!

As we enter a new presidency, and indeed a new era in world affairs, there is a very short time in which the course toward catastrophe can be headed off. One litmus test that will determine whether catastrophe can be avoided, will be whether the LaRouche verdict is allowed to stand. The LaRouche conviction was the explicit demand of the Kremlin; and without the leadership of LaRouche, the United States is going rudderless into the worst strategic and economic storms of the modern period. Should LaRouche be delivered to jail, as a result of this corrupt verdict, it will mean that the U.S. judicial system has become a tool of the Soviets. Capitulation on the LaRouche issue signals a much broader capitulation—and the verdict is being read precisely that way, in Western Europe and on other front lines against the Russians.

Nora Hamerman

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Feature



Clockwise: Founding of the international Food for Peace movement in Chicago; Lyndon and Helga LaRouche visit Taiwan, and are shown here with Gen. Teng Chieh, elder statesman of the Kuomintang; a scene outside the Democratic Convention in Atlanta, Georgia; baritone Piero Cappuccilli demonstrates C=256 tuning at the Schiller Institute's conference in Milan. Philip Ulanowsky, Rolf Pauls, Dana Scanlon, Roberto Irsuti

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January

February

March

Economics

- 5 Maílson da Nóbrega is named Brazil's new finance minister.
- 6 President Reagan signs bill infusing \$4 billion into Farm Credit System.
- 6 The Swiss-based BKA bank issues a loan offering to the Foreign Trade Bank of Moscow—the first time since 1910 that Western banks had floated a bond issue for Russia.
- 8 Presidential Task Force on Market Mechanisms, chaired by Nicholas Brady, issues report on the October 1987 stock market crash, calling for the Federal Reserve to bail out banks.
- 29 U.S. ends special trade preferences for Taiwan, South Korea, Hong Kong, and Singapore, in an effort to reduce the trade deficit.

- 4 U.S. cuts off development aid to Zambia. France follows suit a few days later.
- 7 Egypt announces a national emergency in anticipation of water and energy shortages, because of the fall of the water level at the Aswan Dam.
- 11-12 European Community summit in Brussels decides to idle one-fifth of the land devoted to grain production in the EC member countries.
- 18 Pentagon announces plans to cut its budget by \$33 billion, to stay within proposed 1989 budget of \$290.8 billion.
- 28 Mexico announces Phase II of its Economic Solidarity Pact, inaugurated in December 1987 to ensure foreign debt repayment.

- 7 Brazil and its creditor banks announce a new debt accord, which will mean even more stringent austerity measures.
- 8 Peruvian President Alan García announces an "emergency wartime economic program," raising prices and legalizing private currency exchange houses which had been shut down in an effort to stamp out drug money-laundering.
- 17 U.S. Federal Deposit Insurance Corporation pumps \$1 billion into First Republic Bank of Texas.
- 24 Soviet Politburo discusses crisis in grain production, attacks responsible ministries for failure to fulfill their targets.
- 28 French daily *Le Monde* reports that 500 million people in Africa are threatened with famine because of the locust plague.

International

- 4 Colombian Justice Minister Low Murtra says that the government was powerless to prevent the Dec. 30 release from prison of drug kingpin Jorge Luis Ochoa.
- 6 Soviet Foreign Minister Shevardnadze announces that a deal has been struck with the U.S. on Afghanistan.
- 15 UNITA guerrillas inflict the first of a series of defeats on Cuban and government troops in Angola.
- 15 Mikhail Gorbachov receives a delegation of Western cultural, political, and scientific figures for a conference of Armand Hammer's International Fund for the Survival and Development of Humanity.
- 18 M-19 terrorists kidnap Bogota mayoral candidate Andrés Pastrana, son of a former President of Colombia.
- 22 Demonstrations in the West Bank and Gaza take the two-month old Palestinian uprising to a new high point; East Jerusalem is placed under Israeli military rule.
- 22 France, Germany announce formation of a Joint Defense Council, a Council on Economic-Financial Affairs, and a Cultural Cooperation Agreement.
- 31 Prince Norodom Sihanouk resigns as head of Kampuchean rebel coalition.

- 2 Moscow orders Western Communist Parties to step up "class struggle," at a conference in West Germany.
- 3 Soviet *Literaturnaya Gazeta* publishes full-page attack on LaRouche.
- 5 Western Europe's banking and industrial elite gather in Stuttgart to discuss "restructuring" the German economy and trade deals with Moscow.
- 5 Egyptian President Mubarak and Pope John Paul II issue a joint call for a solution to the Palestinian crisis.
- 11 *Pravda* reports first nationalist protests in Armenia.
- 18 Papal encyclical *Sollicitudo Rei Socialis*, attacking both socialism and "free market" economics, is published.
- 18 John Demanjuk "Ivan the Terrible" case concludes in Jerusalem; he is later sentenced to death.
- 27 Azeris massacre Armenian women, children, and elderly in Sumgait, Azerbaijan, U.S.S.R.
- 27 Three ex-Presidents of South American countries, Colombia's Alfonso López Michelsen, Venezuela's Carlos Andrés Pérez, and Costa Rica's Daniel Oduber, call on Panama's Gen. Manuel Noriega to resign.

- 2 New York judge orders Panamanian assets in the U.S. frozen, and Federal Reserve cuts off dollar flows.
- 9 Soviet Central Committee meets to discuss "intercommunal" tensions, amid outbreaks of nationalist unrest and ethnic conflict throughout the empire.
- 16 United States deploys 6,000 troops to Honduras, regarded as threatening to both Nicaragua and Panama.
- 16 Coup attempt in Panama fails, when troops refuse to follow opponents of General Noriega.
- 18 West German Bundestag votes in favor of INF treaty.
- 22 Israeli Defense Minister Rabin announces harsh repressive measures against Palestinian uprising in the Occupied Territories.
- 22 Nikolai Bukharin is officially reinstated by the Soviet Communist Party.
- 25 China's National People's Congress focuses on unrest among 55 different minorities, about 70 million people.
- 29 Member states of the Latin American Economic System unanimously condemn U.S. sanctions against Panama.

National

- 12 Commission on Integrated Long-Term Strategy releases report entitled "Discriminate Deterrence," by Fred Iklé and Albert Wohlstetter, which calls for the removal of U.S. strategic umbrella from Europe.
- 13 Navy Secretary James Webb calls for U.S. troop reductions in Europe.
- 13 President Reagan signs bill for a joint NASA-DoD space booster for 1990s.
- 25 Senate opens ratification hearings on INF treaty.
- 30-31 Schiller Institute hosts New Bretton Woods conference in Massachusetts for New, Just World Economic Order.

- 1 New York Gov. Mario Cuomo approves a program giving clean needles to drug addicts as a means to control AIDS.
- 9 Lyndon LaRouche addresses Oklahoma House and Senate on needed emergency economic recovery measures.
- 11 Senate Foreign Relations Subcommittee on Narcotics hears testimony from drug dealer Ramon Milian Rodríguez, that U.S. banks solicited drug money deposits.
- 23 James Webb resigns as Navy Secretary in surprise move, and will be replaced by William Ball III.

- 3 LaRouche presidential campaign TV broadcast: "The Woman on Mars."
- 7 Teamsters President Jackie Presser asks that federal racketeering indictment against him be dropped, because he has been an FBI informant for 10 years.
- 8 "Super Tuesday" primaries in U.S. presidential election campaign.
- 8 LaRouche associate Claude Jones wins chairmanship of Harris County (Houston) Democratic Party.
- 29 Deputy Attorney General Arnold Burns and Assistant Attorney General William Weld resign from Dept. of Justice.

April

- 7 Brazilian government orders wage freeze for public employees and other austerity measures demanded by the IMF.
- 11 U.S. Commerce Secretary C. William Verity visits Moscow to discuss trade expansion. Five hundred corporate executives are there, for meeting of U.S.-U.S.S.R. Trade and Economic Council.
- 13 Group of Seven finance ministers and central bankers meet in Washington, in an effort to halt the dollar's decline.
- 27 U.S. Senate passes protectionist trade bill.
- 28 U.N. Food and Agriculture Organization releases a report, *A Global Early Warning System on Food and Agriculture*, which states that world grain stocks are reaching dangerously low levels.

May

- 5-6 Soviet officials visit West Germany to discuss joint ventures with German banks and industry.
- 12 Oklahoma House of Representatives passes a memorial resolution endorsing the emergency economic measures proposed by Lyndon LaRouche.
- 16 West Germany's Catholic Bishops and Lutheran Church call for relief for the Third World's debt.
- 17 Hungary signs standby agreement with IMF.
- 24 President Reagan vetoes trade bill.
- 24 European Commission and the Council for Mutual Economic Assistance (CMEA, or Comecon) sign an agreement establishing official relations.

June

- 8 U.S. Senate fails to override trade veto.
- 14 U.S. Agriculture Secretary Richard Lyng responds to the drought which is devastating farmlands by telling farmers to "pray for rain."
- 20-21 Toronto summit of the Group of Seven calls for "structural reforms" for global austerity.
- 21 Federal Home Loan Bank Board announces record \$3.8 billion first quarter loss by U.S. thrifts.
- 28 European Community heads of state name Jacques Delors to head a committee to recommend proposals for creating a new European central bank.
- 28 Gorbachov addresses 19th All-Union Conference of the Soviet Communist Party, emphasizing the food crisis.

- 2 West German Social Democrat Willy Brandt arrives in Moscow for meeting with Gorbachov.
- 9 World-renowned opera singers address a conference of the Schiller Institute in Milan, to launch a movement for return to the classical norm of tuning, A = 432.
- 9 Trilateral Commission meets in Rome to discuss "irreversible decline" of the United States.
- 12 A new government is formed in Italy under Ciriaco De Mita.
- 14 Geneva agreement is signed on Soviet withdrawal from Afghanistan.
- 16 PLO number-two leader Khalil Wazir, a.k.a. Abu Jihad, is assassinated.
- 18 American naval forces conduct retaliatory bombardment of two Iranian oil platforms in the Persian Gulf.
- 24 First round of French presidential election gives incumbent Mitterrand the lead, but 14% goes to extreme-right populist Le Pen.
- 29 Gorbachov receives church head Patriarch Pimen, on the occasion of the Russian Orthodox Church millennium celebrations.

- 3 Talks on Angola and Namibia begin in London among U.S., South Africa, Cuba, and Angola, with the Soviet Union as an "observer."
- 5 Polish troops storm Nowa Huta steel plant near Krakow, beating and arresting strikers. Solidarity leader Lech Walesa speaks of "bloody revolution."
- 7 Pope John Paul II begins his ninth tour of Ibero-America, attacking drugs and international usury.
- 8 François Mitterrand is re-elected President of France, and Socialist Michel Rocard is named premier.
- 14 Drug trafficking brings slavery, the Pope tells a crowd of 230,000 in Bolivia.
- 18 Rupert Scholz replaces Manfred Wörner as West German defense minister. Wörner becomes NATO secretary general.
- 20 Janos Kadar, head of the Hungarian Communist Party for 32 years, is replaced by Karoly Grosz.
- 29 Colombian narco-terrorists kidnap conservative political figure Alvaro Gómez Hurtado.
- 29 Reagan and Gorbachov begin summit in Moscow.

- 6 Jewish Council of Germany leader Heinz Galinski and East German leader Erich Honecker meet in East Berlin, and formalize relations.
- 12 Osmmán Morote, "intellectual architect" of the Shining Path terrorists, is captured by the Peruvian army.
- 12 The high point of the Russian millennium celebrations is an open air mass at the restored Danilov Monastery in Moscow, broadcast on Soviet television.
- 15 Supreme Soviet of Armenia votes to ask Moscow to place Nagorno-Karabakh, Azerbaijan under Armenian rule.
- 18 An assassination attempt is made on Turkish Premier Turgut Özal.
- 20 Moscow names former Afghanistan commander to head Transcaucasus Military District, and militarizes the region.
- 27 An "illegal" demonstration of 100-150,000 in Budapest, Hungary protests Romanian leader Ceausescu's plan to wipe out 8,000 Hungarian villages.
- 28 The 19th All-Soviet Party Congress opens in Moscow, preoccupied with the bloc-wide economic crisis.

National Intelligence Estimate says Soviets are close to breakout from ABM Treaty.

- 7 SDIO concedes review is being given to making SDI a point defense of military targets.
- 25 Baltimore Mayor Kurt Schmoke proposes national debate to legalize narcotics.
- 26 LaRouche Democrats Donald Hadley and George Elder win Democratic congressional primaries in Pennsylvania.
- 29 Pentagon's Soviet Military Power report omits mention of Soviet spetnaz threat, Soviet goal of world domination.

Defense Science Board report urges SDI be curtailed to only protect Washington, D.C.

- 3 *Washington Post* publishes excerpts from Donald Regan's forthcoming memoirs as White House Chief of Staff, revealing Nancy and Ronald Reagan's adherence to astrology.
- 4 Mistrial declared in Lyndon LaRouche's Boston trial. Jury conducts informal poll, says they would have acquitted all defendants on all counts.
- 27 U.S. Senate passes INF Treaty by a vote of 93 to 5.

3 National security specialists are looking for a "Mr. X" committee of Soviet moles who placed convicted spy Jonathan Pollard in sensitive post.

- 7 California's Prop. 69, to declare AIDS a communicable disease, is defeated.
- 9 House Ethics Committee begins probe of Speaker Jim Wright.
- 14 FBI and Naval Investigative Services raid Pentagon and defense contractor offices in probe of alleged contract fraud.
- 28 U.S. Attorney Rudolph Giuliani files for government seizure of International Brotherhood of Teamsters.

July

August

September

Economics

- 1 Yuli Kvitsinsky, the Soviet ambassador to West Germany, complains that food-producing nations are not sharing their wealth with countries—like the Soviet Union—that have a shortage.
- 1 U.S. heat wave combined with drought strains nation's electrical grid to the limit.
- 23-24 German Agriculture Minister Ignaz Kiechle heads a delegation to Moscow, for talks on increasing economic cooperation.
- 29 Federal Deposit Insurance Corporation announces the insolvency of First Republic Bank of Dallas, Texas—the biggest liquidation in U.S. history.
- 29 Soviet Communist Party Central Committee Plenum on the economic crisis. Gorbachov points to “acute shortages” of food and consumer goods.

- 8 U.S. Congress passes drought relief bill.
- 9-11 U.S. Federal Reserve Board raises discount rate by half a percentage point, from 6% to 6.5%, and then raises the Fed Funds rate to over 8%. Commercial banks' prime rate soon reaches 10%, with further increases expected.
- 11 U.S. Department of Agriculture report of harvest projections admits effect of drought is worse than previously acknowledged. But their estimates are still low.
- 31 Fourteen failing Oklahoma savings and loan institutions are consolidated into six larger ones, costing \$1.9 billion.

- 3-4 Food for Peace is founded in Chicago, with a call to expand worldwide food production.
- 7 U.S. Securities and Exchange Commission files a civil suit charging the Wall Street investment firm Drexel, Burnham, Lambert with securities fraud.
- 9 U.N. Food and Agriculture Organization warns that locust plague in Ethiopia threatens severe crop damage.
- 27 Egyptian President Mubarak begins European tour, seeking support against the IMF's austerity demands.
- 27-29 IMF annual meeting in West Berlin. Group of Seven agrees to force reduction of U.S. budget and trade deficits immediately following the U.S. elections.

International

- 3 *USS Vincennes* accidentally shoots down an Iranian civilian airliner in the Persian Gulf.
- 5 Warsaw Pact defense ministers convene in Moscow to work out internal security measures for the East bloc.
- 6 Mexican presidential election. Ruling PRI candidate Salinas de Gortari is named the winner, thanks to massive vote fraud against opposition candidate Cárdenas.
- 7, 12 Soviets launch Phobos 1 and Phobos 2 satellites to Mars.
- 9 Debt moratorium advocate Carlos Saul Menem is selected as Peronist presidential candidate for Argentina's 1989 elections.
- 13 Armenian-inhabited Nagorno-Karabakh secedes from Azerbaijan; Soviet troops are flown into the region.
- 15 Angola, South Africa, and Cuba reach U.S.-sponsored 14-point agreement.
- 25 General Ne Win, head of state for 26 years, resigns as martial law is declared in Rangoon, and Burma plunges into chaos.
- 25 Pakistan's President Zia charges that Soviets are renegeing on their agreement to pull troops out of Afghanistan.
- 31 King Hussein of Jordan abdicates sovereignty over the West Bank, clearing the way for a PLO government-in-exile.

- 4 Cuauhtémoc Cárdenas proclaims that the July 6 Mexican presidential elections” will have to be annulled and new ones held.”
- 8-10 Meeting to Plan a Second Amphictyonic Congress convenes in Panama, and is addressed by President Solís Palma and by Gen. Manuel Noriega.
- 16 New strike wave in Poland.
- 17 Pakistan's President Zia ul-Haq is killed when his plane, also carrying the U.S. ambassador and a U.S. general, explodes and crashes on takeoff.
- 20 Iran announces it will accept a ceasefire, abruptly ending the eight-year Persian Gulf War.
- 21 Monsoon rains bring terrible flooding to Bangladesh, killing thousands and leaving 25 million homeless.
- 23 More than 300,000 people demonstrate for independence in the capitals of the three Baltic republics.
- 25 Japanese Premier Takeshita begins six-day visit to China.
- 27 Three planes collide at Ramstein Air Show in West Germany, killing 50 spectators.
- 30 Polish government ultimatum ends wave of strikes.

- 10 Tens of thousands of Serbs demonstrate in Kosovo autonomous region.
- 10 Carlos Salinas de Gortari is named President of Mexico by the Chamber of Deputies.
- 10 The Pope begins 10-day visit to southern Africa.
- 19 Airlift of Soviet troops into strife-torn Armenia begins.
- 19 The Polish government resigns, and Premier Messner is replaced by Politburo member Rakowski.
- 20 In speeches in Brussels and Luxembourg, Britain's Margaret Thatcher attacks “Europe 1992” plans.
- 22 Christian deputies boycott Lebanese parliament's selection of a new President, and the country is polarized along religious lines.
- 27 Panama's President Solís Palma tells the U.N. General Assembly that he has “abundant reason” to fear a U.S. military invasion.
- 30 Soviet Central Committee plenum convenes in Moscow, and apparently strengthens Gorbachov's power.

National

- 5 Attorney General Edwin Meese announces that he will resign at the end of the month.
- 8 California court rules AIDS a handicap.
- 15 William J. McCarthy elected president of Teamsters union.
- 18-21 Democratic Convention in Atlanta, Georgia. Michael Dukakis becomes the party's presidential nominee, with Lloyd Bentsen as his running mate.
- 21 NDPC leaflet circulated at Atlanta Convention points to Dukakis's history of mental instability.

- 3 President Reagan vetoes defense bill, charging Congress with giving “unilateral concessions” to the Soviet Union.
- 7 Congress releases “burden-sharing” report which fuels drive for U.S. troop reductions in Europe.
- 15-18 Republican Party Convention in New Orleans. George Bush becomes the party's nominee for president, with Dan Quayle as his running mate.
- 19 Judge Robert Keeton finds “institutional and systemic prosecutorial misconduct” in LaRouche Boston case.

- 2-5 Dept. of State allows St. Louis conference of Islamic fundamentalists and allied terrorists to take place.
- 8 *Jewish Week* article smearing the Bush campaign as “Nazi-linked” leads to resignation of eight campaign aides.
- 9 Bush asks Henry Kissinger to co-chair his national security task force.
- 20 National Economic Commission co-chairman Robert Strauss admits NEC is targeting Social Security for cuts.
- 29 Hearing by the House Select Committee on Narcotics gives major platform to drug legalization advocates.

October

- 6** U.S. Federal Home Loan Bank Board chief Danny Wall says it will cost \$50 billion to close down insolvent thrifts.
- 11** Grand jury in Tampa, Florida, hands down indictments against the Bank of Credit and Commerce International (BCCI) for laundering drug money.
- 17** U.S. Treasury and Federal Reserve issue an unexpected \$3.5 billion "bridge loan" to Mexico.
- 20** RJR-Nabisco announces plan to buy back its own stock for \$17 billion, the largest takeover deal in U.S. history.
- 27-29** Seven leaders of the Contadora Support Group meet in Uruguay, agree to drop "confrontation" with their foreign creditors.

- 3** West Germany's Christian Social Union chief Franz Josef Strauss dies after an unusual heart malfunction.
- 5** Chile's Gen. Augusto Pinochet defeated in plebiscite.
- 10** Strikes begin in Sri Lanka, organized by Sinhala extremists against the Indo-Sri Lankan accord.
- 10** Czech government resigns at Communist Party plenum in Prague, Ladislav Adamec replaces Premier Strougal.
- 17** Yugoslav communist central committee convenes in Belgrade amid widespread ethnic strife, and proves itself impotent and divided, strengthening Serbian strongman Milosevic.
- 17** Warsaw Pact defense ministers convene in Prague.
- 20** Mexican oil workers accuse Mexico state government Mario Ramón Beteta of fraud when he headed the state oil company. Investigation launched.
- 24** West German Chancellor Helmut Kohl meets with Gorbachov in Moscow.
- 31** Polish government announces that it will close the Gdansk shipyard, bastion of the Solidarity trade union.

- 3** Space Shuttle Discovery completes a near perfect mission.
- 14** U.S. Attorney Henry Hudson hands down indictments against Lyndon LaRouche and six associates for alleged mail fraud and conspiracy to defraud the IRS.
- 14** CIA Deputy Director Robert Gates warns against West financing *perestroika*.
- 17** International Brotherhood of Teamsters endorses George Bush for president.
- 18** NASA Director James Fletcher recommends manned lunar base be established by 2004, from which a mission to Mars would be launched by 2014.

November

- 1** Mexican oilworkers' union demands a debt moratorium.
- 11** Dollar reaches a 10-month low against the yen and a 5-month low against the Deutschmark, as a result of a central bank-organized run against the currency.
- 15** U.S. Farmers Home Administration sends out letters to 83,000 farm borrowers, telling them to restructure their debts or face foreclosure.
- 28** Chase Manhattan bank raises the prime rate to 10.5%.
- 28** Grain trade protocol signed between the U.S. and Soviet Union.
- 30** Former Fed chairman Paul Volcker, in hearings before the National Economic Commission, calls for "spending whatever it takes" to bail out the savings and loans.

- 1** Israeli elections strengthen Jewish fundamentalists, produce lengthy stalemate before a government is formed.
- 4** Soviets announce that their troop withdrawal from Afghanistan "is being suspended for the time being."
- 10** West German Bundestag President Philipp Jenninger delivers speech on the anniversary of *Kristallnacht*, after which Communist-provoked hysteria forces his resignation.
- 12** Palestine National Council meets in Algiers, and embraces U.N. Resolution 242, calling for a Palestinian state alongside Israel.
- 13** Soviet Defense Minister Dmitri Yazov visits Yugoslavia.
- 15** Soviets launch unmanned space shuttle—their first.
- 16** Elections in Pakistan bring Benazir Bhutto to power.
- 18** Serbian demagogue Milosevic addresses 1.3 million in Belgrade rally, denouncing Albanians in Kosovo region.
- 25** French President François Mitterrand meets with Gorbachov in Moscow.

- 8** George Bush elected President with 54% of the vote; wins 40 states and 426 electoral votes to 112 for Dukakis.
- 9** Bush announces James Baker III will be his Secretary of State. Bush shortly thereafter announces John Sununu as Chief of Staff, Richard Darman as Director of OMB, and Nicholas Brady as Treasury Secretary.
- 18** Reagan orders Federal Emergency Management Agency to prepare evacuation plans for nuclear plants, bypassing states.
- 28** Sen. George Mitchell (D-Me.) wins election to Senate Majority Leader post, replacing Robert Byrd (D-WV).

December

- 1** Mexican President Carlos Salinas de Gortari, in his inaugural address, calls for more austerity in 1989.
- 3-4** Food for Peace holds European conference in Nauhaim, West Germany.
- 5-9** GATT talks in Montreal break down over conflict concerning agricultural subsidies. U.S. and European Community representatives disagree on how best to shut down agricultural production.
- 13** Conference in Los Angeles, sponsored by UCLA and the Alcide de Gaspari Foundation, on the idea of a "Marshall Plan for the East."

- 1** Chinese Foreign Minister Qian Qichen visits Moscow, the first foreign minister to do so in 31 years.
- 2** Argentine Col. Mohamed Ali Seineldín, hero of the 1982 Malvinas War, leads military revolt, and wins concessions saving the country's armed forces.
- 7** Mikhail Gorbachov addresses U.N., offers unilateral troop cuts and calls for new world order based on environmentalism.
- 9** A Tamil government is sworn in in the newly merged North and East provinces of Sri Lanka, a step toward settling the five-year ethnic conflict on the island.
- 13** PLO chief Yasser Arafat recognizes the state of Israel and proposes bilateral peace talks, at a special U.N. General Assembly session, held in Geneva after the United States denied him a visa to address the U.N. in New York.
- 14** Reagan administration announces it will recognize the PLO and begin direct talks.
- 21** Pan Am 747 crashes into Scottish town of Lockerbie, killing 17 on the ground and all 258 aboard. Sabotage probable.

- 2** National Security Agency deputy director Dr. Theodore Taylor declares microwave and electromagnetic pulse weapons on the agenda at London conference.
- 2** New York State legislature refuses to dismantle Shoreham nuclear power plant.
- 4** Washington Post reveals Israeli official Amiram Nir and Lt. Col. Oliver North ran covert ops under secret U.S.-Israeli accord.
- 16** Lyndon LaRouche and six associates are convicted in federal case in Alexandria, Va.

Crop disasters bring world food shortages

by Robert Baker

As weather conditions this past summer provided the driest crop growing conditions for North America in 58 years, the official lies about “overproduction” of food and “grain surpluses” were revealed as lies, as severe food shortages worsened throughout the world. On Dec. 19, the “Global Warning” office of the U.N. Food and Agriculture Organization in Rome issued a special alarm over the depleted conditions of world food stocks. Total world food reserves have fallen to 1970s levels, so that relative to the daily diet needs of today’s 5 billion people, the ratio of stocks to utilization has fallen to catastrophe levels.

The FAO cited 15 food import-dependent nations that are not getting food. The FAO warning stressed that world cereals output has been drastically reduced for the past 18 months by the series of droughts, floods, and the record plague of locusts now spreading from its North African breeding grounds. The map (next page) shows a summary picture of the disastrous harvests in 1988. At present, there are no food supplies to meet needs in 1989 arising from natural disaster.

In the face of this picture—which the FAO report diplomatically called “grim”—officials of the multinational grain companies (the cartel of Cargill, Bunge, Louis Dreyfus, André, Continental, ADM/Toepfer) and related financial institutions, are now coming to the fore to arrogantly present strategies for “restructuring and adjustment” for the independent farmer—such as worldwide reduction of national barriers to cartel “free” trade designs, that will supposedly secure more food for the consumer, but will actually shrink world food output and lead to famine.

During the 1980s, the food cartel used its influence in Washington, Brussels, and capital cities throughout the world to attempt to control the amount of food produced, how and

where it is distributed, who will be able to eat, and who will be allowed to raise grain and livestock. National mechanisms of cartel control have included such programs as quotas, mandatory land set-asides, fines, penalties, taxes, and other measures to prevent “overproduction.” These measures, combined with huge farm debt burdens, and artificially low farm commodity prices, have resulted in the dispossession of farmers now taking place on a mass scale in all food-exporting countries around the world.

Even before the “Killer Drought of ’88” hit the North American farmbelt, and the locust plague began in Africa, the preconditions were in place for a global food and farm crisis.

The year marked the third in a row that tonnages of world cereals output will fall below world cereals consumption. Yet even the average “consumption level” for the world, in recent years, is below a level adequate for proper nutrition. The graph shows the sharp decline in cereals per capita worldwide.

In the United States, total grain production in 1988 was reduced by about 33%; spring wheat was reduced about 50%, and soybean production is down at least 20% if not more. With continued strong demand, total grain use will far exceed production, and there will be a significant draw-down in inventories, which not only affects U.S. strategic reserves, but also food availabilities for other nations as well.

Corn ending stocks as projected by the USDA, will be almost 66% lower at the beginning of the next harvest, in fall 1989. Wheat stocks will be about 60% lower, and soybean stocks will be down 66%, the lowest level in 14 and 10 years, respectively.

On Dec. 1, at the USDA Outlook ’89 Conference, Assis-

tant Agriculture Secretary for Economics Ewen Wilson reported, "This '88 drought . . . has brought about the most severe, the steepest one-year decline in the world's grain stocks that's ever been recorded. . . . The age-old fears of global food scarcity have been resurrected in some quarters."

For the world, the USDA also projects that at the end of the 1988-89 season, world stocks of all grains will decline 127 million tons from the previous year, to end at 269 million tons or 16% of total annual use. This is the second lowest level since the USDA began keeping records.

Any large reduction in U.S. cereals output automatically means a big drop in world cereals supplies. The United States accounts for 40% of annual world wheat exports, 70% of world soybean exports, as well as the largest share of world corn exports.

Other factors were already at play in reducing the stocks before the onset of the drought. Between the one year acreage set-aside program (56 million acres) and the 10 year Conservation Reserve Program (24 million acres) a total of 80 million acres of cropland was taken out of production by USDA farm programs in 1988. The reasons given by the USDA were the standard excuses: "grain surpluses" and "overproduction."

In 1988, due to the idling of millions of acres of tillable land, and to the drought, U.S. farmers harvested only 284 million acres of cropland, out of a potential of close to 500 million acres. At the same time, recent government statistics show that the very amount of land in farms itself has declined to 999 million acres, falling below 1 billion acres for the first time in 100 years.

Climatic studies are now beginning to document how the world's weather patterns are worsening under conditions of such large-scale degradation of the density of groundcover in North America and other agriculture regions. This and the shift in the Amazon high pressure zone in the Atlantic, caused by the current deforestation of the rain forest, are destabilizing factors in the climatic envelope of the world's biosphere.

Food exports needed

Tonnages of unmet import requirements for African, Asian, Ibero-American, and Middle Eastern countries have not been met while Soviet Russia is buying U.S. and other Western grain at increasing rates. Since the height of summer drought heat wave, U.S. government officials have simply been repeating the line: "rationing by price" will take care of who gets scarce supplies. In September, the USDA withdrew sales of wheat to Egypt, Tunisia, and Jordan because those countries would not pay the price asked. Yet, the following day, the United States announced a new record wheat sale to the Soviet Union at subsidized prices. The Soviet Union is now in the midst of its worst food crisis since the dreadful early postwar years of 1946-47. This is being partially offset by unsustainable Soviet looting of Eastern Europe.

In early 1989, it is expected that the United States will

offer 4 million tons of highly subsidized wheat to Russia, under the new U.S.-Soviet two-year grain pact. Since 1985 and the new U.S. Export Enhancement Program, the food cartel companies have received \$2.1 billion worth of free U.S. government grain (Commodity Credit Corp.), to offer cheap deals abroad, mostly to the East bloc and China.

Ibero-American agricultural collapse

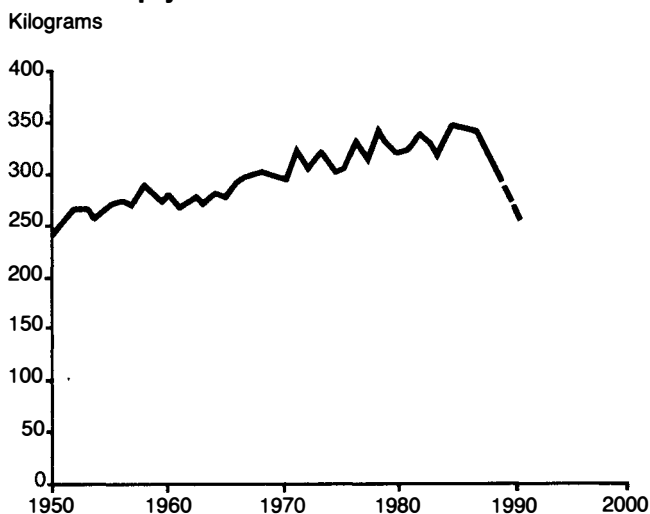
In Mexico, the food crisis is so severe that riots by farmers could erupt, given that President Miguel de la Madrid took action on Oct. 7, 1988 to set officially guaranteed prices well below production costs. The high inflation rate has driven production costs up by 104-215%. This is on top of the ravages of the drought, the floods, and Hurricane Gilbert.

In Brazil, food exports will reach \$12 to \$13 billion annually, while national nutrition levels plunge toward holocaust lows. This year 144 million Brazilians will consume the same amount of food as 123 million did in 1981. A basic marketbasket of food for four rose 368% in price in the year ending this July.

In Colombia, a recent report by the government's Statistical Analysis Department reveals that in the rural zones, 24.7% of the people suffer from severe malnutrition, and growth retardation affects 34%. Agricultural production since the beginning of 1988 fell due to a dramatic rise in the cost of production, inadequate credit for farmers, and IMF-dictated marketing arrangements.

Argentina, with the capability to feed all of Ibero-America, was hit this year by a severe drought that will dramati-

FIGURE 2
World grain production per capita
falls sharply in the late 1980s



Source: U.S. Department of Agriculture

cally reduce the country's 1988-89 grain harvest and its meat production. The number of cattle going to slaughter is 7% below last year, reflecting economic policies that have forced stock liquidation.

Droughts and floods, combined with lack of infrastructure, have raised the spectre of new famine in the People's Republic of China. Emergency measures were taken this fall to attempt to guarantee a minimum number of calories a day for 80 to 100 million Chinese resident in the worst hit regions, but as of this winter, even these minimum measures were not working.

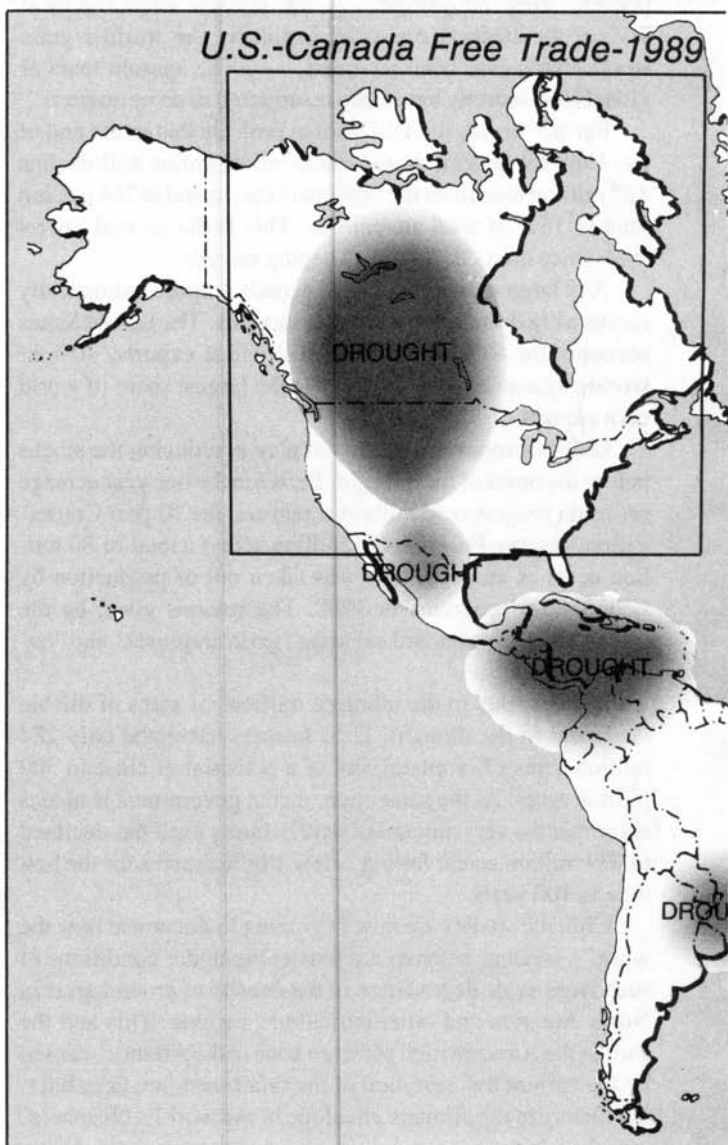
As of December 1988, the locust swarms in northern Africa have grown to dimensions worse than any experienced in modern history. After the succession of droughts on the African continent over the past few years, and then the violent flood in the upper Nile region of the Sudan in August 1988, the locust plague marks the potential for depopulation of the continent on a vast scale. The proper use of dieldrin and related timely insecticide measures could have prevented the current locust plague, but environmentalists and the IMF/population control lobby, particularly the U.S. State Department, are continuing to prevent the kind of mobilization of spraying and other measures that could eradicate the insect. As of the fall 1988, the locusts had spread out from their breeding areas of Niger, Chad, Sudan, and Ethiopia. There have been sightings of locusts in even the Caribbean, as well as Italy, and as of December, in Kale, on the coast of Turkey.

Food control through GATT

In Montreal in December, at the General Agreement on Tariffs and Trade (GATT) "Uruguay Round" meeting on agriculture trade, the world witnessed a convergence of advocates of "free trade" (for cartel food companies) representing United Nations/Bretton Woods agencies—the World Bank, the International Monetary Fund—and official national delegations and international think tank functionaries and personalities. Speeches that provided the world the impression that the European Community and the United States "free traders" were at each others' throats over how far and how fast to eliminate agricultural subsidies, were largely a prearranged smokescreen. Behind this was a plot by the cartel interests to coerce nations into give up their sovereign right to food self-sufficiency.

Instead, the GATT view is that "market signals" (read: the cartel) will determine what national farm and food policies should be. It was proposed that the IMF, World Bank, and GATT consolidate much of their operations in order to practice combined surveillance over nations in terms of their monetary and trade relations. In April, the GATT will have another large gathering in Geneva to attempt to reach a compromise between the U.S., the European Community and the other food-exporting nations—Canada, Australia, Argentina, New Zealand, Thailand, and others—on how to proceed toward more "free trade."

Drought, floods, and 'free trade' preparations wrack

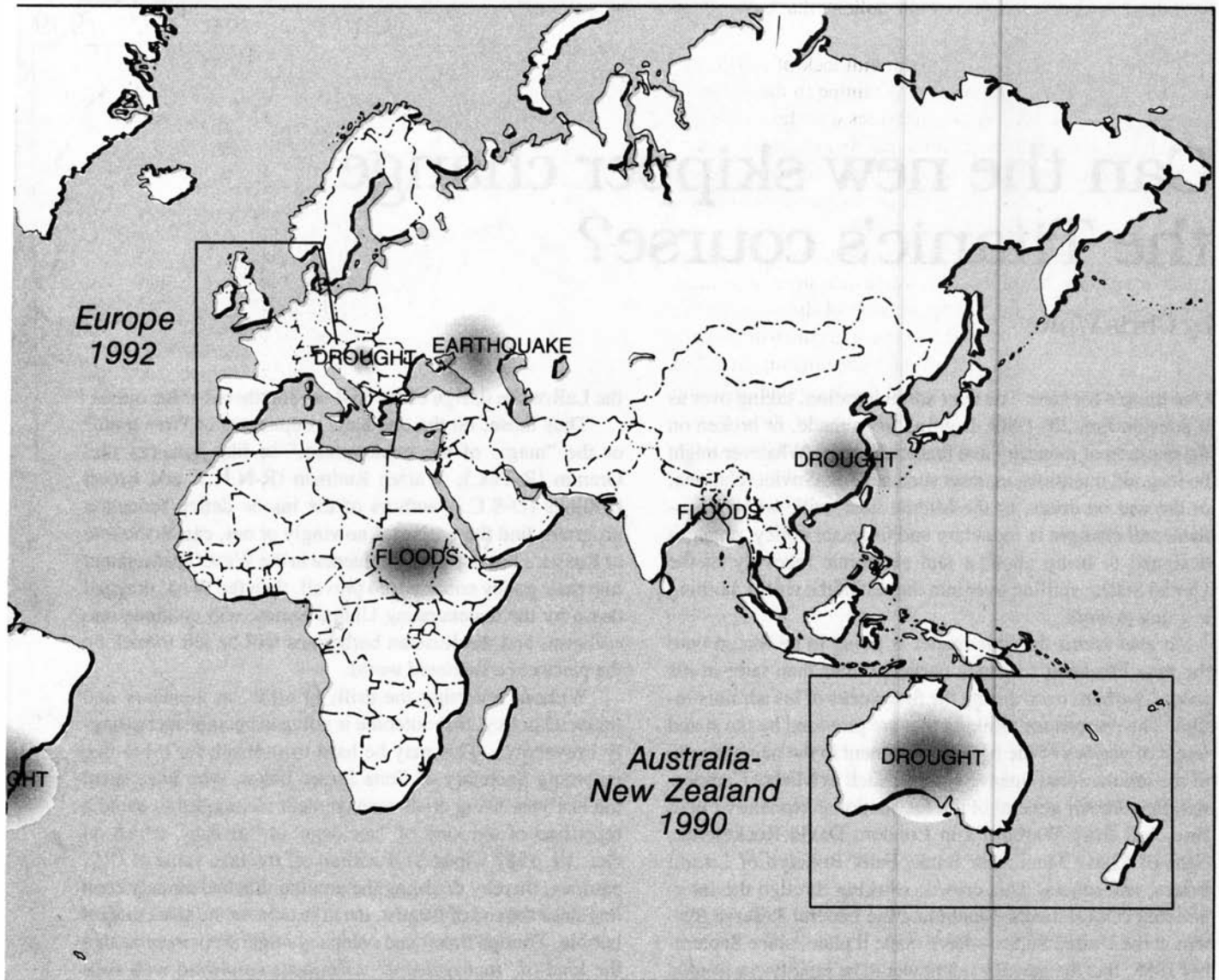


In all three emerging "free trade blocs," the Europe of 1992, Canada-U.S. 1989, and Australia-New Zealand-1990, the productive agricultural sectors are disintegrating, and are to be replaced by serf-based forms of corporate farming, or "vertically integrated" cartel food production.

The European Community Common Agriculture Policy (CAP)—a program to build up productivity after the war—is now using various mechanisms to reduce livestock, orchards, grain output, and cropland usage.

Under the banner of environmentalism, EC bureaucrats have imposed severe conditions on farming, and on processing facilities like dairies and slaughterhouses not owned by the cartel. Independent producers are being dispossessed in the name of protecting the environment, and in favor of

World agriculture, 1988



cartelization and concentration. Mega-companies, like the Italian Ferruzzi group, are positioning themselves for near total food control.

About 10% of all Danish farmers went out of business in 1988, because of falling prices and rising costs. In 1989, another 19% are expected to go bankrupt. In West Germany, where there have been over 2 million farmers for over 40 years, in recent years, two-thirds of now had to give up farming. French agriculture is in a phase of total destruction. Two-thirds of French farmers are now in the process of bankruptcy. One-third are under-capitalized and being forced to sell.

New Zealand-1990 calls for a near-term merger of New Zealand with Australia. By 1990, a common currency is

proposed to be in effect, all tariff barriers are to be eliminated, the financial sectors and legal systems of the two countries are to be fully integrated. The New Zealand agricultural sector, representing 80% of the nation's earning capacity, is being financially and physically destroyed. New Zealand has 60,000 farms. In December, 1988, 3,000 will have gone under, and 17,000 are due to go bankrupt in early 1989. Australian farmers are threatened at the same rate.

The Canadian Department of Agriculture has stated that 36,000 farmers are either bankrupt or in severe financial difficulty, while on the U.S. side, the Farmers Home Administration (FmHA) sent out foreclosure-threat notices (called loan restructuring offers) to 83,000 farmers in November 1988.

Can the new skipper change the Titanic's course?

by Chris White

One thing's for sure: The next administration, taking over as it does on Jan. 20, 1989, is going to be made, or broken on the question of monetary and financial policy. Whatever might be its good intentions in areas such as U.S.-Soviet relations, or the war on drugs, or the Middle East, still, without fundamental changes in monetary and financial policy, changes designed to bring about a real economic recovery in the United States, spilling over into the rest of the world, nothing is going to work.

It also seems that this matter is going to be forced onto the new President's agenda earlier, rather than later in his tenure, perhaps even during the first weeks of his administration. The reasons for thinking that are provided by the stated intent of various of the figures prominent in the management of the international finance system, such as Michel Camdessus, the director general of the International Monetary Fund; Eric Roll from Warburg's in London; David Rockefeller, once of Chase Manhattan Bank; Felix Rohatyn of Lazard Frères; and others. This crowd, working through the international central banks—including the Federal Reserve System in the United States—have made it plain, since September 1988, that the new President would be rapidly confronted with a financial crisis, or a series of such crises, designed to administer what they call the "shock treatment" to force the incoming administration into line with their own dictates for savage, bone-crushing austerity inside the United States.

The corollary fact—that thereby this crowd is working on behalf of Russia's strategic designs for world hegemony, and knows it—does not seem to worry them in the least. Not as long as treason, against both the United States, and Western civilization as a whole, can be covered in the obfuscating rhetoric of financial and monetary so-called Orthodoxy—"we're not against defense, we just can't afford it any more." Yet, since the March 23, 1983 adoption by President Reagan of Lyndon LaRouche's design for the Strategic Defense Initiative, Russia's policy has been premised on using the deepening financial and budgetary crisis of the United States, to ensure that the economic recovery potentials embedded in

the LaRouche design of the SDI are smothered at the outset.

Thus those, on the one hand proponents of "free trade" or the "magic of the marketplace," or like Senators Phil Gramm (R-Tex.), Warren Rudman (R-N.H.), and Ernest Hollings (D-S.C.), authors of the insane deficit reduction program, find themselves, knowingly or not, cast in the role of Russia's best agents of influence in the West. To the extent that their policy continues to prevail, then the West, dragged down by the degenerating United States, will continue into collapse, and the Russian barbarians will be left to pick up the pieces of a shattered world.

Without reversing the drift, or slide, in monetary and financial policy, that outcome is going to become increasingly irreversible. This may be hard to stomach for those like incoming Secretary of State James Baker, who have spent the last year using crisis management techniques to avoid a repetition of the kind of "accident" or "mishap" which on Oct. 19, 1987 wiped \$1.5 trillion off the face value of U.S. equities, thereby doubling the amount that had already been lost since the end of August, the high point of the stock market bubble. Though Baker and company might well presume that the kind of "management" techniques employed with such apparent success over the last year, could be continued, to the same apparent effect, almost indefinitely, they would thereby merely demonstrate how insane they actually are. Baker, better than most, ought to know exactly what was involved in holding "the system" together over the last year, and therefore ought to know what the effects of the next "accident" or "mishap" will be.

The debt pyramid

There is probably in excess of \$20 trillion worth of unsecured obligations pyramided globally against the U.S. credit system. More than half of this amount is made up of the on- and off-balance sheet liabilities of the U.S. banking system. The next Oct. 19-style "accident" is quite likely to wipe out, in a first pass, \$5-7 trillion of the total. The determination as to when such an eventuality might come to pass is political.

The fact remains, though, that under present policies, each day that passes brings us inexorably another day closer to that eventuality.

Triggers for the detonation of the \$5-7 trillion are numerous. Among them: the dependency of the dollar exchange rate on the continued inflow of some \$150 billion of foreign funds; the dependency of the four- or five-times bankrupt banking system on a Ponzi-scheme chain letter of securitized off-balance sheet liabilities to the tune of more than \$7 trillion; the insolvency of the thrift system, threatening the \$900 billion or so in mortgage securities issued by agencies of government such as Fannie Mae, Ginnie Mae, Freddie Mac, and others; the \$1 trillion of so-called Third World debt.

Crisis management methods over the last year increased the overall magnitude of the problem, and shifted the maturity spread within the total of outstanding dollar-denominated obligations toward the short-term side. For example, the effort to delay the thrift crisis until after the elections: Federal Savings and Loan Insurance Corporation notes were issued to finance takeovers of insolvent thrifts, but for every \$1 extended in the form of such notes, up to \$20 were extended in the form of government guarantees, estimated at about \$200 billion in August and September. On the latter, there are now, after Oct. 19, 1987, more than \$1 trillion in certificates of deposit of less than one year's maturity drawn on the banking system; it is estimated that about \$350 billion of this pile has to be rolled over every three months.

The game goes on as long as the mass of outstanding paper continues to expand. At the point that the stampede begins, out of paper and into cash, hard commodities, or other physical assets, the whole mass will come tumbling down. The timetable will be determined, in part, by accounting settlement periods, such as the end of the tax year, quarterly settlements within the financial community, effects on the pile of paper as a whole of increases in borrowing and refinancing costs, all of which increase the demand for cash, and plain old-fashioned political in-fighting.

Crisis two decades in the making

Present crash potentials are the terminal phase of a crisis in the monetary and financial system that has been developing since the run against the British pound in 1967. Between that eruption of currency crisis and Richard Nixon's Aug. 15, 1971 decision to take the dollar off the gold standard, the postwar Bretton Woods system shattered. Since Aug. 15, 1971, the drift has been to maintain the fiction that the existing monetary arrangements are viable, by sacrificing the production of industry and agriculture, productive employment, living standards, and, among two-thirds of the world's population, the basis for existence itself. There were, from 1975, the Rambouillet agreements on floating exchange rates and the International Monetary Fund's genocide policy. These wiped out sub-Saharan Africa. There was the 1978-79 "controlled disintegration" policy, as it was known, embodied as

Federal Reserve chairman Paul Volcker's high interest rate policies. This produced recession in the advanced-sector countries, and the 1982 explosion of "the debt bomb" in Ibero-America. Then there was what Donald Regan and Walter Wriston called "creative" or "innovative" financing, which, through financial deregulation and changes in the tax law, in favor of real estate and other forms of speculation, unleashed the bubble which burst at the end of 1987.

At each phase in this process, the decision was made to attempt to buy time for the monetary system, by increasing the looting against the physical economy and human populations. The 1982 decisions typify the whole. At that time, LaRouche warned of the eruption of what he called the "debt bomb," and submitted proposals, known as "Operation Juárez," aimed at reorganizing the monetary and economic relations between the United States and the states of Ibero-America, to permit the growth of both. The proposal was rejected in favor of the "creative financing" innovations, under which Ibero-America, importers of U.S. capital goods and equipment, went more or less overnight into the opposite profile, shipping out whatever could be moved to service debt, while the banks, no longer in the business of lending, began to generate the "securitized" paper chain, which from nothing in 1982, burgeoned into \$7 trillion by 1987. Back then, LaRouche told those who rejected his design for reorganization that they might thus buy their system five years, but only at the ultimate price of making the delayed crisis much worse.

The crash of 1987 signaled the beginning of the reckoning. The delay won in 1988, like that achieved in 1982, only ensures that the reckoning will be much worse, and not this time, five years away.

The problem is the commitment, for longer than a generation, to preserve the apparent integrity of the financial system, at all costs, without respect to any other consideration. That is the knee-jerk reaction the Soviets have exploited so skillfully, against the fundamental interests of the West, since 1983.

Those who have administered that policy commitment never appear to have asked themselves what the purpose of a monetary system might be. Some, like the central bankers and their friends who intend to break the will of the incoming administration, would argue that the monetary system is the means by which control is exercised over governments and populations. Others, who generally end up in government, rather than higher up the totem pole, like the *nouveau riche* crowd from California, or the Donald Regans, see monetary policy as a means for converting the accumulated wealth of generations into the green stuff with which some are able to line their pocketbooks, without respect to how that wealth was developed, or what the consequences of the liquidation might be.

Both ignore the relation between the economic activity on which human existence depends, and monetary processes. In insisting on the primacy of the monetary system, they

TABLE 1

FDIC vs. actual bank failures, 1988 and 1987

	1988 (thru 12/15)				1987			
	FDIC		Actual		FDIC		Actual	
	Number	%	Number	%	Number	%	Number	%
Texas	113	57%	211	67%	50	27%	64	31%
Oklahoma	22	11%	24	8%	31	17%	33	16%
Louisiana	11	5%	12	4%	14	8%	14	7%
Colorado	9	5%	11	3%	13	7%	13	6%
Subtotal	155	78%	258	82%	108	59%	124	60%
Other	43	22%	56	18%	76	41%	81	40%
NATIONAL	198	100%	314	100%	184	100%	205	100%

position all of us, willing or not, as passengers on some conveyor belt. We may stroll around in any direction we want, but unless the direction of the conveyance is changed, or the apparatus turned off, we are all going to end up in the same disaster, no matter how we might think we got there, just like the passengers on what was known as the unsinkable *Titanic*.

Where the solution lies

In principle, these kinds of problems were solved, and not for the first time, 200 years or so ago. Solved, in the sense that the philosophical approach by which mankind might organize itself to escape from the form of monetary domination known as usury, was embodied in the Preamble to the U.S. Constitution, and embedded as law in the sections of Article 1 which allotted to the federal government the power to create money and credit, raise taxes, and regulate commerce. The intent thus outlined was further elaborated in Alexander Hamilton's reports, as Washington's first Secretary of the Treasury, on the National Bank, and on manufactures.

Since the Renaissance of the 15th century, it had been established, thanks to the work of Cardinal Nicolaus of Cusa and his collaborators, that the potential which separates man absolutely from the lower beasts, as a creator responsible for the perfection of creation as a whole, in the image of the living God, is best fostered on the basis of the culture of vernacular languages, organized in the form of a state. The Renaissance design was implanted onto the shores of this continent, thanks to the work of Benjamin Franklin and the European collaborators and successors of Gottfried Leibniz.

The Preamble to the U.S. Constitution is the distillation of that effort, "to form a more perfect union, establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity." Opposite to what

prevails now—when the view of humanity that underlies conduct in monetary and budgetary affairs assumes not only that "it costs too much" to provide for our posterity, but also that it costs too much to provide for the living—the purpose here is to improve that which is bequeathed us, for the generations which will come after.

Monetary policy ought then to be the instrument of that higher objective. Human history provides the proof as to how this might be done. Man has progressed, from the capacity to support a couple of million, at a maximum, baboon-like hominids, to 5 billion today, with the potential to support, at higher living standards than today, 50 billion over the two generations ahead, and up to 100 billion another generation or two down the road. The increase has been made possible by the assimilation of technological improvements, which by increasing the productivity of human labor, enable more productive people to be supported per hectare.

Monetary and taxation policies are the means by which the state ought to organize the flow of technological improvements which transform the organization of human existence for the better.

Either we return to that kind of approach, and junk the failed policies of the last generation and more, or this country, and the civilization which depends on it, will be adjudged to have been morally unfit to survive.

The institutions of government, as the Constitution provides, must reassert their lawful power to create money and credit. In U.S. practice, this is usually done by the Treasury's issuance of gold-reserve secured notes into the banking system. Under the present degeneration of monetary and credit systems, the government is in effect the only available such source of credit. So, its powers ought to be used to provide the \$2 trillion or so which it costs to run the economy over a year. The credit ought to be directed, at nominal interest rates—like the 1.5% during World War II—into fostering industrial and agricultural production and improvements in

basic infrastructure.

Internally, this kind of approach, by putting the workforce back into wealth creation through production, reverses the decline in tax revenues which lies as the unaddressed root problem of the current flap about the government's budget deficit. Externally, it permits the negotiation of new patterns of economic cooperation, through the creation of new markets in the Southern Hemisphere, and through a commitment to space discovery and colonization, which will unleash the successive transformations of the technological base that will permit the sustenance of the 50 billion or so humans who should be living on the Earth in 30 years. The productivity increases which flow from the adoption of such a course have the included benefit of ensuring that the growth of the whole

About the tables: The FDIC divides bank collapses into two categories: "failure" and "assistance transaction." A "failure" is where the bank is closed by the Comptroller of the Currency or the corresponding state agency, and is then turned over to the FDIC for disposition. In an "assistance transaction," the insolvent bank is technically not closed, but is instead sold to a third party, who receives a bailout from the FDIC to cover the bad assets of the acquired bank. The distinction between lies mainly in the minds of the lawyers, accountants, and bureaucrats.

EIR failure count includes both the FDIC categories, plus "Other failures" such as the Federal Land Bank of Jackson, Mississippi, which is not a commercial bank under the auspices of the FDIC, and two Colorado "industrial banks," which also lie outside the auspices of the FDIC, but were significant bank failures.

The main discrepancy between the FDIC and EIR counts, however, shows up in commercial banks directly under FDIC auspices in Texas. Until recently, Texas was a "unit banking" state, where branch banking was prohibited. The major Texas banks took the form of large holding companies, which owned a number of subsidiary banks, each with its own charter. Two of the larger Texas bank holding companies collapsed in 1988, First Republic Bank Corp. and First City Bancorp. First City Bancorp., a 61-bank holding company, was insolvent and in desperate need of help, but it was considered "too big to fail" by regulators and banking industry officials, so it was put on a life support system until a buyer could be found. In June 1988, when the FDIC-assisted sale of First City and its banks went through, the FDIC counted the event as a single assistance transaction.

First Republic Bank was also "too big to fail," but the government was forced to close FRB's banks to preclude a rash of lawsuits against the buyer, NCNB. At the end of 1987, First Republic Bank Corp. was the largest bank holding company in Texas, with 72 subsidiary banks. At some point during 1988, thanks to a change in Texas banking law, First Republic Bank began to consolidate those individual banks into a limited branch banking system, such that by the time it was officially declared insolvent, the company had only 40 member banks. In March 1988, to stem a ruinous run on the bank, the FDIC gave First Republic Bank \$1 million, and publicly guaranteed all of the bank company's deposits and most of its debts. At this point, EIR counted all 72 First Republic Bank banks as having failed.

process is self-financing.

For the last 25 years or so, every time the opportunity has been presented to adopt such a course, the contrary path has been chosen. The crisis which is coming over the next months will not permit the luxury of that inherited practice. Either the old ways are junked, or the collapse of the financial system will bring down everything, in the worst catastrophe mankind has perhaps ever seen.

TABLE 2

Bank failures in 1988 by state

State	1988 (thru 12/15)			1987		
	FDIC	Assistance Transaction	Total	FDIC	Assistance Transaction	Total
Texas	113	5	211	50	12	62
Oklahoma	22	2	24	31	2	33
Colorado	9	0	11	13	0	13
Louisiana	11	1	12	14	0	14
Minnesota	7	1	8	10	0	10
Kansas	6	2	8	8	0	8
Iowa	6	1	7	6	0	6
California	3	0	3	8	0	8
Florida	3	0	3	3	0	3
Missouri	2	0	2	4	0	4
Utah	2	1	3	3	0	3
Alaska	1	1	2	2	0	2
Ohio	1	1	2	1	0	1
South Dakota	1	1	2	2	0	2
Arizona	1	0	1	0	0	0
New York	1	0	1	1	0	1
Nebraska	1	0	1	6	0	6
Indiana	1	0	1	3	0	3
Montana	1	0	1	3	0	3
Michigan	1	0	1	0	0	0
North Dakota	1	0	1	2	0	2
Washington	1	0	1	0	0	0
Delaware	1	0	1	0	0	0
Wyoming	1	0	1	4	0	4
New Mexico	0	1	1	4	0	4
Kentucky	0	1	1	1	0	1
Arkansas	0	1	1	0	0	0
Illinois	1	1	2	2	0	2
Mississippi	0	0	1	1	0	1
Total U.S.*						
EIR	198	20	314	184	19**	203
FDIC	198	20	218	184	19	203

*Totals for 1987 reflects the total for all states, while Table 2 only lists those states that had failures in both 1987 and 1988.

**Only 14 of the 19 total are listed.

East bloc economic woes bear out EIR's 1985 predictions

by Konstantin George and Luba George

In the summer of 1985, *EIR* produced the landmark special report, commissioned by the American statesman and *EIR* founder, Lyndon LaRouche, titled: "Global Showdown: The Russian Imperial War Plan for 1988." In that report, LaRouche issued several predictions concerning what crucial developments and processes within the Russian Empire would come to a head during 1988. LaRouche had identified the awesome Soviet pre-war military buildup, naming it the "Andropov-Ogarkov War Plan," and told how the crash tempo of that war buildup was being maintained by an ever accelerating looting of the Russian satellites in Eastern Europe and the Soviet civilian economy—and in particular the agricultural and light industry sectors. From that documented analysis flowed the following unique predictions—three years in advance—for 1988.

1) That the accelerated tempo of Soviet and Western banks' (International Monetary Fund-IMF) looting of Eastern Europe by 1988 would force a process of physical breakdown among the economies of the hapless East European satellites. That this process, combined with the Ogarkov War Plan, dictated disinvestment in the Soviet civilian economy, which would create a similar economic crisis wracking the civilian and agricultural economy of the Soviet Union itself.

2) That this process of economic breakdown would unleash into open rebellion the restive populations of both Eastern Europe and the Captive Nations within the Soviet Union, confronting Moscow with a mammoth crisis of national unrest on top of the economic crisis.

3) That the main *vector* of personnel changes in the Soviet leadership would be the consolidation of power by the grouping consisting of the closest protégés and associates of the late Yuri Andropov and Marshal Nikolai Ogarkov. LaRouche has used the term, "Andropov's Kindergarten," to describe the new Soviet leadership team.

4) That the crash military buildup and pre-war reorganization of the Soviet Armed Forces would give Moscow by 1988 a dangerous margin of strategic superiority over the West, and combined with the continued dominance of the appeasement lobby in the West, and Moscow's gigantic internal crisis, create the most dangerous international strategic situation imaginable.

Now that 1988 is behind us, the unique analytical capabilities which produced predictions 1-4 have been vindicated. That Points 1-2 have, during 1988, become fully documented facts, and the subject of endless front page news stories in all Western publications, is a matter of record. The Point 3 prediction became history, as certified by the crucial personnel changes taken at Soviet Central Committee Plenums during 1988, especially the Sept. 30 CC Plenum. The same belated, and perhaps bitterly accepted, agreement by some quarters at least, that again, LaRouche was right, will also occur concerning Point 4, some time during 1989.

What has not yet dawned on Western policy-makers is the unprecedented depth of the economic crisis engulfing the Soviet Empire, and the alarming period of strategic crises it is about to usher in.

Moscow at a crossroads

During 1988, a qualitatively new international strategic threat has emerged as a result of the food crisis in the West intersecting the East bloc economic crisis, featuring the most severe food shortages in decades in the Soviet Union and its satellites in Eastern Europe.

Moscow has traditionally relied on annual mass food imports from the West to bridge the gap created by the low Soviet harvest, and, after 1988's expected record Soviet grain imports, Western food sources can no longer be relied on. This perspective, seen against what has already transpired during this past year, defines a tinderbox of coming strategic crises. Let us review briefly what happened inside the Russian Empire during 1988.

1) The combined effects of Soviet looting to meet Ogarkov War Plan requirements, and Western bank-IMF looting of Eastern Europe brought these economies close to the point of physical breakdown, with Romania, Poland, Hungary, and Bulgaria the hardest hit. With investment for years on end mostly confined to those sectors of the economy exporting, whether to Russia, or to meet debt payments to Western creditors, the sectors of the economy handling the population's needs for basic goods and services, as well as infrastructure, collapsed. The result has been the worst postwar shortages of food, fuel, and non-food basic necessities. The

Polish eruptions of 1988 will worsen in 1989, and a Hungarian volcano is set to erupt sometime during 1989, to name two certain cases of mass national unrest, if not actual revolt, brewing.

2) Inside the Soviet Union itself, the worst food shortages in decades, and a collapse of average living standards to a point not seen since the last years of Stalin. For months on end in many parts of the U.S.S.R., meat, dairy products, and sugar totally disappeared from the stores. Then, this autumn came the grain harvest failure, with less than 200 million tons having been produced, i.e., over 11 million tons below the 1987 level. The collapse of living standards has been the unpublicized, "other" motor behind the national eruptions that have swept the Soviet Union, in the Transcaucasus, the Baltic, and the Ukraine.

For now, Moscow's needs for record grain imports are being met by the Western grain cartel. The tribute in the form of huge supplies of grain and meat is flowing to the Russian empire now as never before. However, both the extreme dependency on the West for food this has caused, plus the assumption that merely the objective circumstances of the West's own food crisis could turn off the flow at any time, has effected cataclysmic changes in the policies of the Soviet leadership. A companion set of far-reaching changes has also begun in response to the rebellions under way in the Captive Nations.

These changes crystallized around the Sept. 30 CC Plenum, which in a police-state-style response to the crisis engulfing the empire, produced a vast increase in the powers of the KGB and the forces assigned to maintain "internal security." The head of the KGB, Viktor Chebrikov, was promoted to Central Committee Secretary in charge of all internal security organs. The KGB Foreign Intelligence head, Vladimir Kryuchkov, was promoted to chairman of the KGB, and has emerged, since his delivery of a major foreign policy speech at a July meeting on foreign policy, as a significant shaper of Soviet foreign policy as well. The former head of the KGB in Latvia, Boris Pugo, was named new head of the Party Control Commission, the purge-executing organ of the CPSU. This group and all others promoted at that Plenum were, without exception, very close associates of the late Andropov; hence LaRouche's appellation: "Andropov's Kindergarten."

Beyond the KGB-internal security consolidation, the Plenum marked another policy watershed. Since the Sept. 30 Plenum, the expansion of the Soviet food sector, by any and all means, has become priority number one, and, indeed, *military* priority number one.

It didn't take long for this priority to be spelled out. On Nov. 1, 1988, Politburo member Yegor Ligachov, assigned at the Sept. 30 CC Plenum to oversee agriculture, spoke at a Moscow meat industry enterprise: "The quickest way to resolve the food supply problem is the large-scale development of food processing industries, the creation of a modern trans-

portation system, and the improvement of facilities for storing agricultural produce."

This is what the recent mass flow of Western credits to Russia to modernize the Soviet food industry is all about. They are the means to finance a Soviet crash program to modernize and expand this sector over the next two years, and by doing so, eliminate enough harvest and post-harvest waste to yield an automatic 20% increase in available food.

4) The dimensions of the investment priority for the food sector were underscored Nov. 4, in a domestic Radio Moscow statement by Fikryat Tabayev, First Deputy Prime Minister of the Russian Republic. Tabayev disclosed that in the 1989 State Economic Plan, *one third* of all investments in the Russian Republic will be in the *food sector*.

In addition to these few of many such statements one could cite, the reader should note that from July 1988 to February 1989, two of the four Soviet CC Plenums held, or to be held, will have had the Food Supply Crisis as their *sole* agenda item.

The food supply question has been accorded not simply priority number one, but *military-security* priority number one. This decision was institutionalized at the February 1988 CC Plenum with the following key personnel changes.

1) Yuri Maslyukov, till then the man in charge of the military industry component of the State Planning Agency, Gosplan, was made the boss for Gosplan itself, i.e., put in charge of *all* state economic planning.

2) The single most stunning illustration of Moscow's wartime priority assigned to food, was the appointment of Oleg Baklanov as Central Committee Secretary. Baklanov had been the boss for all Soviet missile and space-based military equipment production, in short the person entrusted by Ogarkov to successfully implement the Soviet offensive missile and SDI pre-war build up programs.

As became clear from November articles in *Pravda* and *Izvestia*, where Baklanov repeatedly turned up conducting tours of Soviet food processing industry plants, Baklanov is now in charge of expanding and modernizing Soviet food storage, transport, and food processing, and along with it, in charge of the military-strategic stockpiling program. Thus Moscow transferred the man who successfully oversaw missile and military space production, and placed him in charge of militarizing the entire Soviet food sector. Such moves ought to open the West's eyes to the much more drastic and dangerous steps Moscow is prepared to take soon to "solve" its nest of internal crises.

Moscow is already preparing military conquest options to secure food supplies and advanced industrial plant, equipment, and technology, which LaRouche has emphatically warned about recently. Unless the West wakes up, on the agenda lurks a chain of ever bigger Soviet military conquests over the next year or two as the global food crisis, coupled with continued Western weakness, plunges us into one strategic crisis after another.

1988: the year the Trust revived

by Scott Thompson

Despite having to leave New York ahead of schedule on Dec. 8, because of the earthquake in Armenia, Mikhail Gorbachov squeezed in a breakfast meeting with David Rockefeller and a consortium of U.S. bankers. The priority Gorbachov assigned to this meeting reveals a major new concern of the Soviet Union in 1988, namely to revive the sorts of financial and trade relations with the West that existed when Vladimir Lenin proclaimed the New Economic Policy of the 1920s. Though it was touted as a “retreat” from socialism, the NEP was an arrangement with Western rentier-financier interests, who agreed to undertake certain limited buildup of Russia’s industry, not simply from the standpoint of expanded markets, but from the standpoint of a condominium for global power-sharing.

Among the deals that Gorbachov reportedly discussed with David Rockefeller concerning Chase Manhattan bank were: 1) a five-year industrial bond issue to develop Soviet automobile production and an export drive for these vehicles, worth some \$6 billion, to be underwritten by Chase; 2) a trade agreement between the Soviet Union and the European Community for which Chase would provide 17% of the overall credit financing; and 3) a reorganization of the Soviet economy that will allow individual citizens to buy shares in major Soviet enterprises, ultimately leading to the establishment of a stock exchange in Moscow. Chase will serve as the prime adviser for the latter program.

As the latest deals with Chase Manhattan illustrate, 1988 was the year that the economic side of “The Trust” was revived. Although there was never any proof that the Zinoviev Telegram was not a forgery—the telegram that warned that the Comintern would carry out subversion of the British Empire under the guise of the 1922 Anglo-Soviet trade agreement—dozens of intercepted Comintern documents in the U.S. National Archives confirm that trade has always been a major front for Soviet provocation and deception operations, whose archetype is Cheka chief Felix Dzerzhinsky’s “Trust” of the NEP period.

This relationship between trade deals and Soviet deception operations was rediscovered by the recently deceased James Jesus Angleton, former chief of counterintelligence for the Central Intelligence Agency. Angleton explored the peculiar dual position of Dzerzhinsky as both Cheka chief and chairman of the Supreme Economic Council, which, Angleton believed, had enabled Dzerzhinsky to recruit long-term, top-level agents-of-influence from among the NEP “cessionaires,” such as Armand Hammer and Averell Harriman. It is also notable that Chase Manhattan, through its predecessor, National City Bank, had been represented on the board of the American International Corporation, at 120 Broadway, New York, which carried out major trade agreements with the Bolsheviks that included plans for all the major industrial projects of the Soviet First Five-Year Plan, and served as the first U.S. “back-channel” for secret treaty negotiations with the Bolsheviks.

Essentially, the Soviet deception of the West under the 1920s NEP was carried out by a faction of Bolsheviks, comprising the Left and Right Opposition to Stalin during the industrialization debate of the 1920s, which might be best known as “Parvus’s Kindergarten.” All the leading proponents of the NEP—including Bukharin, Trotsky, Radek, Krassin—were protégés of Alexander Helphand (“Parvus”), who was himself an agent of the “Last Doge of Venice,” Giuseppe Volpi. Parvus, who helped engineer the 1905 Revolution in Russia, then the ignition of World War I in the Balkans, is notorious today mainly for his role in duping Germany into providing financial and logistical support to Lenin.

These Soviet agents-of-influence, whose activities as in the case of the octogenarian Armand Hammer have often spanned the careers of three generations of intelligence officers, have played a major role as a “back-channel” in bringing the Reagan administration into its post-INF Treaty “Détente II.” While Angleton’s analysis of the economic dimensions of this “Trust B” has been vindicated by recent history, U.S. intelligence officers today are either scared by the implications of this analysis, which they dismiss as “paranoid,” or else they hide from taking a stand by claiming that the true story of the “Trust” is still classified.

Under Gorbachov, a small, but powerful faction of Western rentier-financier interests has contemplated a global “New Yalta,” which will use the lure of major financial and trade deals to dupe other businessmen and politicians into agreements treasonous to their nations.

The economic Trust revives

The leading spokesman for restoring NEP-style economic relations within the Reagan administration has been Secretary of State George Shultz, who has also paved the way for a “global New Yalta” through his “regional matters” dialogue with the Soviet Union. Shultz’s father, Birl Earl Shultz, was a partner in the 120 Broadway group’s dealings

under Lenin's NEP with the U.S.S.R., when he was personnel director of the American International Corporation.

In September 1987, Shultz gained a new ally on the Cabinet for his belief that expanded trade builds the basis for "peace," when Congress approved C. William Verity, Jr.'s appointment as Commerce Secretary. Verity's nomination was upheld, even though several conservative senators were alarmed by Verity's role as a founder of the U.S.-U.S.S.R. Trade and Economic Council (USTEC), officially launched in 1973 to take up the role during "Détente I" of the earlier 120 Broadway group, by then Treasury Secretary George Shultz during a Moscow summit.

Efforts by experts to introduce declassified State Department documents that showed a third of the Soviet members of USTEC were known or suspected GRU and KGB agents were suppressed, as was the story of how Shultz had deliberately exposed U.S. counterintelligence agents monitoring Soviet espionage within USTEC. By 1988 this Shultz-Verity duo had set plans in motion for expanding trade dramatically, aided by the fall 1987 resignation of Defense Secretary Caspar Weinberger, who opposed any expansion of trade on the basis that such expanded trade freed Soviet capital resources for investment in modernization.

Verity not only revived USTEC, which had been in hibernation since the 1979 Soviet invasion of Afghanistan, but also the Joint U.S.-U.S.S.R. Commercial Commission that, like USTEC, had been founded during "Détente I." On the eve of an April 11 visit to Moscow, after two months of Cabinet debate, Verity sought and gained Cabinet approval for an initiative to form high-level working groups to spur trade in five areas—food processing, energy, construction equipment, medical products, and the services sector. Perhaps the most controversial of these areas was the energy sector, since Soviet hard currency earnings from exports had declined to \$29 billion (one fourth the gross earnings of General Motors), because of declining raw materials prices on depressed world markets.

Apart from "crocodile funds" derived from drug-trafficking via such client states as Cuba, Syria, Afghanistan, and pro-Soviet forces in Southeast Asia, the four main sources of Soviet hard currency earnings have been oil, gas, arms, and gold. However, the Soviets had not only lost an estimated \$8 billion in hard currency earnings because of the decline of oil and gas prices, but they also needed major new inputs of Western technology to stop declining production.

Starting in 1985, the Soviets turned increasingly toward Western bailout loans, preferably "untied loans" that represent cash-on-the-barrelhead, that is not tied to any specific purchase from the West. Where Soviet medium- and long-term indebtedness held steady from 1980 to 1984 at around \$20 billion, it suddenly jumped to \$41.2 billion by 1987 under Mikhail Gorbachov. Further, in just a 10-day period in October 1988, Western European nations and Japan jointly announced \$9 billion additional loans and lines-of-credit to

the Soviet Union, usually following visits by the heads-of-state to pay homage to Czar Gorbachov. For the first time since NEP, the Soviets experimented with their own bond issues to raise additional funds in West Germany and Switzerland. Fully 80% of the increased Soviet loans were "untied loans," and 90% of these new credits were supplied by Western Europe and Japan.

Joint ventures: the foot-in-the-door

It was USTEC that forced through new Soviet laws in 1987 that would permit joint ventures with the West. The Soviets could find few takers—mainly because of the provision that profits could only be repatriated from the hard currency earnings of sales on world markets outside Russia, which meant that foreign firms would have to create industries based in Russia that competed with themselves for world markets. The Soviets announced major revisions in the joint venture in October 1988. Soviet Prime Minister Nikolai Ryzhkov announced that it would now be possible for foreign firms to own 80% of a joint venture, instead of 49%.

Nevertheless, Soviet Trust agent Armand Hammer's Occidental Petroleum had already announced with fanfare that it would join with ENI-Chem and Montedison of Italy and Japan's Marubeni, to sink \$3 billion into a joint venture called Tengiz Polymer, to build a huge petrochemical plant in the U.S.S.R. Altogether, some 110 joint ventures are being negotiated. Next to the Hammer-Oxy deal, the most interesting deal—announced after the April 1988 USTEC meeting when 500 top executives flocked to Moscow—was the formation of the American Trade Consortium by seven companies: USTEC chairman Dwayne Andreas's Archer-Daniels-Midland, Chevron, RJR Nabisco, Eastman Kodak, Johnson & Johnson, Ford, and USTEC president James Giffen's Mercator Merchant Bank. In October, the American Trade Consortium announced that the problem of repatriating profits from a host of joint ventures would be solved by Chevron sales of Soviet oil and gas abroad.

Despite the resignation of Caspar Weinberger, opposition to expanded trade with the Soviets has grown, especially since Italian financier Carlo De Benedetti and German Foreign Minister Hans Dietrich Genscher began to talk of a \$100 billion "Marshall Plan" to finance Gorbachov's perestroika. Much of the bipartisan opposition in the U.S. has so far coalesced around the issue of "untied loans." Several bills have been introduced into Congress to block "untied lending" through 1988. In October, Deputy CIA Director Robert Gates, in three public speeches, counseled a policy of "watching perestroika, but not financing it." On Nov. 8, a George Bush foreign policy spokesman, Andrew Carpendale, told *Le Figaro*: "We don't want to see untied credits being given to the Soviets at this point in time. We want to put Gorbachov in a position where he has to make hard choices and pull back from defense spending. . . . So we don't want untied loans or credits."

Debt payments savage Ibero-America

Peter Rush describes how the failure to form a debtors cartel doomed Ibero-America to another year of worsening social and economic crisis.

The year 1988 saw the peoples of Ibero-America condemned to deepening misery, due to the cowardice of their leaders, most importantly, the leaders of the continent's "Big 3," Presidents Miguel de la Madrid of Mexico, José Sarney of Brazil, and Raul Alfonsín of Argentina. They continued to refuse to stop paying tens of billions in debt service during 1988, at a terrific social and economic cost to their peoples.

The year saw millions of Argentines suffering malnutrition, a large chunk of Brazil's working and middle classes sinking into absolute poverty, and the majority of Mexicans earning 75% less than six years ago. Yet, the governments of their respective countries paid almost \$30 billion in debt service and ran a huge aggregate trade surplus, while barely denting their debt burden. Moreover, their refusal to join together in a debtors' cartel against international bank usury condemned Peru to defeat by speculators and bankers, causing a hideous financial/economic crisis, while also dooming the prospects of any other country of the region improving its economic situation.

In Brazil and Mexico, the people responded by "voting the bums out" who brought on this misery. In municipal elections throughout Brazil, the voters deserted the once-majority PMDB, associated with President Sarney's failed policies, voting in mayors from two far left parties in dozens of cities, including the two largest. In Mexico, the discredited ruling PRI party lost its first presidential election in its history, requiring it to execute monumental vote fraud to retain the presidency. And in Argentina, all polls heavily favor the Peronists to win a presidential election this coming May against the unpopular Radical party of President Alfonsín.

Nonetheless, during the year all three countries negotiated "deals" with the international banks and the IMF on their foreign debts, at the price of cutting wages even further, reducing government budgets for health, education, and other social expenditures, hiking interest rates, and reducing productive investment once again. As a result, Brazilian inflation is at an all-time high, Mexico is poised for an inflationary blowout, and Argentine inflation is fast approaching previous highs after yet another failed "plan" to rein inflation in. We will examine these three case studies in some detail,

as the economies of these countries dominate Ibero-America, and their debts account for 70% of the region's total.

Brazil

Brazil is a financial cataclysm waiting to happen. Inflation rose in October to an all-time monthly high of 27.5%, a 1,745% annual rate, and most analysts think classic Weimar-style hyperinflation could break out any day. January-November inflation is also a record 645%, three times last year's 232%. The only thing preventing an estimated \$75-100 billion from trying to flee the monetary system, and probably the country, tomorrow, is a combination of indexation of financial instruments, and high-interest, extremely short-term government paper, typified by the "overnight" (one-day "bonds"), plus constant devaluation of the cruzado, which in 1988 lost 90% of its value against the U.S. dollar. Total internal debt soared in 1988, increasing 45% from \$55 billion to \$80 billion. The slightest shock is enough to send tremors through the system, as in October when the central bank offered, and then retracted, a 50% monthly interest rate, sending holders of cruzados scurrying for cover.

The government claims it has its foreign debt crisis under control, based on the renegotiation with the banks, finally sealed in September, that officially ended Brazil's 19-month debt moratorium. However, only extraordinary levels of "self-looting," in the form of a record \$17 billion trade surplus, made this possible. In 1988, Brazil increased exports, primarily manufactures, by \$6 billion without increasing imports. It ended the moratorium by savaging the domestic economy to the tune of \$17 billion worth of goods sent abroad as tribute, a level double that of two years ago.

What this means can be seen in the manufacturing sector. Brazil exported fully 23.5% of its total manufacturing output in 1988, \$20 billion, up \$4.5 billion from last year. But total manufacturing output was down, as of October, by 2.9%, and October's decline was 7%. The result is that consumption of manufactured products by the domestic economy fell from \$72.3 billion in 1987 to \$65.3 billion in 1988, a 10% decline, or more than 12% per capita. As of July, production of key consumer goods fell sharply, with textile production off 7.2%

from 1987, and clothing off 13.5%, even as textile exports rose.

The country also exported food desperately needed by its people: 530,000 tons of beef, equivalent to an annual consumption of 40 million people, 220,000 tons of chicken, equal to the consumption of 20 million, and 500,000 tons of rice, enough for 7 million for a year, were exported, in a year in which wheat and corn, which account for 50% of Brazil's grain production, fell 19.3% and 7.3%, respectively. Worse, as of September, when inflation for the year was at 397%, the price of beef had risen 750%, chicken 772%, milk 568%, wheat flour 869%. In September, when inflation was 24%, beans rose 53.2% in price, beef 42.3%, and chicken 40.8%.

Official employment and wage figures are not available for the country, but in São Paulo, manufacturing employment fell 2.55%, and average real wages by 1.3%. However, official wage figures are highly misleading. For the portion of the workforce whose wages are indexed, inflation has not hit as hard, but for the majority of the population that lacks such employment, including the entire so-called informal economy, the inflation has been brutal. More than half of all Brazilians earn less than \$90 a month, and live in abject poverty.

The result is a building social and political storm. Nonetheless, President Sarney's plan is to slash the government budget, hitting especially hard at money for the states for social services, and to open "free trade zones" to export yet more manufacturing tribute, while continuing to pay the debt on time. It will not be long before the nation's gerry-built financial structure must come apart, with awesome social, political, and economic consequences.

Mexico

Mexico is also close to an explosion. Facing monetary blowout in late 1987, the government convinced the major industrial and peasant unions to sign an "Economic Solidarity Pact," whereby they would suffer another large downward ratcheting in real incomes, in return for halting inflation. While inflation is now officially under 1% a year, the wage-earning population has not been compensated for more than a fraction of the nearly 50% inflation since last winter, which decline in real income comes on top of a more than 50% reduction since 1983. According to the National Confederation of Chambers of Industry, real wages in Mexico have now fallen an astounding 76.5% under the December 1982-December 1988 term of De la Madrid.

Indeed, it is no exaggeration to say that under De la Madrid, the Mexican government has been turned into little more than a tax-farming operation for the country's creditor banks and domestic financial sharks. Since 1983, Mexico paid \$57.7 billion in interest payments on the foreign debt, and \$30 billion in amortization, while the total debt grew from \$82 billion to \$105 billion. The government paid even more than that, in recent years, as blackmail money to the "300 families" that run Mexico, the top financiers who have

demanded extraordinary rates of interest on the internal debt, held almost exclusively by them, on pain of turning their billions into flight capital. Some 56% of the federal budget in 1988 went for debt service, the majority of it internal.

And De la Madrid's successor, Carlos Salinas de Gortari, is pledged to continue the pillaging. In his first budget, submitted Dec. 15, Salinas committed himself to paying 59.3% of the total federal budget for debt service (\$9.9 billion of it for interest on the foreign debt), relegating social services and infrastructure investment to last priority, with very tiny budgets. Granted, he announced that Mexico was demanding \$7 billion in new money from the banks to defray most of that \$9.9 billion, but that would be at the cost of increasing Mexico's total debt another 6%, and securing it at all is very far from certain.

Meanwhile, 6 million Mexicans, 21% of the workforce, are officially unemployed, average wages are \$3.50 a day, 60% of the productive plant of the country is not operating, productive investment has fallen 40% from its previous low, and the majority of the population is barely surviving. Meat and milk are disappearing from the average diet. Gasoline is now being imported for lack of investment in oil refineries, and so is milk, the domestic producers having been driven out of business. With support prices for most agricultural products set below costs, farmers are threatening not to plant this winter's crop.

Moreover, the trade deficit which in recent years provided the margin of \$8-12 billion with which to pay interest, has fallen to nearly zero, and 1988's balance of payments threatens to be sharply negative. Should Salinas sharply devalue, to try to expand exports, he will unleash unstoppable domestic inflation again; but if he doesn't, he will have to stop paying. Reserves of over \$16 billion last spring are now half that and falling fast. For all the tricks that have been played, neither the monetary system, nor the Mexican people can long continue playing this game.

Argentina

Argentina's story mimics Brazil's and Mexico's. Only a 41% growth in manufacturing exports—at the expense of the domestic economy—has permitted Argentina to come close to servicing its \$56 billion foreign debt, and even so, it is \$1 billion in arrears. Faced with high and rising inflation, the Alfonsín government instituted its so-called "Spring Plan" with much fanfare last July 31. It raised public utility rates 30%, cut the state budget, and rigged the exchange rate to steal 20% of the revenue due the country's agricultural exporters. On Sept. 21, it cut 2,600 protective tariffs. And it jacked interest rates up so high that hot money began pouring into the country, causing a rise in internal government indebtedness of 60% in two months, to a level of \$11 billion.

But despite the export boom, manufacturing output dropped 4% in the third quarter, and investment in plant and equipment was expected to fall 25% in the second half, after

a 30% fall in the first half. In a confidential memo prepared by members of the Argentine Industrial Union in early September, it was predicted that there would be a 40% drop in industrial output, causing mass plant closings and layoffs. And for all of this, inflation, which reached a "low" of 5% in November, was expected to hit 10% in December, on the way back up again.

The result: Wages in July were 22% below the 1987 average, and more than 40% below their January 1987 level, and they are lower today. According to a shocking in-depth report in a Buenos Aires newspaper Oct. 13, an estimated 10 million Argentines—one-third of the total population—suffer nutritional deficiencies, one-third of these being at a critical subsistence level.

Venezuela and Peru

Venezuela faces a crisis of debt payment only slightly less severe than the three cases above, and anticipates the highest inflation of its history next year. Colombia's export economy has been savaged by terrorist attacks on its oil pipelines, cutting oil exports, and the collapse of its agriculture because of guerrilla activities. Chile can anticipate financial destabilization as flight capital begins to flee the prospect of political chaos and communist gains next year, while Bolivia continues to depend on coca exports, the rest of the economy having been destroyed by "reforms" in 1985. Ecuador declared a debt moratorium, and bad weather ravaged the Caribbean.

The collapse of the Peruvian economy in 1988 has been the most abrupt of any country's. Unlike the rest of the continent, Peru had experienced real growth from late 1985 through the summer of 1987, based on a partial debt moratorium, in defiance of the IMF and the banks. But when support from the major debtors was not forthcoming, the allies of the IMF lowered the boom in 1988. Beginning in the summer of 1987, pressure was exerted in the black market against the value of the inti. President Alan García responded by nationalizing the banking system, but internal sabotage by the IMF lobby in Peru's oligarchy ensured the failure of this measure. An orchestrated run on the inti on May 4, 1988 forced García to overhaul his cabinet four days later. On June 29, the government legalized drug money deposits in the banking system, and on July 11, it decreed the first austerity "shock" program, jacking food and other prices 50-110%. Continued monetary warfare led to another shock program decreed Sept. 6, again raising prices and devaluing sharply. The result: 1,300% inflation in 1988, food shortages and no money for imports, and no reserves in the central bank. García himself continued to oppose signing a deal with the IMF, despite intense pressures within the country, but most of his programs for economic progress have been either cancelled by budget cutbacks, or smashed by the out-of-control Shining Path terrorist movement, leaving the economy in a shambles.

Back to the Stone Age

The Soviets' ecology enters a new phase

by Carol White

Mikhail Gorbachov's Dec. 7 speech before the United Nations was most prominently covered with regard to his unilateral disarmament offer. Yet a good three-quarters of the speech was devoted to his proposals to reorganize the world economy. He urged the restructuring of industry according to directives to be set by ecologists. These would then be enforced through the supranational authority of a global police force, under the authority of the United Nations.

Gorbachov has now publicly surfaced what we have known and reported to be the case: The ecologist movement, from the Green Party in Germany, to Prince Philip of Britain's World Wildlife Fund, to U.S. anti-nuke protesters, are a joint East-West Trust deployment, with heavy KGB involvement. With this speech, the Soviet President has put forward a program which would force the West to disarm its industrial base, as a prelude to a Russian drive for world hegemony.

The reality of instituting the kind of restrictions on industry proposed by the ecologists, on the basis of spurious, pseudo-scientific argument, would, if successful, be of dubious value to the "environment," but would in fact condemn possibly as many as half of the existing world population to premature death. Such a return to Stone Age technologies is attractive to that section of the Western oligarchy which would prefer to risk Soviet domination in their gamble to reinstitute a new feudalism.

Their hope is to arrange a joint *trusteeship* over the globe, with the Soviets—creating two feudal empires, one Eastern and one Western. One of the Western architects of this East-West Trust arrangement was the evil Bertrand Russell, who kicked off the "Ban the Bomb" movement in the late 1950s, but who had been decrying industrial society and polemicizing for a return to the Stone Age, since before World War II. In 1968, the Club of Rome was formed with explicit malthusian goals.

East-West coordination

EIR has published documentation of KGB and East German links to the West German Green Party, and the role of the Greens as a cover for professional Soviet sabotage activ-

movement in 1988

ities conducted by their special forces (*spetsnaz*) units. We have also reported terrorist infiltration of U.S. environmentalist groups. Even more important than the secret KGB linkage to the environmentalist-ecologist movement, is the open role of the International Institute for Applied Systems Analysis (IIASA) in Vienna, Austria, which is led by the late Soviet Premier Aleksei Kosygin's son-in-law, Dzhermen Gvishiani.

IIASA was officially launched in 1972, after discussions among U.S. National Security Adviser McGeorge Bundy, Soviet Global Systems Analysis chief Gvishiani, and top British government scientific adviser Lord Solly Zuckerman, in the late 1960s. The idea was to create an institute that would embody in its activities and methods a "convergence" of East and West, based on the pseudo-science of "systems analysis," which ignores economic processes. The circles that created and sponsored IIASA were, in fact, the same neo-malthusians associated with the Club of Rome.

There is one more useful historical point of reference for purposes of this review: the Chernobyl nuclear plant meltdown of April 1986. The effect of Chernobyl in Germany and Italy was comparable to the earlier Three Mile Island accident in the United States, with the difference that a wave of terrorism in Germany was set off by the Green movement, in collaboration with the Soviet-run terrorist autonomist groups. The Wackersdorf riot in 1987 was the first of a series of anti-nuclear and anti-NATO demonstrations which can only be described as irregular warfare, because of the level of armed confrontation of the terrorists against the police.

Whereas the U.S. nuclear industry has been in a state of collapse virtually since the first days of the Reagan administration, as a result of successful economic warfare combined with continued regulatory harassment, in Europe—before Chernobyl—the situation was different. Chernobyl provided the occasion for a wave of anti-nuclear hysteria particularly in the Federal Republic of Germany and in Italy. For example, in 1987, an anti-nuclear referendum was passed in Italy.

Ironically, in the U.S.S.R., where the accident occurred, the construction of nuclear plants is proceeding, albeit with West German consultation.

The 'greenhouse effect'

This past year's drought and otherwise aberrant weather pattern has offered the occasion for another part of the ecology movement to go into high gear around the presumed effects of the emission of carbon dioxide and other gases and soot into the atmosphere. As we have written elsewhere, and will be further documenting in upcoming issues, there is neither unanimity in the scientific community about these claims that the average global temperature is rising, nor do we believe the evidence is convincing.

The so-called greenhouse effect is now supplementing nuclear scare stories at the center of organizing by the ecology movement. On Dec. 13, 1988, a joint commission of the Soviet and American Academies of Sciences was announced whose purpose was to take action to safeguard the Earth's "ecological security."

Lest there be any question that the goals of this commission are coherent with those expressed by Gorbachov, they explicitly referenced his speech in the announcement to the press of their goals. They said that they regard the new group as equal in importance to an existing joint Committee on International Security and Arms Control.

It is from the standpoint of this portended new phase of the conspiracy against industrial capitalism and republicanism—a conspiracy otherwise known as the ecology movement—that we offer the following review of some of their activities over the past year.

Documentation

Nuclear

January: Bonn is swept by a "nuclear scandal" which implicates the nuclear company Nukem, in Hanau near Frankfurt, in violating the treaty which prohibited the production of weapons-grade nuclear material in West Germany. Traces of weapons-grade material were allegedly found in storage containers in Germany supposed to contain only low-grade nuclear wastes. Rumors also circulate that the weapons-grade material was being shipped illegally by the Nukem firm to Pakistan and Libya.

The number of "suspicious containers" have grown day by day, and in January reach a reported total of 2,500. In fact, most of these containers are perfectly in order; nevertheless, media hysteria equals the spectacle which followed the Chernobyl disaster.

West Germany's largest energy producer, Vereinigte Elektrizitätswerke Westfalen (VEW), announces itself to be on the verge of bankruptcy, as a result of the current freeze on nuclear power, a company official announces Jan. 28. The company had invested several billion deutschemarks in nuclear projects under construction.

The Public Service company of New Hampshire files for

bankruptcy protection on Jan. 28. This is the first major public utility to do so since the Great Depression. The decision follows rejection by the New Hampshire Supreme Court of the company's request for a 15% emergency rate increase and for permission to charge customers for its \$2.1 billion investment in the Seabrook nuclear plant, until the plant begins to operate. The Seabrook plant, completed in 1986, has not been granted an operating license.

March: First warning of the impending shutdown of production of nuclear fuels in the United States appears in an article by Frank Gaffney in the *Wall Street Journal*.

A nuclear referendum is passed in Italy to halt all nuclear construction. Following this, the Trino Vercellese nuclear plant is also shut down.

June: In an unprecedented action, the Long Island Lighting and Power Company finally reaches a deal with Mario Cuomo's State of New York to bulldoze its Shoreham facility, which cost \$5.3 billion and took 23 years to build, but was never put into operation because of environmentalist roadblocks.

October: Materials Production Center at Fernald, Ohio near Cincinnati, which processes uranium for nuclear warheads, could be shut down over charges of "ecological mismanagement." A class-action suit seeking \$300 million in damages has been filed. The government is now admitting that the private operators (first, National Lead, and then, Westinghouse) have discharged at least tens of thousands of tons of uranium into both the air and the water.

Officials in Brasilia accuse the International Monetary Fund and World Bank of granting loans contingent on Brazil abandoning nuclear energy development.

December: A phony scandal surfaces in the Federal Republic of Germany with newspaper headlines claiming that the Biblis nuclear plant was on the verge of a nuclear accident worse than Chernobyl in December 1987. At issue is a minor change in operator procedures which is being put into effect in the United States, as well as Germany, following valve failure. The incident at Biblis was never threatening and resulted in minimal release of radiation.

The United States's only tritium-producing plant at Savannah River, South Carolina remains closed after nine months. Prospects for reopening look bleak, as more cracks in pipes are reported.

U.S. newspapers feature stories about groundwater leaks in production reactors producing weapons-grade nuclear fuel for the military. The ecology movement is demanding that these plants be closed down.

The Long Island Lighting Company is losing \$1 million per day because the completed Shoreham nuclear plant is prevented from operating and the company has now been found guilty by the New York courts of charging customers for construction of the plant (which would have been lawful were the plant allowed to open).

Greenpeace and other terrorists

April: Jeremy Rifkin's Foundation on Economic Trends launches a federal lawsuit to try to halt electromagnetic pulse (EMP) experiments at seven laboratories in five states claiming they are violations of the National Environmental Policy Act (NEPA).

June: Radical environmentalist groups drive nails into Douglas fir trees in Oregon, in an effort to prevent them from being logged. The nails are found in a zig-zag pattern, so that when struck by a logger's chainsaw, they would tend to break and spray out like machine gun bullets. One California mill-worker was critically injured last year when his saw broke on a tree that had been nailed.

July: Dr. Martin Welt, pioneer in food irradiation technology, is found guilty of violating a regulatory technicality. He faces two years in jail and \$50,000 fine. The jury was motivated to convict by the prosecution's anti-nuclear attacks upon food irradiation.

August: The German Federal Administrative Court decides that conscientious objectors in West Germany can join Greenpeace instead of the armed forces. The court states, "Nothing indicates that a conscientious objector employed in Greenpeace could be used for improper tasks." Greenpeace is a KGB "peace" front operated through Swedish and other channels.

September: Greenpeace opens an office in Moscow, receiving official backing from the Soviet government, financed by the release of a Western pop record in Moscow, which is distributed by Melodiya, the Soviet state record company. The album, entitled "Greenpeace-Breakthrough," includes a booklet explaining the worldwide activities of Greenpeace.

Population control

May: Britain's Prince Philip delivers a speech calling for a slowing-down of economic development worldwide, because this development is gobbling up the world's resources. This view is endorsed by the vice-director of the Italian branch of the World Wildlife Fund, Gianfranco Bologna, at a meeting held in a room of the Italian Parliament in Rome, co-sponsored by the Italian Association for Population and Development and the United Nations Fund for Population Activities (UNFPA). The theme of the conference is "Population and Environment."

July: The Club of Rome International meets in Poland July 1-4, the first official meeting of the malthusian group in an East bloc country.

September: Prince Philip states in an 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.

Europe 1992 at a crossroads

by Muriel Mirak

Although the year 1992 is the date officially set for the completion of the European internal market, the past year has seen a flurry of activity focused on making ready the so-called "Europe 1992." At the same time, in response to the energetic efforts of the "Europe 1992" lobby, the first significant opposition has raised its head, announcing that it will put up one hell of a fight to block the designs of the Brussels Eurocrats.

The impetus for shifting into high gear on "Europe 1992" came as 1987 was drawing to a close. After the Oct. 19 stock market collapse had sent tremors throughout the world financial markets, European Commission president Jacques Delors received the order to implement the Single European Act *toute suite*. This document, a reworking of the original Rome Treaty of the European Community, laid out the guidelines for creating a single market of the member states of the EC, removing cumbersome borders and abrogating national laws regulating flows of capital, merchandise, and persons. It had been passed and ratified by the national parliaments of member states over a two-year period ending in summer 1987, but lay, like so much EC legislation, collecting dust on the bookshelf of some bureaucrat until the October crash occurred.

At that point, the Europeanists launched a political drive, accompanied by a well-orchestrated press campaign, to translate the guidelines into binding law. As Jacques Delors put it, the process would become "irreversible." So it appeared, in fact, when the European heads of state gathered together in Hanover, Germany for a summit at the end of June 1988; all of them assented to integration, some of them, like French President François Mitterrand and Italian Prime Minister Ciriaco De Mita, having just emerged victorious from electoral contests in which they had carried the 1992 banner.

At the level of private industry and finance, things were proceeding at a brisk clip. In March, Italian financier Carlo De Benedetti grabbed headlines for his ambitious (though ultimately unsuccessful) bid at taking over Belgium's Société Générale de Belgique. To underline the point, that this Boesky-style raid conformed to the dictates of the Single European Act, De Benedetti code-named his takeover syndicate "Europe-1992." Using holding companies in France and Geneva,

he took full advantage of the new climate of financial libertarianism to move over a billion dollars to seize the Belgian giant. One month later, the chairman of Deutsche Bank, Alfred Heerhausen, made clear that such transnational raiding would not be confined to industrial groups, but that the banking world would participate fully. "Until now," he told a group of bankers in Frankfurt, "Deutsche Bank has been a German bank which has had subsidiaries in other countries. I intend to make Deutsche Bank a truly global, multinational bank, which happens to have its headquarters in Germany."

Although De Benedetti and Heerhausen were speaking for themselves, would-be magnates of industry and finance in literally every European nation were drooling at similar prospects. The socialist Nerio Nesi, of the Italian Banca Nazionale del Lavoro, stated unequivocally that only 30 banks would still be alive by the year 2000; Nesi intends his to be one of them. Raul Gardini, head of the giant food cartel Ferruzzi, engineered the takeover of Italy's chemical giant, Montedison, thus becoming the second largest industrial-financial group in the country, after FIAT. In Germany, Edzard Reuter, chairman of Daimler-Benz, oversaw the buy-up of MBB, in the biggest takeover in the country.

In the media world, the same ethic of grab-as-grab-can prevailed. Robert Maxwell, owner of the Mirror newspaper chain in Britain, said: "There are going to be about 10 global media empires in the world. I want to be one of them." Translating his promise into deeds, Maxwell bought heavily into Dupuis, a publishing house owned by Banques Bruxelles Lambert, and increased his holdings in British and French television companies. In November he finally succeeded in taking over the American publisher Macmillan, to the tune of \$2.6 billion. Yet, Rupert Murdoch, Maxwell's "rival," was keeping in step, as were the Italian Berlusconi group and the German Bertelsmann group, all engaged in the Darwinian struggle to come out on top.

Thus, the past year has witnessed a frightening pace of cartelization in all areas of economic and financial activity, which has placed Europe very close to the position envisioned by the Single European Act. According to the EC plan, 5 to 10 industrial groups will control all industry, as many banking groups will hold the reins of finance, and the already

well-established cartels will further rule over food production and distribution.

On the political level, one crucial, though little publicized development came as a harbinger of things to come. Belgium, which houses many of the think tanks engaged in schemes for a federalist Europe, ceased to exist as a nation. In July, the country's constitution was altered, to allow the emergence of three semi-autonomous regions: Wallonia, Flanders, and the Federal City of Brussels. For years, Belgium's population has been involved in a frenzy of pseudo-ethnic rivalry, centered around the question of language (French vs. Flemish), which has been artificially fueled in order to establish the kind of autonomy now legally established. This Belgian example is to serve as a model for the whole of Europe, as regional entities, like the islands of Sardinia and Sicily, move towards autonomous status, administered locally, without any allegiance to the nation to which they belong.

Such newly created regional entities are slated to be associated in a federation, along the lines of projects mapped out over the decades for a "Europe of the Regions" or a "United States of Europe." Here, too, as in the case of industry, finance, and the media, the question arises: Who will end up running the federation? Will Brussels, the Federated City, thus qualify to become the capital of the new Europe, or will Strasburg, seat of the European Parliament, or Luxembourg, which hosts the European Court of Justice? Will it be a gaggle of Eurocrats to run the show, or will, as many have mooted over the past months, a new leader emerge to claim the throne for the new empire? One such prospective imperial candidate is Otto Hapsburg, head of the Pan-European Union, the leading proponent of a "Europe of the Regions." During a festival in August, organized in commemoration of the Austro-Hungarian empire and the emperor Franz Josef, delegations of Hungarians, Czechs, Austrians, Germans, and Italians joined to call for the restoration of the empire as the only institution capable of reconciling ethnic rivalries. Speakers at the event explicitly identified the "Europe 1992" plan as the vehicle for bringing the empire back.

These developments tending towards disintegrating nations and recomposing their separate parts as regions united by some federating apparatus, have dove-tailed with Soviet advances toward the EC. The issue of the combined processes is to be the construction of the "common house of Europe," which has become the catchword for politicians, East and West, over the past year.

The Soviet Union had officially snubbed the EC for 12 years, calling it a nasty expression of nasty capitalism. Then in May, the Comecon signed an agreement of mutual recognition with the European Community. *Literaturnaya Gazeta* gave an indication of the reason for the abrupt shift in line, by writing in August: "Western Europe, with 320 million inhabitants, has a huge economic potential, greater than the United States, bigger than the Soviet Union or Japan. We

have not always correctly evaluated the perspective of its development and possibilities of economic integration." Days later, five Comecon nations established diplomatic ties to the EC, and moves were under way for the Soviet External Economic Bank to facilitate matters by pricing its imports and credits in the ECU, the European currency unit of account slated to become the monetary vehicle of "Europe 1992," controlled by a European Central Bank.

Thus the Soviets' true ambitions in Europe have come to light over the last months, even prior to Mikhail Gorbachov's United Nations speech in December, in which he openly called for a one-worldist government. The satrapy within Europe goes by the name of the "common house," whose impoverished inhabitants are to be the 780 million persons on the continent, East and West, governed by twin landlords—the Soviets and their factional allies in the West.

It is in large part this factor of Soviet encroachment which has sparked the opposition to "Europe 1992." General de Gaulle, who fought successfully against European integration ("this Frankenstein monster"), pointed out that such a federation would require a federator, like "Otto, Charles V, Napoleon, Hitler and Stalin" who had all tried to unite Europe. Furthermore, he stated that in the absence of such a federator, a technocratic elite would rule, above and against national sovereignty. De Gaulle's prescient evaluation has begun to dawn on many politicians in Europe, particularly, in a twist of irony, in Great Britain. In July, Britain's Prime Minister Margaret Thatcher took to the airwaves to denounce Jacques Delors's plans for an integrated, supranational Europe. "I think Delors was wrong," she said. "I think he went over the top. I don't think he should have said [these] . . . airy-fairy ideas." She expressed her hope that such ideas would "never come in my life time, and I hope never at all." Giving an inauguration address at the opening of the academic year of the College of Europe in Bruges, in September, Mrs. Thatcher developed her opposition more concretely, in tones reminiscent of de Gaulle.

Thatcher's main points were that Britain, like other European nations, is and has been a part of Europe historically, but that its identity lies in its specific culture: "Europe will be stronger precisely because it has France as France, Spain as Spain, Britain as Britain, each with its own customs, traditions and identity. It would be folly to try to fit them into some sort of identical European personality." She commended working together, but specified that this "does not require power to be centralized in Brussels or decisions to be taken by an appointed bureaucracy." She thus rejected the "European super-state" in its pretensions to sovereignty over nations. Significantly, the Iron Lady also pointed to the Christian tradition of Europe as the root of its tradition of political liberties, and reminded her audience that "East of the Iron Curtain peoples who once enjoyed a full share of European culture, freedom and identity have been cut off from their roots."

Thatcher's outspoken opposition has given rise to headaches among the Brussels Eurocrats and speculation among policy-makers and the press. What remains unclear for many among those who support her anti-Brussels stance, is the economic policy content of the alternative Europe of the nations which she favors. For, if the "Europe 1992" plan is to be defeated, it can only be done by overthrowing the financial, monetary and economic policies which Delors, the mega-bankers, and mega-industrialists intend to promote.

"Europe 1992" means a top-down reorganization of finances, through a Central Bank, which would implement global deindustrialization and further gutting of agriculture. The liberalization laws being voted up as part of the Single European Act provide for facilitating capital flows, as a precondition for allowing giant firms to buy up small and medium sized ones. Unfortunately for Mrs. Thatcher, such liberalized banking and corporate legislation was pioneered in England, where her government has become synonymous with deregulation. In fact, the October 1986 "Big Bang" deregulation has qualified London as a candidate for the future financial center of "Europe 1992." Thus, although Thatcher speaks out against supranationalism, she clings to precisely the liberal monetarist policies which have allowed the monstrous creation to be born.

When *EIR* issued its Special Report entitled "Europe 1992: Blueprint for Dictatorship," the opposition existing in Britain and simmering throughout the continent sat up and took notice. The report, which identifies the policies of the plan, its history, and its *dramatis personae*, was presented at press conferences in Brussels and London during late November and early December. Whereas Brussels was abuzz, as EC personnel anxiously circulated the report, in London the response was electric. Not only press representatives, but politicians and representatives of constituency groups gathered to hear the facts behind Delors's airy-fairy ideas. As it turns out, Britain hosts a plethora of associations and organizations whose sole *raison d'être* is to fight against European integration. Some, like the Anti-Common Market League, propose that Britain leave the community, to avoid being destroyed economically and politically. Others—and Mrs. Thatcher reflects this view—stop short of bolting from the EC, but reject the threat to the nation's sovereignty which "Europe 1992" involves. Each group has its position, its organizational apparatus, and its separate identity, which it tends to guard. Were this "jungle" of overlapping and interlocking anti-EC groups to unite around a common platform informed by a clearer understanding of the crucial financial and economic policy implications, they would doubtless be capable of rallying their constituencies—representing implicitly the vast majority of the population—around a sensible counteroffensive.

On the continent, the anti-1992 ferment is immense, and has been growing exponentially since the issuance of the *EIR* report. A public opinion poll published in mid-December in

Germany revealed that a majority of the population had shifted from a pro-1992 stance to the opposition over the course of the year. More Germans are reported to face "Europe 1992" with "fear" than with "hope." Furthermore, even within the integrationist elite, doubts are emerging about the feasibility of the plan. The Delors committee of European central bankers, formed in June to push through the ECU-based European Central Bank, expressed great hesitation in its confidential report, leaked in December. The committee stated in its report that "forcing the pace on monetary union could cause de-industrialization and forced emigration in less advantaged areas of the EC," according to the *Financial Times* Dec. 10. Significantly, this is one of the major points of emphasis in the *EIR* study.

The test case for "Europe 1992" will come next spring, when elections are held for the European Parliament. Although most political parties represented in governments differ in their approach only as to details, there is one force which is planning to run candidates on an explicitly anti-"Europe 1992" campaign. In Germany and Italy, candidates in the Patriots party will run campaigns parallel to their co-thinkers in the French Parti Ouvrier Européen. In addition, it is expected that candidates in other, traditional political groups in other nations will adopt the Patriots' platform, which opposes to the supranationalist scheme, a program for regenerating the great traditions of the nation-states of Europe. Through the election process, millions of citizens will engage in a policy debate whose outcome will determine whether Europe is wrapped up into a "community" package, the better to be handed over to Moscow like so much "surplus" EC butter, or whether it will revive its productive potential, and get down to the urgent task of industrializing the developing sector.

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Lyndon LaRouche's battle for Western civilization

by the Editors

In this review, we aim to place before readers and the world a panorama of what Lyndon LaRouche and his wife, Helga Zepp-LaRouche, did in 1988 to ensure that their work will endure and expand as the brightest hope of humanity—at a time when many others, faced with similar enemies, would have devoted their full energies only to fighting legal battles against the jackals of the U.S. injustice system. We present our case in the form of an annotated chronology of key LaRouche initiatives in the first eleven months of 1988 in the domains of science, economic and foreign policy, strategic policy, and art. Because LaRouche was a presidential candidate, first for the Democratic Party nomination and later as an independent, his battle for reason came into the center of the political process.

January

In the Jan. 8 *EIR*, LaRouche addressed “The Right and Wrong Usages of the Term ‘Reason,’ ” in a culture which has become “increasingly irrationalist, especially during the period 1963-87.”

Here, he took up a theme he was to resume later, his refutation of Immanuel Kant's assumption that there can be no intelligible representation of a process corresponding to the transitive verb “to create.” “It is perhaps my most notable contribution to science to have created that mode of conclusive refutation of the cited argument of Immanuel Kant which bears most directly on the subject matter of physical science.” The gap left in formal logic by two successive states of knowledge, is filled by the “method of discovery” called “my dialectical method” by Socrates.

This method, also known as the method of hypothesis, is the key to solving the present “crisis of irrationalism” in physical science. “We face terrible calamities. Yet, each of these calamities has a rational form of objective remedy. The trouble is not those calamities themselves, but the cult of irrationalism which prevents us from seeking and adopting rational remedies for these grave problems.”

LaRouche concluded this writing by identifying *agapē*, the principle signified



Philip Ulanowsky
*Helga Zepp-LaRouche
 and Lyndon H. LaRouche,
 Jr., champions of the
 cause of Reason.*

in Western civilization as Christian love of mankind, as the emotional quality which must be associated with creative work, without which science is not true science. "The perfection of mankind, and the nurture of those potentials and their free expression for the sake of the Good in each individual person, is the true purpose of science, and the true purpose also of everything else that is not shamefully degraded in human practice. This, rejecting all Kantian-like 'categorical imperatives,' is the practical purpose, and significance of Reason."

On Jan. 15, LaRouche took up the strategic issues posed by the INF treaty and the so-called Wohlstetter Report on long-range strategy, titled *Discriminate Deterrence*. His report, "The Long-Term Strategy of the United States: A Democratic Alternative to the Wohlstetter Report," included an updated view of the Strategic Defense Initiative. In a section of the report printed in *EIR* (Vol. 15, No. 5), LaRouche focused on the cultural and economic dimensions of the strategic crisis, as opposed to merely the military side, which is what most people think of when they think of "strategy."

"The root of this strategic conflict is Moscow's centuries-old commitment to eradicate Western European culture from this planet," LaRouche wrote. Soviet Russia is a "primitive, satanic cult out of the bowels of barbarism, equipped with the trappings of power of a highly militarized form of modern industrial economy, determined to conquer the world, and butcher most savagely anyone who obstructs its pathway of conquest."

In contrast, "the essence of Western culture is the notion of organizing the affairs of family and society in such a fashion that the freedom of the part of us [which is] in the image of the living God is nurtured, given opportunity for expression, and the good produced thus by the individual protected to the advantage of present and future generations."

On Jan. 30-31, LaRouche and Helga Zepp-LaRouche were speakers at a Schiller Institute-sponsored conference in Andover, Massachusetts on the task of replacing the Bretton Woods monetary system. LaRouche's keynote address, "The Tasks of Establishing an Equitable New International Monetary Order," was published in *EIR*, Vol. 15, No. 7. The keynote speech by Helga Zepp-LaRouche, the founder of the Schiller Institutes, was called, "The Dignity of Man in the New World Economic Order." She counterposed the poet Friedrich Schiller's idea of the "beautiful soul," of the individual who is truly free, to the present condition of the human race: "What does it say about mankind that we know that 2 or 3 billion people go hungry every day, and we say 'I don't care'?" Other speakers represented nations of North and South America, Europe, and Africa.

February

On Feb. 4, LaRouche appeared on prime-time U.S. television with a half-hour presidential campaign broadcast titled, "Who Is Lyndon LaRouche?" The program juxtaposed the boilerplate label "political extremist" as retailed through the national media to the reality of LaRouche's proposals for halting the new economic depression heralded by the October 1987 crash. He pointed out that Washington today is repeating word for word the follies of the Hoover administration, Congress and the Federal Reserve back in 1929-32, and he promised to achieve what Franklin Roosevelt had done between 1939 and 1943, "without the inflationary effects of large-scale war expenditures. It worked then, and it will work now."

LaRouche outlined a program for increasing industrial jobs by about 5 million over a four-year period by issuing \$4 trillion in low-interest, long-term credit to industrialists, farmers, public utilities, and for infrastructure improvements

by federal, state, and local agencies. A gear-up of production will also be encouraged by lessening the tax burden on lower income levels and providing attractive investment tax-incentives for improvements in infrastructure, farming, and industry.

As the basis of a new foreign policy, LaRouche stated that, as President, he would immediately meet with heads of government of friendly nations, "to reach agreement on a memorandum of understanding on three subjects: debt reorganization, general monetary reform, and a new package of trade and tariff agreements to restart a rapid expansion of world trade."

On Feb. 5, LaRouche issued a lengthy paper titled, "Creativity and Curriculum in the Emerging Age of Nonlinear Physics," intervening into the education policy issue for the second time in his 1988 campaign. "Unless we return to the principles of classical secondary education, the next two generations of pupils will generally lack the ability to cope successfully with the new forms of technological and other challenges presented—in higher education and adult life generally—during the remainder of this century and the early decades of the next." It was published in *EIR* Nos. 22 and 23. The paper was written on the same day that LaRouche told a class of 500 high school students in New Hampshire to look to the future and colonize space.

The New Hampshire primary election of Feb. 16 awarded "victories" to George Bush and Michael Dukakis and massively defrauded LaRouche, who had the biggest independently organized campaign organization in the state. LaRouche told supporters on election night, "You are living in the middle of a tragedy—a Greek classical tragedy." During the previous days, Feb. 10-14, LaRouche had toured the Southwest, addressing separately the Oklahoma State Senate and House, where he called for a federal-state partnership to reverse the economic crisis so deeply felt in that area.

On Feb. 22, LaRouche issued "A Strategy of Justice: Reply to the Encyclical," in reference to *Sollicitudo Rei Socialis*. His reply was "intended to express ecumenical solidarity of the good men and women of the United States with the commitment to promote the true sovereignty of nations and persons, to recognize the inalienable right to economic development as intrinsic to such sovereignties, and to acknowledge the persistence of a great, intolerable wrong intrinsic to the present ordering of relevant features of the affairs among and within nations."

LaRouche called Pope John Paul II a true missionary. "I know that this Pope and I are of one mind respecting the results of statesmanship to be achieved.

"Yet, it is I who am the statesman. There are a number of statesmen in this world, chiefly from the ranks of leaders of the developing nations, who share this same general commitment; yet, I am the only leading political figure of the United States who does so. Worse for me, I am the only

statesman in this ruined world who understands the technical means by which the result might be accomplished, and who is willing to risk publicly naming the name of the true adversary of mankind on these accounts. . . .

"One day, to some among us ordinary folk, there comes an experience which we must fairly liken to the New Testament's account of Christ in Gethsemane.

"It is not enough to propose, to foster, to support those causes we know to be good. A silent voice speaks to us: If there is no one else to lead, you must do so. . . ."

The LaRouche reply was carried in Vol. 15, Nos. 11 and 12 of *EIR*, following *EIR*'s publication of substantial excerpts of the encyclical in No. 10.

March

On March 3, LaRouche broadcast "The Woman on Mars" as his second nationally televised campaign half-hour. He described the Mars mission as a way of giving the country a noble national purpose that is both feasible and necessary. He termed the Mars program the "science driver" for the economy.

"The Mars project uses every frontier technology we might expect to develop during the coming 50 years of scientific research," the candidate reported. "That means, that the space program would be supplying our civilian industries with the most advanced technologies possible at the most rapid rate, putting the United States permanently in first place in technology." He also showed the concepts being developed in West Germany and Italy which would make it possible to reach Mars in 48 hours, supplementing the inadequate U.S. space shuttle system.

As the program was being broadcast, LaRouche himself, in Baton Rouge, Louisiana, was challenging George Bush to debate him on his proposal for an oil import tax to keep the U.S. oil-producing states from total financial ruin.

In the March 18 *EIR* (No. 12), LaRouche wrote the analysis, "Is the President to Be Declared Insane?" dealing with media leaks "implying that President Reagan's strange compulsion to appease the Soviet dictators, may be the result of his wife's increasing reign over his waning mental powers." LaRouche highlighted the appointment of Richard Burt as ambassador to Bonn, and the Reykjavik and Washington summits with Gorbachov, as examples of how West Germany was being delivered to Moscow "more shamelessly than Britain's Prime Minister Neville Chamberlain handed Adolf Hitler Czechoslovakia."

On March 19, LaRouche issued the statement, "Elliott Abrams Backs Nazis in Panama: 'Whom the Gods Would Destroy, They First Make Mad.'" This report, published in *EIR* Vol. 15, No. 14, investigated the Reagan-Bush policy on Panama from the standpoint of the "Synarchist/Nazi/Communist" networks dating from the 1920s, and exemplified in the Hitler-Stalin Pact of 1939. LaRouche warned that "Proj-

ect Democracy,” the parallel U.S. government actually making foreign policy, was backing old Nazi Arnulfo Arias for power in Panama, in de facto alliance with Soviet strategic aims. “Like Hitler’s temptation after the Munich appeasement, President Reagan’s behavior during his second term has escalated Soviet temptation to near its highest.”

On March 26-27 in Cologne, Germany, both LaRouche and his wife addressed the second international Schiller Institute conference on a new world economic order.

April

A Schiller Institute conference on “Classical Aesthetics and Music” opened on April 9 in Milan, Italy (see article below), and was addressed by Helga Zepp-LaRouche on “The Universal Validity of Aesthetic Laws.” Using Schiller’s admonition in his great poem, *Die Künstler*, that the dignity of mankind lies in the hands of the artists, the Schiller Institute’s founder developed the moral basis for returning to the tuning of C = 256 in coherence with the lawful ordering of the natural universe. “Our vital concern, is that man bring himself into greater accord with the lawfulness of the order of creation, and that he come to resemble the image of his Creator.” Although Lyndon LaRouche, campaigning for President in the United States, was not present for this historic conference, it had been prompted by the circulation of a January paper by him on the question of aesthetics and tuning.

LaRouche’s foreword to a forthcoming handbook, *The Rudiments of Tuning and Registration*, was published in the April 22 edition of the *New Federalist* newspaper.

On April 12, LaRouche’s third broadcast, “The Test of Fire,” was aired nationally. It centered on the way the administration’s rotten economic policies are leading to depression, and used an image that became famous: a bouncing ball following the same trajectory as the graphs of 1929-31 and 1987-88 market patterns.

On April 15, LaRouche wrote, “Panama: The Keystone of the Hemisphere,” as a foreword to a Schiller Institute pamphlet recommending emergency measures to save Panama’s economy and sovereignty.

During April, the line began to circulate in Washington that “Gorbachov is a dedicated anti-Bolshevik figure who has been selected by the Bolsheviks to head the Soviet state.” In a groundbreaking analysis of April 25, titled, “A Preview of the Soviet Plenum: No TV Soap Opera,” LaRouche wrote, “The liberal’s argument is: We must sacrifice almost anything to Moscow—our national defense, our food supplies, and almost anything else—to dupe the nasty Bolsheviks into believing that Gorbachov is their friend.” LaRouche warned that the economic weakness of the Soviet bloc is leading toward great strategic danger. LaRouche stated that Gorbachov’s “reforms” were not leading toward liberalization, as the Western press and most analysts claimed, but rather de-

signed to restructure the economy for the military build-up—a reality which by year’s end was widely acknowledged. (Published in *EIR* Vol. 15, No. 19.)

May

As Donald Regan’s memoirs shockingly revealed Nancy Reagan’s addiction to astrology, LaRouche issued a release May 10 stating, “Public attention must be directed to the major national security risks involved, rather than continuing to view the scandal on the infantile level of a TV soap opera episode.” LaRouche drew out the implications of Hollywood as a kook center, and the Soviet connection to overt satanism. In a longer piece, published in *EIR* No. 21, LaRouche once again took up the subject of true and false notions of “reason.” In “Immanuel Kant and the ‘New Age’ Kookery,” he concluded: “In short, we are being attacked most effectively on our vulnerable metaphysical flank. Since we as a nation have become so deeply flawed by the superficial way in which even our educated professionals have equated rationality to formal logic, we find ourselves poorly equipped to resist the terrible infection of pagan superstitions spread now so widely. . . . Understanding the nature of the sickness is fairly described as halfway to a recovery.”

June

On June 4, LaRouche presented his strategy for a total war on AIDS, “Nothing Short of Victory,” in a nationally televised half-hour campaign broadcast. This occurred on the eve of the June 7 primary election in California, where Proposition 69, a referendum backed by LaRouche, was put before the voters. Proposition 69 asked that AIDS be classified as a communicable disease. LaRouche called for a full mobilization of modern science to fight AIDS, as opposed to the death camps called hospices proposed by Surgeon General Koop and others, and presented the work of the international scientific task-force he had assembled to seek a strategy for controlling and destroying AIDS.

The Club of Life convened an international conference in Munich, West Germany, on June 11-12, at which LaRouche was a featured speaker, along with Club of Life founder Helga Zepp-LaRouche. He strongly addressed the issue of AIDS in Africa. Central Africa is being devastated by the AIDS virus, he said, and the cost-cutters running our health-care system and international financial institutions have cold-bloodedly decided to let the Africans die. LaRouche further contended that an incompetent handling of human genetic materials in the laboratory had created the deadly HIV virus. The conference passed resolutions demanding emergency measures to save Africa, calling for a ban on human genetic experimentation, and calling for treating euthanasia as murder.

On June 30, *EIR* issued a special pamphlet entitled “FBI Raids Pentagon in Pro-Moscow Coup,” in a mass run of

100,000. In the introduction, LaRouche charged that "Moscow has reason to be most pleased with the FBI raid on the 'military-industrial complex.'

"The FBI's attack on our national defense institutions is a political operation set into motion approximately two years ago, in a Senate colloquy among Sen. Charles Grassley (R-Iowa) and two Justice Department appointees, outgoing Criminal Division head Stephen Trott, and Trott's successor, William Weld. . . . [Here] we identify some evidence that . . . the case against the Pentagon is essentially a malicious hoax concocted by forces in government who have acted in reckless disregard of the most vital national security interests. . . .

"The Defense Department is overdue for important reforms; it is the rogue elements in the Justice Department responsible for this scandal who must be purged promptly before they do irreparable damage to our constitutional institutions."

July

Speaking at a press conference in Atlanta, Georgia on July 19, candidate LaRouche denounced "a pattern of gesticulation tactics by Paul Kirk and the Democratic Party leadership" to prevent LaRouche's name from being placed in nomination for the White House before the Democratic National Convention. In order to protect his supporters from police-state reprisals, LaRouche announced that he would not submit his signed petitions. The candidate characterized Republican presidential contender George Bush as a "zero" and Democratic nominee Dukakis as "a minus sign."

At the convention, his supporters gave delegates copies of a LaRouche's campaign platform, entitled "Mastering the Grave Crises of 1989-1992." The 10,000-word document, dated July 14, 1988 presented four major crises: the advances in power of the Soviet empire; the world food crisis; the financial crisis; and the crisis in U.S. foreign policy. LaRouche laid out three missions for the United States: 1) To eradicate oppressive poverty from this planet; 2) to progress beyond war-avoidance, to the cultural preconditions among nations assuring a durable peace upon this planet; and 3) to establish a city-sized permanent colony on Mars, as soon as 40 years from now. His draft platform prefigured the formation of a new mass movement, "Food for Peace," in September (see page 35).

On July 13 in Rome, Italy, a press conference presented proposed Italian Senate legislation on lowering the tuning inspired by LaRouche (see page 37). *EIR* Vol. 15, No. 32 published the full text of the bill plus excerpts of an interview with LaRouche published in Italy, "On Scientific Tuning and the Beauty of Musical Composition," where he described his original contributions to Leibniz's science of political economy and then said, "As a necessary complement to this, I was obliged to supply a crucial demonstration that the form of creativity so found in physical science employed the same

individual creative potentialities responsible for the composition of classical forms of polyphony.

"For reasons I think obvious, I argued that the classical-song form is a distilled expression of the lawful development of polyphony out of classical poetry, to such effect that the development of polyphony from J.S. Bach through Beethoven, provided a basis for treating the classical song-form, especially the Italian and German classical forms, as what I described back in 1852 as the 'Rosetta Stone' for comprehension of the common language of classical poetry and polyphony. . . .

"It was my correlated view, that the destruction of the principles of classical poetry, including the modernist decadence in the utterance of spoken language, away from the classical, has impaired the ability of many performers and audiences to grasp the interpretation of classical poetry and music alike."

On July 29, LaRouche was nominated for an independent candidacy for President in Washington state, beginning the independent campaign which was to extend into 12 states.

August

LaRouche wrote, "I Never Claimed Dukakis Had Been Cured" on Aug. 9, as the rumors of the Democratic presidential nominee's mental health history made ruinous inroads

The project on quantization of space

Like the monarch's police in Edgar Allen Poe's famous short story, the bumbling agents of Assistant Attorney General William Weld had missed the evidence of the most serious of LaRouche's offenses, though it stood, like the Purloined Letter, before their very eyes, in a mailbox slot marked "Lyndon and Helga LaRouche" that morning of Oct. 6, 1986 when they began their raid on the Leesburg offices of his political associates. In a paper titled "The Geometric Basis for the Periodicity of the Elements," the Promethean hubris of LaRouche's assertion of the ontological transfinite had taken form in a rigorous proof, developed by veteran physicist Dr. Robert J. Moon, demonstrating the quantization of subatomic space in the precise geometry which Kepler had shown for the solar system.

Though Weld succeeded in delaying publication, by causing the federal court to impose an unprecedented "involuntary bankruptcy" against the Fusion Energy Foundation and its magazine, the hypothesis was finally pub-

into his campaign. LaRouche analyzed the Dukakis camp's determination to tear apart the Strategic Defense Initiative, and charged that Dukakis is a fascist "in the strictest sense of the term," on the corporatist model of Mussolini's Italy. It was published as part of a 16-page special dossier by *EIR* released on Aug. 19, under the title, "Dukakis's Mental Health: An Objective Assessment."

From late August to early September, LaRouche and Helga Zepp-LaRouche visited Thailand, Japan, and the Republic of China (Taiwan). On Aug. 31, LaRouche delivered a speech, "Development Is Necessary to Security," before a dinner-reception in Bangkok, giving his views on the reshaping of the fundamentals of U.S. foreign policy. This was published in *EIR* Vol. 15, No. 37.

September

On Sept. 4, the LaRouches spoke to an audience of legislators in Taipei. The transcript of their dialogue with the Chinese leaders was published in *Flag of China Monthly* in Taipei, and by *EIR* Vol. 15, No. 47.

Inspired by his meetings in Asia with "a man who is one of the world's leading anti-communists . . . and thinkers on . . . irregular warfare," LaRouche released a major strategic study, "Behind the Mask of So-called 'Communism,'" which was featured in *EIR* No. 39. Here, he developed the important

concept of "People's War": "It is very useful to us in Western Europe and the U.S.A. today, to insist that People's War and Irregular Warfare mean precisely the same thing. The equation of Irregular Warfare to People's War should help to correct the blunders of those all too many professional as well as popular circles, who assume wrongly that the term Irregular Warfare is taken to be just another name for 'low-intensity warfare.'

"For example, in Cambodia, the Pol Pot regime conducted relatively the greatest genocide of the 20th century to date; this example of People's War—irregular warfare—ought to remind us that People's War is not something below the intensity of regular warfare."

In this article, LaRouche also developed some realities about communism in China which are unknown to Americans. "There are not 'two Chinas,' nor a mainland China distinct from an island nation of Taiwan. There is but one China with two rival governments," he reported. U.S. "China experts" have a distorted view that comes out of Harvard, which is traditionally dominated by families formerly associated with the China opium trade.

Identifying Satan-worship as the true enemy, LaRouche asserted, "The mission of the true heirs of Solon, the modern Christians in the pathway of St. Augustine and the 1439 Council of Florence, is to bring to humanity in entirety the

lished in May 1988 in the second issue of the newly founded *21st Century Science & Technology* magazine. It provoked an excited response from working scientists in many fields. Nobel Prize-winning chemist Linus Pauling challenged the hypothesis, which violated his close-packing shell model of the nucleus, claiming proof for his model from the data of high-energy electron scattering. His contemporary, Manhattan Project veteran Dr. Moon, pulled the rug from under Pauling in correspondence in the September-October issue of *21st Century*, by reminding Pauling that the accelerated electron is larger than the entire atomic nucleus, and therefore a rather inaccurate "probe" for providing a detailed picture of nuclear shape.

On Oct. 2, 1988, LaRouche put a new twist into the project by issuing a discussion paper titled "Axiomatic Implications of Beltramanian Negative Curvature." The 19th-century Italian geometer and physicist Eugenio Beltrami's conception of a physical space-time of consistently negative curvature, LaRouche said, had bearing on such diverse topics as the problem of the threatened collapse of Brunelleschi's dome on Florence Cathedral, and the least-action packing of the atomic nucleus. The Beltramanian space of negative curvature was a necessary addition and correction, LaRouche proposed, to the Riemannian conception of a multiply connected manifold.

In reply to the provocative paper, researcher Dino de Paoli took the side of Beltrami and proposed that the so-called "strong forces" which bind together the parts of the nucleus represent regions of negative curvature in physical space-time. Following the method of Leonardo da Vinci, de Paoli proposed that the generation of the singularities—proton, neutron, etc.—would correspond to the generation of water droplets in a breaker, following the transformation of the surface of an ocean wave from positive to negative curvature which occurs as it nears the beach.

In a press conference after his conviction on charges of conspiracy and tax fraud (see page 40), LaRouche spoke of his involvement in a scientific seminar to be held the next day on the subject of the quantization of space. In a memorial message to a Dec. 20 celebration in Rome dedicated to saving the Brunelleschi dome, LaRouche reasserted this commitment:

"The one major work of science on which I hope to complete my essential contributions during the weeks of life probably remaining to me, is the establishment of an adequately intelligible representation of the negative curvature of physical space-time in the region of singularities within a Riemann Surface function of otherwise everywhere positive curvature."—Dupin

blessings which include those Dr. Sun Yat-sen referenced in respect to the Three Principles.”

On Sept. 19, LaRouche joined the battle to shape the next President’s policies, with an open letter stating his points of agreement and disagreement with Henry Kissinger and his co-thinkers.

October

Oct. 1 and Oct. 3 were the dates of the two national half-hour television broadcasts of LaRouche’s independent presidential campaign, “The Great Food-Crisis of 1989-90.” He outlined the worldwide nature of current food shortages, how the shortages are the result of man-made policies exacerbated by drought, the strategic dangers arising from too little food, and a program to dramatically increase food production. The measures he described can be taken, the candidate asserted, unless Michael Dukakis were elected President.

In an analysis written on Oct. 6, “Moscow aims toward the Balkan Flank,” LaRouche again brought the turmoil in the Soviet leadership into focus, and again warned of the “television soap opera” style of misestimate of events in the East bloc. He introduced the concept of the “Andropov-Ogarkov Kindergarten”: persons “rising to higher and higher positions of power within the Soviet command, whose association with [the late Soviet KGB director and then President] Andropov and [Soviet Marshal Nikolai] Ogarkov dates from a time as early as the wartime Leningrad period.” In the “restructuring” of the Soviet leadership that occurred in early October, LaRouche stated, this “Kindergarten” consolidated its power greatly. Its power-bases are chiefly the military and the Chekist (secret intelligence) apparatus.

Then, on Oct. 12, the LaRouches traveled to West Berlin, where the candidate made a bold initiative for a new U.S. foreign policy on the reunification of Germany. LaRouche’s proposal centered on offering the Soviet adversary an avenue of escape from the terrible food shortage it faces: “Let us say that the United States and Western Europe will cooperate to accomplish the successful rebuilding of the economy of Poland. . . . If Germany agrees to this, let a process aimed at the reunification of the economies of Germany begin, and let this be the *punctum saliens* for Western cooperation in assisting the rebuilding of the economy of Poland.”

“Big Payback from the Mars Colony Mission” was the title of LaRouche’s feature article in the Oct. 21 (No. 42) issue of *EIR*, a 16-page study of how, if the United States follows his proposal for putting a permanent colony on Mars by the year 2027 A.D., “the average U.S. taxpayer will have gained an enormous personal profit from the earlier, preparatory stages of the program as a whole.”

He returned to the theme of “Irregular Warfare” in depth in the study, “The Myth of Marxian Communism: The Wife of a Legendary Rabbi of Prague,” written on Oct. 22, and published in *EIR* Vol. 15, No. 44. “Today, this planet of ours

appears to be well on the way to being plunged into a New Dark Age, a condition akin to 14th century Europe’s New Dark Age, but on a planetary scale. . . . Bolshevism, global communist and related subversion, and Soviet war-preparations are an integral part of this gloomy prospect. Yet, the Soviets are only the poor Golem, the mere *Sparafucile* of the real-life drama, as much in the grip of our common tragedy as we, the murderer’s intended victims.”

On the last day of October, LaRouche’s half-hour broadcast, “The Winter of Our Discontent,” was aired, in which he compared current popular analyses of the Soviets by the State Department and Sovietologists to “little girls playing with dolls.”

November

On Nov. 5, three days prior to the presidential election, the final television program of the independent LaRouche campaign is aired, “The Third Trial of Socrates.” LaRouche explained why he has been compared to Socrates and why the same people who have said that Socrates’ conviction by the Athenian mob was just, are determined to jail and kill him. A number of prominent Europeans from the fields of politics, military counterintelligence, medicine, and the arts spoke out on this program in defense of LaRouche’s contributions and against the frameup being engineered against him in the United States. The program clearly identified Michael Dukakis as a Mussolini-style corporatist fascist.

On Nov. 14, responding to the Moscow-engineered forced resignation of West German Bundestag president Philipp Jenninger, LaRouche released the call for “A Worldwide Anti-Bolshevik Resistance Struggle” which is printed inside the front cover of this issue. Four days later, he wrote the report, “A Worldwide Anti-Bolshevik Mobilization Is Now in Progress.” The report was published in full in *EIR* Vol. 15, No. 49. “This must be a movement prepared to resist by aid of the methods fairly described as People’s War.” The article sums up many of the themes struck by LaRouche during the year, and also states the reasons why “this author is threatened imminently with political martyrdom. . . . This grisly result is currently being sought by aid of a politically motivated effort to convict him on falsified indictments, and to effect his early death under circumstances intended to flow from such indictment.”

LaRouche wrote: “In Christianity, the individual confronted with such a personal call to duty, must act in imitation of Christ, with the image of Christ in Gethsemane before his eyes.”

As to the nature of the adversary, “it will be shown that the forces against which our cause is arrayed are the forces of avowed satanism. To fight such a foe, it is urgent that, in the minds of ordinary men and women of good will, the enemies of God and humanity wear plainly upon their foreheads the Mark of the Beast.”

The Food for Peace battle-cry: Farmers and eaters, unite!

by Suzanne Rose

At the July 1988 Democratic Convention in Atlanta, Georgia, Lyndon H. LaRouche, Jr., then a candidate for the party's presidential nomination, circulated a draft platform in which he argued that the growing world food crisis would lead the Soviet Union, now importing huge amounts of U.S. grain, to seek military solutions to acquire the food it requires. Eastern Europe had already been bled dry by Moscow; now Western Europe would emerge as the danger point. Thus, a twin danger of mass starvation and potential for war had arisen from the worldwide drought and years of U.S. Department of Agriculture policies to curb farm production.

In August, a group of farm leaders and other political activists to launched an organizing drive to found the Food for Peace movement internationally, taking their impetus from LaRouche's analysis. Food for Peace would seek to return to the American people the mandate that had been given after World War II, to grow food to feed a hungry world. It would work to defeat the "Europe 1992" plan to shut down West European food production. And it would bring together an international network of political forces to break the power of the malthusian food cartel, and to unleash the immense productive capabilities of the world's farmers.

LaRouche, in his keynote address to a conference of the new organization in Chicago on Dec. 10, underlined that this is *not* a movement of farmers—that would be suicidal. "Let me be very brutally frank about this. . . . In general, except for a handful of farmers in this country, among farmers they behave like a bunch of idiots! When you tell farmers how they ought to organize, they say, 'No, we're just going to organize farmers, and we farmers as farmers will work out tactics for solving our problems.' Where are those farmers today? Where are those farm organizations which had this great, oh-so-wise policy?"

"On the other hand, you go to the other side of the tracks, you go to the people who eat. And you say to them, 'Look, if the farmers are not able to produce, what's going to happen to your diet?' And they say, 'I don't depend on farmers. I buy my food at the supermarket.' . . .

"Society is divided into two kinds of people, according to the late President Johnson: producers and consumerists. 'And we have to protect the consumerists against the producers.' Matter of fact, we have succeeded. Only less than 10% of the total population of the United States is in any way

productive. Guess why we have inflation! Guess why we are poor! Someone said we have too much agriculture, too much industry, too much infrastructure. . . .

"The farmers and the eaters must unite! They have but one cause, one common interest. The people of no nation have any different interest than that of any other nation in this matter."

War on the USDA, food cartel

At the founding conference of Food for Peace in Chicago Sept. 3-4, an organizing program was debated and adopted. It supported low-interest credit for farming; an end to the policy of taking tillable farmland out of production; cheap, plentiful water supplies through U.S. government support for such projects as the North American Water and Power Alliance (NAWAPA) river-and-canal link plan; and an end to environmental restrictions which destroy the food supply. The key demand of the founding principles was a parity price for farmers—a guaranteed price high enough to meet farmers' costs of production plus enough profit to allow for modernization.

The conference occurred amidst new efforts to drive down the farmer's price and open up farmland to corporate takeovers. The international grain cartel is out to eliminate all farm subsidies by the year 2000; this is the policy of U.S. Trade Representative Clayton Yeutter and other cartel representatives who made up the U.S. negotiating team at the General Agreement on Tariffs and Trade (GATT) talks in Montreal on Dec. 5-9. Given the fact that the U.S. farmer is paid less than 50% of parity, Yeutter's policy could only be read as a declaration of war on the family farmer.

At the Chicago conference, the myth of the existence of surpluses was debunked by European experts, who reported that there were never surpluses in Europe, only reserves equal to three months' consumption. In the United States, due to drought, corn production in the Midwest granary was less than 50% of normal.

During October, the U.N. Food and Agriculture Organization (FAO) warned that world grain reserves were below the danger level, and said that it would be necessary for the West to produce an additional 230 million tons just to bring production up to the levels of the past two years—figures woefully inadequate to meet world needs. Food for Peace

called for grain production to be increased by 1 billion metric tons this year.

To this end, a packet of legislation was put together which could be introduced when legislatures reconvene in January 1989, in time to affect the spring planting. The legislation calls for an end to farm foreclosures, a moratorium on farm debt, parity prices, and would prevent farmland from being turned over to the multinationals, cartels, banks, and insurance companies. Food for Peace organizers met with legislators in farm states, to enlist their support.

Grass-roots organizing drive

Following the founding of Food for Peace, 23 statewide meetings and hundreds of smaller meetings were held in the key farm states. Food for Peace representatives from Europe briefed the participants on similar policies to those bankrupting the American farmer, which the European Commission is imposing in Western Europe. French farm activist Aline Cotten reported that farmers in her native Brittany were dumping their milk, so as to not be penalized for going over the production quota. West German farmer Edmund Belle described the efforts of the environmentalist movement to ban all use of fertilizers containing nitrogen. New Zealand farmer John Neill explained how his country had gone from one of the world's top food-exporting nations, to one forced to import three-quarters of its national requirements.

Other regional meetings featured speakers from food banks, who had suddenly found their supply of government surplus food for the needy cut out, with the cessation of the USDA's TEMP program. One minister from Houston, Texas, who was used to feeding hundreds of people through his food pantry, was forced to shut it down repeatedly. A food bank coordinator who supplies food to mothers and children in the Chicago area reported that there had been no beef, cheese, or butter for six months. One million people in the Houston area will require some form of food assistance from government and private relief efforts this year.

Another important theme was the situation in the developing sector. Countries like Sudan have been devastated this year by locust infestation and flooding, and received no emergency food assistance from the West. Food for Peace issued a resolution, "Stop Genocide in Sudan!" which called for emergency action to prevent mass starvation, spraying programs to wipe out the locust swarms and their breeding areas, and for junking the International Monetary Fund's austerity conditionalities policy, in order to relaunch and complete all necessary water control and irrigation projects. A spokesman for the Egyptian consulate in San Francisco affirmed the destruction of food-producing capabilities in his country, at a Food for Peace meeting on the West Coast. He said that although Egypt was self-sufficient in producing its meagre diet 20 years ago, today 50% must be imported.

On Oct. 12, Lyndon LaRouche held a press conference in West Berlin and proposed that the West's strength in pro-

ducing food be used as a weapon for peace. Instead of allowing future wars to be caused by the way the Soviet Empire reacts to its food shortages, why not commit ourselves to producing the food a nation like Poland needs, without diminishing what is available for the rest of the world, in return for which, the Soviets would free East Germany?

The week of Thanksgiving, 80-100,000 U.S. farmers received notices that their Farmers Home Administration (FmHA) loans were in arrears and were offered the choice between "restructuring" and foreclosure. Many farm groups jumped on the bandwagon, offering their help to farmers to fill out the restructuring paperwork, although in fact certain provisions of the 160-page packet would undermine a farmer's rights and take away his land.

This "restructuring" conforms to the policy espoused by the U.S. agriculture secretary under Jimmy Carter, Bob Bergland, for reducing the number of farmers by 80%. It would take vital farmland out of cultivation and constitute a threat to national security and sovereignty, because it would mean that the multinational cartels and insurance companies which are buying up the bankrupt farms and farmland would control the food supply.

Three U.S. farmers traveled to Europe in preparation for the European Food for Peace Conference in Nauheim, West Germany on Dec. 3, sponsored by the Schiller Institute's Agriculture Commission. The U.S. farmers, from North Dakota, Nebraska, and Pennsylvania, joined two farmers from New Zealand, and toured West Germany, France, Denmark, and Sweden, speaking to groups of up to 80 people. A delegation of seven European farmers, two from New Zealand, and one from Australia attended the international conference in Chicago Dec. 10-11.

New level of activation

At that conference, an audience of 600 people discussed how they could act, quickly, to prevent disaster, in the global strategic and economic context which LaRouche had described in his keynote address. A timetable for eliminating the influence of GATT on farm policy was set by *EIR*'s Agriculture Editor Marcia Merry, who gave a firsthand report on the just-concluded GATT negotiations in Montreal. The talks had been stalled, she said, due in large part to the success of the Food for Peace forces in ripping the mask of "national interest" from the rhetoric of Clayton Yeutter and the European Commission. There are now four months to reverse U.S. farm policies, before GATT reconvenes in April.

Farmers agreed to go into the cities to mobilize people around the policies which will allow them to produce food. This process began during the weeks leading up to the conference, when farmers went to Midwest cities to speak at churches and other locations on the issues of parity price, debt moratorium, foreclosures, and the other issues which will determine what food the "eaters" will find on supermarket shelves this year.

The year of LaRouche's C=256 tuning victory

by Liliana Celani

In August 1986, when he told me and other musicians meeting in Leesburg, Virginia for a music seminar, "Great voices cannot last with present high tuning, it is high time to go back to the scientific tuning fork based on a middle C of 256 vibrations to save classical music," Lyndon LaRouche was certainly aware that he was launching a proposal which would make history. As often happens with great minds such as his, the world understood how important his idea was only in the course of 1988, when it became the most discussed and supported music idea in centuries.

The year 1988 was the year of LaRouche's C = 256 proposal, which took many names in the international media. In France it was called *La guerre du la* (the war of A, the note that sets the pitch to which orchestras tune). In Italy it was the fight for *La verdiano* (Verdi A) because it was precisely Giuseppe Verdi in 1884 who had the Italian government adopt the scientific tuning fork of A = 432 vibrations (corresponding to C = 256). In Germany the press, radio, and musicians called it the *Verdi Kammerton*, the Verdi orchestra tuning, and similar characterizations appeared in the course of the year all over the international media, from the Swedish, Spanish, French, Danish, German, and Italian to the American press. All these "nicknames" refer to LaRouche's initial idea, which has since been endorsed by more than 1,000 professional musicians (see box), and including such "legendary" names as Renata Tebaldi, Carlo Bergonzi, Piero Cappuccilli, Joan Sutherland, Fiorenza Cossotto, Birgit Nilsson, Dietrich Fischer-Dieskau, and many, many more.

How did 1988 become the year of LaRouche's music proposal? Publicly, it started on April 9, 1988, at a big international conference which took place in Milan, at the historic "Casa Verdi," organized by the Schiller Institute, and attended by Renata Tebaldi (the "angel's voice," as she is also known), Piero Cappuccilli, considered the greatest Verdi baritone in the world, Helga Zepp-LaRouche, LaRouche's wife and the founder of the Schiller Institute, Maestro Arturo Sacchetti, a well-known organist and conductor, and Bruno Barosi, of the International Cremona Violin Building School, which still today makes violins in the tradition of the scientific concepts of Stradivari, Guarneri, and Amati.

Renata Tebaldi and Piero Cappuccilli launched a moving appeal to save opera at this conference, warning that unless tuning were lowered, we would not in the future have great dramatic sopranos or tenors, true mezzosoprano or baritone voices, not to speak of real basses or altos, because the present high tuning, misplacing all register shifts which are the key to the Italian bel canto school, is preventing great voices from coming into being, and is one of the main causes of the "opera crisis" many talk about.

Sacchetti added that the cause of this situation is the fact that music and morality, music and nature have been split in today's wrong concept of art and interpretation, and this connection should be reestablished. Barosi showed that the same problem faced by opera voices is faced by the old violins of the Cremona schools, which risk extinction since the incredible tensions imposed on the instruments today (we have reached in many concert halls A = 448-450 and even higher) are destroying their static balance.

Law debated in Italy

Tebaldi and Cappuccilli were the first two famous singers who endorsed the Schiller Institute petition to go back to Verdi's tuning. In the aftermath of the conference, the petition demanding in Italy a similar decree to Verdi's 1884 one, was endorsed by hundreds of singers, instrumentalists, music teachers, orchestra conductors and music lovers. It was already in July 1988 that LaRouche's C = 256/A = 432 idea entered the Italian Senate, when two senators of the Italian majority party, the Christian Democracy, introduced a bill modeled on the the Schiller Institute's proposed legislation, demanding that "the official tuning fork of Italy shall be A = 432, and no public funds shall be conceded to state orchestras unless A = 432 is respected." The two sponsors, Senators Carlo Boggio and Pietro Mezzapesa, the former a singing teacher himself and the latter a well-known Dante scholar, announced the bill at a joint press conference with the Schiller Institute, which was also attended by baritone Piero Cappuccilli and by the director of the Cremona Violin Building School, Sergio Renzi.

Overnight the C = 256 bill was being discussed through-

out the whole music world and the international media, with hundreds of letters of support for it reaching both the Schiller Institute all over the world and the Italian Senate directly. Some newspapers, who had joined the Soviet-style slander campaign against LaRouche in the past, as in the case of the Swedish daily *Svenska Dagbladet* and the Italian daily *La Stampa*, openly expressed their rage at LaRouche's success, complaining that all attempts to put LaRouche into jail had not worked, and he was instead becoming the hero of the opera world internationally. *La Stampa*, which even ran an anonymous slander letter, had to withdraw its slander against LaRouche because Senator Boggio wrote back a letter assuring that "the Italian Constitution allows the Schiller Institute in Italy to campaign for a proposal made by an American politician such as LaRouche," and acknowledging that "even those who do not agree with LaRouche politically should recognize that the Schiller Institute had the undoubted merit of reviving Giuseppe Verdi's tuning proposal, and bringing it to the attention of the music world."

Another attempt to block the Schiller Institute proposal failed miserably in November 1988, when the Italian friends of the drug mafia financing the slander campaigns against LaRouche in America, namely, the Radical Party of Marco Pannella, known for his proposals to legalize drugs and promote homosexuality in Italy, even introduced "counter-legislation" in the Chamber of Deputies, proposing against Verdi's scientific tuning fork, a standard pitch of $A = 440$, the tuning fork which was adopted at a London conference of 1939, organized by Goebbels's Radio Berlin, and which started the rush to only play at a higher pitch, since it broke any connection between tuning and natural and scientific law. The "counterproposal" was promoted by a Radical Party outfit, the Bucchi Foundation, led by Pannella's sister, who even tried to organize a conference pushing for their proposal one week before the Schiller Institute conference to debate the scientific proof of $C = 256$ in Rome, scheduled for Nov. 24.

This attempt also failed, because the conference organized by Pannella's sister was not attended by anyone, except four members of her foundation, while the Schiller Institute conference the week after attracted the music elite of Rome, including well-known singers, violinists, harpsichordists, conductors, and music experts, who listened with great attention to the scientific proofs brought by the Schiller Institute in support of the $C = 256$ legislation and expressed their joy that finally someone had come to defend music, and that it was the Schiller Institute to do so internationally. What moved the packed audience of the Discoteca di Stato was particularly Cappuccilli's demonstration of the superiority of Verdi's tuning when he sang the moving Posa death aria "Per me è giunto il di supremo" from Verdi's *Don Carlos*, first at a piano tuned to Verdi's scientific pitch ($A = 432$) and then at a so-called "normal piano" tuned very high, and everybody could hear the difference in color of the voice, and how much more

natural and more beautiful Verdi's music sounds when it's played with Verdi's tuning.

Another moving demonstration was given by Norbert Brainin, first violinist of the Amadeus Quartet, who played a Bach adagio for solo violin at $A = 432$ and then at $A = 444$, showing how the sound is much richer and the timbre of the violin much warmer at Verdi's tuning. Professor Barosi of the Cremona Institute then demonstrated scientifically with an oscilloscopic printout how $C = 256$ is precisely the point of "maximum efficiency" of the violin.

Historic concert in Munich

On Dec. 12, in Munich's famed concert hall, the Max Joseph Saal of the Residenz, an audience of 300, largely made up of professional musicians, teachers, and music students, heard violin and piano duo Norbert Brainin and Günter Ludwig perform the Schumann sonata Opus 105 in A minor, and the Beethoven sonata Opus 30 No. 2 in C minor, with the instruments tuned to the frequency $C = 256$. Brainin also played a demonstration performance of the Bach Adagio he had played in Rome, in two tunings—at $C = 256$ ($A = 432$) and at the high modern concert pitch.

Before playing the Bach sonata, Brainin had studied a musical score in Bach's own handwriting, which showed by the direction of the musical staff, and other penciled-in marks, that this violin sonata was actually written in four voices. At the lower tuning, the indicated voicing is realized in clearer and more direct way on the violin.

The concert was performed on a special Petrof concert piano, built in 1920 and lent by Frick, a famous German piano restorer. The violin was the Gibson or Huberman Stradivari, built in 1713 in the golden period of Antonio Stradivari.

As a result of the scientific demonstrations, and of Pannella's failed attempt, rumor has it in Rome, Milan, and Cremona that the $C = 256$ bill will be approved at the beginning of 1989. Musicians are already congratulating the Schiller Institute for its successful campaign in defense of classical music, which they never believed one year ago would be victorious so soon.

Their only concern and regret was that LaRouche could not attend personally many of these musical and scientific events, although he was the one who inspired them, because of the legal frame-up keeping him prisoner of the U.S. injustice system. Many of them followed with distress, over the months, the attempt to shut up the only honest American politician, and the only one who has a sense of European history and culture, and asked us, on different occasions, "How is it possible that America, once known as the land of freedom, can be the site of a worse injustice than that of the Soviet gulag?" We turn their question to the U.S. government, knowing very well that LaRouche is expected in Italy and the rest of Europe to be celebrated by the thousands of friends he has, as the victorious initiator of the "tuning war."

Petition to lower the tuning fork

Whereas

the continual raising of pitch for orchestras provokes serious damage to singers, who are forced to adapt to different tunings from one concert hall or opera to the next, thus altering the original texture and even key of the works they perform;

Whereas

the high standard pitch is one of the main reasons for the crisis in singing, that has given rise to "hybrid" voices unable to perform the repertoire assigned to them;

Whereas

in 1884, Giuseppe Verdi had the Italian government issue a decree establishing A = 432 cycles (corresponding to middle C = 256) as the "scientific standard pitch," correctly stating in a letter to the government Music Commission that it was absurd that "the note called A in Paris or Milan should become a B-flat in Rome";

Whereas

even for many instruments, among them the Cremona violins, ancient organs, and even the piano, modern high tuning is deleterious, in that it does not take physical laws into account;

The undersigned demand that

the Ministries of Education, Arts and Culture, and Entertainment accept and adopt the normal standard pitch of A = 432 for all music institutions and opera houses, such that it become the official Italian standard pitch, and, very soon, the official standard pitch universally.

Partial list of signers

As we go to press, the Schiller Institute is continuing to receive new signatures. Affiliations are for identification only:

Italy: Marco Balderi, master of RAI Symphonic Chorus, Milan; Fedora Barbieri, mezzosoprano; Ornella Bazzini, teacher, Milan Conservatory; Carlo Bergonzi, tenor; Ettore Campogalliani, teacher of singing, Mantua; Piero Cappuccilli, baritone; Maria Chiara, soprano; Luciano Chailly, conductor; Wilma Colla, teacher of singing, Parma Conservatory; Fiorenza Cossotto, mezzosoprano; Oslavio di Credico, singer and teacher of singing at Genoa Conservatory; Edgardo Egaldi, chorus master, Teatro Regio, Parma; Mirella Freni, soprano; Gianandrea Gavazzeni, conductor; Gianni Lazzari, chorus master, Teatro dell'Opera of Rome; Luisa Gorini Magenta, teacher of singing, Milan Conservatory; Nicola Martinucci, tenor; Vittoria Mastropaolo, teacher of singing, Milan Conservatory Marcella de Osma, soprano; Carlo Perucci, artistic director, Arena di Verona; Ruggero Raimondi, bass; Bruno Rigacci, conductor; Gian M. Sanzogno, conductor; Giuseppe Di Stefano, tenor; Renata Tebaldi, soprano; Carmen Vilalta, soprano, teacher of singing at N. Paganini Conservatory, Genoa;

Around the world: Anthony Amato, conductor, director, Amato Opera Theater (New York); Elly Ameling, soprano; Gabriel Bacquier, baritone; Ann-Charlotte Björling, soprano; Richard Bonyngge, conductor; Norbert Brainin, violinist; Frans Brüggén, flautist; Grace Bumbry, soprano; Nedda Casei, mezzosoprano, Metropolitan Opera, New York; Nico Castel, teacher of diction, Metropolitan Opera; Gardar Cortes, tenor, director, Opera Theater of Reykjavik, Iceland; Gilda Cruz-Romo, soprano, Metropolitan Opera; Dietrich Fischer-Dieskau, baritone; Ib Hansen, bass, Opera Theater of Copenhagen; Emily Hastings, mezzosoprano, Dusseldorf; Josef Hochmann, first violin, Philharmonia Hungarica orchestra.

Marilyn Horne, mezzosoprano; Helmut Hücke, oboist; Dianne Kesling, mezzosoprano, Metropolitan Opera; Lone Koppel, soprano, Opera Theater of Copenhagen; Rafael Kubelik, conductor; Jodi Laski-Mihova, founder, Lubo Opera, New Jersey; Styrbjörn Lindedal, director, Gothenburg Opera Theater, Sweden; Thorbjörn Lindhjern, baritone, teacher, Oslo Opera; Christa Ludwig, mezzosoprano; Günter Ludwig, pianist; Eliane Magnan, violoncellist; Elizabeth Mannon, mezzosoprano; Prof. Heinz Marten, former teacher of singing at Cologne; Alberta Masiello, assistant conductor, Metropolitan Opera orchestra; Kerstin Meyer, mezzosoprano, headmistress, Stockholm Music Academy for Opera; Sherrill Milnes, baritone; Leona Mitchell, soprano; Jonathan Morris, pianist.

Birgit Nilsson, soprano; Siegfried Palm, violoncellist; Reinhard Peters, conductor; Louis Quilico, baritone; Ellen Repp, teacher of singing, Metropolitan Opera and Manhattan School of Music; Bidú Sayão, soprano, Metropolitan Opera; Peter Schreier, tenor; Norman Shetler, pianist; Jascha Silberstein, first 'cello, Metropolitan Opera Orchestra; Joan Sutherland, soprano; Peter Volpe, bass, New Jersey State Opera; Klaus Weise, conductor.

KGB-linked officials railroad LaRouche conviction, the second time

by Nancy Spannaus

The Dec. 16 conviction of former U.S. presidential candidate and international statesman Lyndon H. LaRouche, Jr., in federal court in Alexandria, Virginia, represents a major inflection point in the disintegration of the rule of constitutional law in the United States. If the jury verdict is carried out through the imposition of a jail sentence, it could mean death for LaRouche, with disastrous consequences for the world strategic situation. For the United States as a whole, it will mean that there is no block to the Soviet Union dictating political prosecutions against its enemies—the de facto elimination of United States national sovereignty.

The conviction of LaRouche and six of his associates on charges of conspiracy to commit mail fraud, and LaRouche himself on a nebulous conspiracy to deceive the Internal Revenue Service, was the immediate result of a prejudiced “runaway” jury. That jury, whose foreman was a government employee, and which contained at least two other government employees, disregarded clear instructions from U.S. District Judge Albert V. Bryan, Jr., in order to render the guilty verdicts.

Put in perspective, however, the verdict is the culmination of a four-year campaign by the Soviet Union, and its friends in the U.S. media and government, to eliminate the man and the movement which it considers most dangerous in the West. This campaign has included a paramilitary raid, a shutdown of several publishing companies through an unprecedented forced bankruptcy, and a broad range of legal prosecutions. Most embarrassing for the Department of Justice officials who spearheaded the prosecution, was the collapse of the first federal trial against LaRouche and several associates, in Boston, Massachusetts during the first part of 1988. That trial, which was supposed to prove a “conspiracy to obstruct justice” on the part of the defendants, blew up into a mistrial in May 1988, as government misconduct against the defendants was exposed in the court.

With the ramming through of the Alexandria indictments, on Oct. 14, 1988, the Russians’ friends in the Justice Department were determined not to leave any potential for a new embarrassment. Proceeding on essentially the same

charges, they this time chose a jurisdiction where they exercise the greatest control, and where it is traditional that the constitutional rights of the defendants be overridden in the interest of “efficiency.” Judge Bryan, during the rush of pretrial actions, did not disappoint the prosecutors.

It is instructive, if not horrifying, to compare the Boston and Alexandria trials, to observe the violation of constitutional rights which the defendants underwent in the latter. That deprivation of rights is key to understanding why the government was successful in Alexandria, but got egg on its face in Boston. And while this violation of constitutional rights will be the basis for appeals of the outrageous Alexandria verdict, without an extraordinary battle by citizens internationally willing to fight for those rights, there is no hope that this travesty of justice—and the future horrors it portends—will be reversed.

The issue of government misconduct

The reality of all the legal prosecutions against LaRouche and his movement, is that corrupt circles in the U.S. government have politically targeted them for elimination. Although the pattern of harassment against LaRouche and his associates by the Justice Department and the FBI began as early as 20 years ago, it took on new viciousness in the post-1983 period, when the Russians sent the message that the intellectual author of the Strategic Defense Initiative must be eliminated.

The means and methods of the government conspiracy against LaRouche have been myriad. Federal Election Commission officials have carried out what one federal judge called “an abusive visitation of bureaucratic power” against contributors to LaRouche’s presidential campaigns. The FBI has deployed for hundreds, if not thousands, of visits to supporters, in order to terrify them into either dropping away, or cooperating with government prosecutors. A federal-state interagency taskforce has coordinated a multiple-layered assault of media slanders, financial harassment, state actions, and private law suits.

Nor are the reasons for this antagonism a secret. La-



Tom Szymeczko

Members of the Food for Peace movement demonstrate their support for LaRouche in a rally at the Chicago Mercantile Grain Market, Dec. 12.

Rouche has been a leading spokesman for economic and social justice, and thus offended the leading circles of the Eastern Establishment, particularly from the time that he launched his international movement for a new world economic order in the mid-1970s. As the pioneer for high-technology projects such as the SDI, he has even more upset those circles who seek an international malthusian power-sharing world order with the Russians. As the only political figure designing a real war on drugs that hits the financiers of the drug trade, LaRouche has also incurred the wrath of the banking establishment.

If this scandalous history of government harassment were permitted to be aired in court proceedings, there would be no question in the mind of anyone—jurors included—that LaRouche is under political persecution. The evidence would show that LaRouche and his associates are the victims of a conspiracy, not the authors of one. This is the key to understanding why the Boston prosecution was shut down, and why the Alexandria proceeding was rammed through before the Boston trial could be restarted.

Discovery in Boston

The defense in both Boston and Alexandria responded to the indictments with a series of pretrial motions, demanding that the government disclose evidence of its own actions against the defendants. With this information, the defense contended, it could prove that the Justice Department was

engaged in “selective and vindictive prosecution”—singling out LaRouche and his associates for prosecution for alleged offenses which are normally treated as civil matters or not prosecuted at all.

The defense also sought extensive disclosure of “exculpatory” evidence—any evidence that would tend to show the innocence of the defendants. This included evidence of government harassment, financial and political interference, the use of informants to attempt to entrap the defendants, and so forth.

The alleged offenses charged in Boston were both a scheme to commit credit card fraud, and a conspiracy to obstruct justice—the latter count of which was charged against LaRouche and various associates of LaRouche responsible for coordinating legal defense and security-intelligence activity.

Over a year elapsed in Boston between the first indictment, in October 1986, to the actual commencement of trial. There were two “superceding” indictments, adding new defendants, in December 1986 and June 1987.

In the course of many months of pretrial maneuvering in Boston, the court granted some of the defendants’ discovery motions. To prevent further rulings, the Boston prosecutor, Assistant U.S. Attorney John Markham, also made agreements with the defense, to provide certain categories of exculpatory evidence.

Thus, although Judge Robert Keeton denied the motions

to dismiss the case on grounds of selective and vindictive prosecution, the government was nevertheless required to reveal some explosive facts under discovery rulings and agreements. Additionally, because the government delayed so long in providing its "discovery" material, the defendants were able to obtain other relevant information through the Freedom of Information Act (FOIA). It was through FOIA, for example, that the defense in Boston learned that NSC aide Oliver North had communicated with some of his private intelligence cronies, who had "collected info against LaRouche."

In the Boston trial, evidence was only heard consistently from the end of December through February. March and April were largely occupied with hearings on government misconduct and hearings under the Classified Information Procedures Act (CIPA). Indeed, during the last 10 weeks of the trial, the jury was only present to hear evidence on eight days.

The central issue of misconduct was the fact that the prosecution had hidden from the defense the identity of one

of its FBI informants who was in regular contact with the defendants—and was even using a statement by this individual, Ryan Quade Emerson, as "proof" of the conspiracy to obstruct justice by the defendants.

Finally, the government coverup was so obvious, that the judge allowed the defense to put both prosecutors and the FBI case agents on the witness stand. Publicity about the government's use of FBI informants, and North's involvement with LaRouche, hit the national press with a bang. The trial dragged on and on.

Finally, in early May, a mistrial was declared on grounds of juror hardship, since it was obvious that the government was nowhere near concluding its case, and that it would be followed by a lengthy defense case as well.

After the declaration of mistrial, jurors told the press that they had taken an informal poll among themselves, and had voted unanimously for acquittal of all defendants. Juror Ramon Dashowetz told the press: "There was too much question of government misconduct in what was happening to the LaRouche campaign."

LaRouche: 'Jury voted in support of hate propaganda'

Lyndon LaRouche made the following remarks to a packed press conference, shortly after the announcement of the jury's verdict of guilty on the evening of Dec. 16 in Alexandria, Virginia:

I won't belabor the obvious. We had a runaway jury which just went all the way, with no regard for fact. The question is, how could it be possible, for example, in the Eastern District of Virginia, to run a short trial with an average jury selected in the Eastern District of Virginia, and have a fair trial, for me or anyone associated with me? I think it's almost impossible. Therefore, while the jury did not behave in a moral way, in the sense of the way they reacted, nonetheless we can't blame them entirely for their behavior. If I had been one of the jury, of course, I'd blame myself, but I'm a little more lenient in blaming others than I am myself. Given that they're average people, or most of them, given that the *Washington Post*, for example, has been running a hate campaign against me for more than 14 years—with the recent years, as my

influence on policy has increased, the campaign of hate against me in the liberal media has been beyond belief—it's almost impossible to pick up a paper in which my name is mentioned, since August 1986, without the words, "political extremist." A meaningless formulation, but to a suggestible population, an other-directed American population, that has an effect. So, obviously, the jury voted to support a verdict which had been given for over 14 years, and especially in the four most recent years, of hate propaganda by sections of the news media and others. And that's what the verdict means.

The other side of this is more ominous. As it's obvious to everyone, I'm a fairly tough individual, and I'm associated with friends who are tough and experienced. If we, under these circumstances of frameup—and it was an all-out frameup by a national federal-state task force, and the whole case was a lie on the government's side—if we cannot defeat a frameup, what about the little guy out there, who suddenly finds himself framed up? Where's his justice?

More significant than these matters of justice, which to some of you might appear esoteric, the purpose of this operation is not to put me in prison; the purpose is to kill me. Obviously, if I'm sent to prison, it's very easy to kill me. It's called "a natural death," an "accident," etc.; or some loony in the joint did it on his own. But, the question is, if I'm removed, where are the rest of you? Let me put it this way: I don't hate George Bush, I think that's obvious. George, as President-elect, will probably be the best President, as an

Shut-out in Alexandria

In contrast to Boston, the Alexandria case was rushed to trial without any discovery of exculpatory evidence being allowed, and with evidence of government misconduct being explicitly excluded from the trial.

First, on the date of arraignment, Judge Bryan set a trial date of only five weeks later. When there was protest from the prosecution that this might be too quick, the judge stated openly that he didn't think more than three or four of the defense's pretrial motions would even be worth reading. (To be perfectly fair, it should be noted that Bryan, who is the chief judge in the Eastern District of Virginia, follows the same procedure with all defendants. His district is known as the "rocket docket," for its rush of cases to trial. In a case of this complexity, however, the schedule was extremely prejudicial against the defendants.)

The Alexandria pretrial motions—hastily put together—were less numerous and extensive than in Boston, but still substantial. First, the defense argued that the charges in Alexandria—conspiracy to commit loan fraud—were in sub-

stance the same case as that brought in Boston, and that the constitutional prohibition against double jeopardy should either lead to the dismissal of the charges, or a transfer of the case to Boston. Second, the defense moved to separate the tax case from the loan fraud case, because of the danger of prejudicial "spill-over" between the two cases. Both of these motions were dismissed virtually out of hand, as were all the other substantive pre-trial motions. (Only a few procedural motions were granted.)

The most voluminous of the defense's pretrial motions, however, was the one for disclosure of exculpatory evidence, which sought information concerning government actions against the defendants, particularly in the area of interference with the financial and sales activities of the defendants.

It was the defense's contention, that the failure of lenders to be repaid was not the responsibility of the defendants and their companies, but was the result of outside interference by the government and private parties; the defense argued that it should be allowed to obtain such evidence and present it to the jury. These discovery requests were meticulously de-

administrator, we've had in a long time.

George will hold the ship, as well as a very good captain who happened to be captain of the *Titanic*. The problem that George has is this. He has many challenges. We're in the worst crisis that any President has faced in the 20th century. The question is, will George, as a good administrator, follow current company policy into the iceberg and sink the ship, as the good captain—and he was a good captain—of the *Titanic* did?

The most crucial aspect of the policy question facing George Bush is, will he try to do as Baker has tried to do, will he deal with this monetary, economic, and financial crisis by trying to ride out current policies through crisis management, or will he face reality and change fundamentally the monetary, financial, and economic policies that have been ruining the United States and the world for the past 20 years? If George Bush during the first 60-90 days of his administration makes the fundamental changes in monetary, financial, and economic policy required, the U.S. will weather the storm and George will have the resources to cope with the other major crises he has to face, for the sake of this nation, not just himself. If George Bush fails to deal effectively with the monetary, economic, and financial crises, then within 60-90 days, his administration will begin to fall apart and there won't be any way to put it back together again.

In that case, weep for this United States and weep for civilization.

My function is not to gain personal prestige for myself. I never cared for it, I never sought money, I never sought

personal prestige. I have other things that are important to me, and that keep me happy. For example, tomorrow, I'm having a scientific seminar and I'm going to be very happy with that. My function is the service I have performed for the United States and civilization.

One thing I shall leave behind me, if I'm killed: I have set into motion—not entirely on my own initiative, but on the basis of discussion with relevant influential people in various parts of the world—a worldwide movement, an anti-Bolshevik resistance movement, which is prepared to fight to prevent this civilization from going under communist rule. To fight by the kinds of methods which the Chinese call People's War.

If this sentence goes through, the way the jury voted, I'm dead. You can figure that, and I'm counting on being dead. Not that I particularly like the idea, but I have to be realistic about what I face. I shall devote the remaining weeks of my life to strengthening that anti-communist resistance which will make sure that our civilization is safe and that the injustice, the kind of injustice which is imposed on people in the United States and the Third World, will not fall upon our grandchildren. Because millions of people around the world in this anti-Bolshevik movement, are willing to die to prevent communism from taking over this world.

So, I shall be very careful to put no stain on this martyr's corpse when I go out. Those who have gone after me in our government in complicity with the Soviets, will, when I'm dead, wear the Mark of the Beast in the eyes of those who are members of that movement that I lead.

tailed and specific, as is required by the law.

Judge Bryan denied every aspect of the discovery motion! That meant that the government was not required to provide any of the material relating to its financial warfare—interference against money-making ventures—to the defense. This ruling undercut a central plank of the defense strategy.

But Judge Bryan went farther. In response to a motion by the government, he ruled that the defense would be prevented from presenting any evidence of the government's campaign of financial warfare! The defense was ordered not to even mention one of the crucial facts of the case—that the government itself had shut down the companies owing the loans at issue in the case. This was despite the fact that, because of the government-initiated bankruptcy proceedings in April 1987, the companies legally *cannot* repay any loans.

The defense was also precluded from mentioning the fact of the mistrial in Boston.

As a result of these rulings, the defendants were prevented from making a head-on defense against the charges of loan fraud. Although certain relevant facts were able to be mentioned obliquely during the course of the 14-day trial, systematic presentation of the government's gestapo-like operations against the LaRouche movement was objected to and ruled out of order every time a defense lawyer got close to raising the point.

As it happened, the defense team in the Alexandria case did an excellent job in discrediting government witnesses, and in showing that the defendants had a reasonable expectation of being able to pay back the loans. Equally importantly, the defense presented a lawyer and accountants who established beyond any doubt, that LaRouche had relied on professional counsel in deciding that he had no taxable income, and did not need to file tax returns from 1979 to the present.

In fact, Judge Bryan's charge to the jury seemed to dovetail with these facts. He emphasized that failure to file a tax return is not evidence of fraud, and that "reasonable reliance" on experts is a complete defense. He also stated that failure to pay back loans on time did not prove fraud, and that "good faith" by the defendants was a sufficient defense against the charge of conspiracy.

Additionally, some of the government's charges were shown to be totally bogus. One loan for which Dennis Small was being charged, was admitted by government witness Chris Curtis, to have been solicited and finalized by him. Defendant Edward Spannaus was charged primarily with having changed the form of a promissory note to a "letter of indebtedness," upon advice of an attorney.

Runaway jury

Yet the jury, under the foremanship of a career government employee, found all defendants guilty on all charges. How was this possible?

The answer lies first with the process of jury selection. In Boston, the prospective jurors were required to fill out a

lengthy questionnaire, and defense counsel participated in individual questioning of prospective jurors. Such individual questioning was shown to be necessary to seek out biases which were often not disclosed at first. As a result of this procedure, jury selection in Boston took three full weeks.

In Alexandria, however, where the jury pool is known to be the most pro-government in the country, the jury was selected in less than two hours. As a result of the lack of adequate questioning and screening, the jury was able to be turned into an anti-LaRouche lynch mob during its deliberations.

We'll review the process in detail.

The jury pool from which the LaRouche jury was chosen consisted of 175 potential jurors. Forty-six of these were direct government employees. This included:

- Department of Justice and FBI: 5
- Central Intelligence Agency: 5
- Internal Revenue Service: 2
- U.S. Secret Service: 1
- Other (Treasury, Agriculture Department, General Services Administration, etc.): 34

Total = 46

In addition, other members of the pool had spouses who worked for the FBI, CIA, and other government agencies. Still dozens of others worked for government-related businesses and organizations, including the "Beltway bandit" consulting companies and even the International Monetary Fund.

Prior to jury selection, the defendants submitted pre-trial motions asking for expanded questioning of the jury pool, and also for individual questioning of the jurors. The defense argued that this was necessary because of the pro-government composition of the pool, and the years of virulent anti-LaRouche hate propaganda which has flooded the northern Virginia area, from the *Washington Post* and other news media. The motion was summarily denied.

Jury selection began with the opening of the trial at 10 a.m. on Nov. 21. As the potential jurors crowded the courtroom, Judge Bryan asked certain questions of the entire group—whether they had a hardship problem, whether they had been exposed to adverse publicity which would affect their ability to be impartial. Those who admitted to this were excused without further questioning—in front of the other jurors. Government employees—even of law-enforcement agencies—were excused only if they admitted they could not be impartial. A Secret Service agent was excused only after he flashed his badge and said he had worked on the LaRouche investigation.

International observers have expressed shock that the judicial system would allow anyone from the government to sit on a jury in a case the government is trying. Just imagine how impartial some one is whose paycheck depends upon the government, or who hears the government attacked, but, according to the judge's restrictions, never the whole story as to why.

After all the excusals "for cause," there were less than 30 potential jurors left. The defense was allowed only 10 "peremptory" challenges. The remaining pool, those who were not excluded for cause, included seven government employees. The defense and the government had to go through the remaining group one by one, and choose whether or not to exercise a peremptory challenge for each one.

Still left in the pool were:

- A Justice Department program analyst;
- An FBI "repairman";
- A woman whose husband was a retired FBI agent;
- A CPA;
- A government employee whose uncles worked with the IRS and CIA;
- An employee of the Defense Intelligence Agency whose spouse works for the CIA;
- A secretary at the DEA;
- A U.S. Labor Department administrator;
- An employee of NBC.

Besides these, there were others whose profiles also made them extremely undesirable for the defense.

The biggest known problem in the final jury turned out to be Buster Horton, a 57-year-old Agriculture Department career employee, who campaigned to be foreman from day one, and then railroaded the guilty verdicts through the jury.

The defense was forced to leave some government employees like Horton on the jury, because there were still others in the pool who appeared more dangerous—including the Justice Department analyst, and the spouse of the FBI agent. All of those should have been excused for cause, and in most courts would have been, instead of requiring the defense to exercise its scarce peremptory challenges against them.

In fact, most of the final jurors were never even questioned individually. All a "ringer" would have to do, is keep his mouth shut and not admit to any bias, and he would stand a good chance of ending up seated on the final jury. Clearly, at least one of those "ringers" did end up in place, with an outrageous result. The jury ignored the facts and the law, while averaging less than 15 minutes each in considering each of the 48 separate charges in the indictment.

The right to counsel

There was another constitutional issue which took center stage during the Alexandria trial, and which shows the contrast between that and the Boston mistrial. In Alexandria, defense attorneys submitted numerous affidavits opposing the judge's insistence on the rush to trial. They argued forcefully that they were not being given sufficient time to adequately represent their clients. Attorney William Moffitt, for Dennis Small, even said that he was sure that his client would be found guilty, if the trial were rushed ahead. The rush violated the Sixth Amendment to the U.S. Constitution, they said, which provides defendants the right to effective assistance of counsel.

The defendants then sought a Writ of Mandamus from

the Fourth Circuit Court of Appeals, ordering Bryan to delay the trial date. This was also denied. Stop "wailing and lamenting," the judge said in the final hearing before the trial began—you've faced trial under adversity before.

While defense counsel were not happy with the government's dilatory tactics in Boston, at least they had sufficient time to prepare for trial. In Alexandria, the defendants had only 34 days to submit pretrial motions and to prepare for a complex trial.

Grisly implications

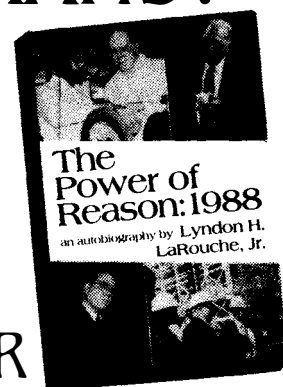
Now, with its pre-rigged conviction under its belt, the Department of Justice is poised to go even more wildly against LaRouche's movement. Various defendants, including LaRouche, still face trials in different jurisdictions with the same witnesses, and the same charges. The government still claims that it will go ahead with a retrial in Boston, on the conspiracy to obstruct justice charge.

Whether this occurs will depend heavily on the nature of the political action taken by supporters of constitutional law and human rights between now and the sentencing of LaRouche and associates, scheduled for Jan. 27. LaRouche has sworn to uphold the rule of law no matter how it's been corrupted, even if he goes to a martyr's death. What happens on Jan. 27 and thereafter will be the severest test of the morality of this nation and the civilized world.

FED UP WITH WASHINGTON POLITICIANS?

Then
Throw
The Book
At Them

(but read it first)



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An Autobiography by Lyndon H. LaRouche, Jr.

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The debacle of New Yalta after the INF treaty

by Webster G. Tarpley

The cold war is over, said British Prime Minister Margaret Thatcher as 1988 drew to a close. In his self-serving valedictory on the foreign policy achievements of his administrations, President Reagan spoke at Charlottesville, Virginia on Dec. 16 of "Americans and Russians making common cause as we once made common cause against another terrible enemy 44 years ago," while praising the INF treaty and the Afghan, Cambodia, and Brazzaville accords. In retrospect, 1988 is likely to have marked the high tide of these delusions.

Perhaps the apex of New Yalta madness may turn out to have been Gorbachov's demagogic U.N. performance of Dec. 7, with his announcement of Red Army cuts of 500,000 and troop pullouts of 50,000 from East Germany, Czechoslovakia, and Hungary, plus some from Outer Mongolia—all of them integral features of the Red Army's modernization program designed to facilitate an attack on NATO Europe. Then he rushed back to Moscow to direct the slaughter of the Armenian resistance.

By next year at this time, this Gorbachov-induced mirage of "peace breaking out all over," as well as the Stavropol deceiver himself, are likely to have joined such chimeras as "this is my last territorial demand in Europe" in the receptacle of history's Big Lies.

1988 has been a banner year for the New Yalta, bracketed between two Gorbachov visits to the United States, and punctuated at mid-year by Reagan's trip to Moscow to exchange the ratification instruments for the INF treaty. There have been the April Geneva accords on Afghanistan, the December Brazzaville deal on Angola and Namibia, the superpower haggling over the cessation of Iran-Iraq hostilities, and related dealings over Cambodia. To say nothing of such figures as Mitterrand and Helmut Kohl trooping off to Moscow.

The permanent value of these pieces of paper and secret

protocols is about as great as that of the Molotov-Ribbentrop pact by late 1940. The Kremlin has used the illusion of the New Yalta to paralyze the West at the precise time that the Soviet Empire is gripped by its greatest internal convulsion in recent history, a kind of development that would make the Soviets very vulnerable to a well-designed political counter-offensive—if anyone were interested in assailing them. The Kremlin is hoping to ride out the storms of ethnic protest and food riots over the coming several years, using the New Yalta to bridge its current phase of internal exhaustion, until about 1992, when the war machine stipulated by the Ogarkov doctrine is now scheduled to be "ready."

The gullible Reagan has helped out the Russians by providing the indispensable ingredient of a near-fatal internal crisis of NATO with his sellout at Reykjavik, followed by the debacle of the INF treaty itself. The INF was voted up by the U.S. Senate on May 27, by a vote of 93-5, with Republicans Helms, Humphrey, Symms, and Wallop joined by Democrat Hollings on the honor roll of those senators casting the negative votes.

The destructive impact of the INF treaty in Western Europe was much magnified by the issuance, on Jan. 12, of the report of the Commission on Integrated Long-Term Strategy, known as the Iklé-Wohlstetter report. This document, bearing the title of *Discriminate Deterrence*, effectively proposed to destroy the foundation of the North Atlantic Treaty of 1949 by refusing to commit U.S. strategic nuclear forces in case of a Soviet attack on Western Europe.

According to Iklé, at the time the Assistant Secretary of Defense for Policy, the threat of using such strategic nuclear arsenals to stop the Soviets on the Elbe is "no longer appropriate or believable." The report itself stated: "To help defend our allies and to defend our interests abroad, we cannot rely

on threats expected to provoke our own annihilation if carried out.”

The meaning of this cowardly appeasement was not lost on prominent Europeans: Alfred Dregger told the CDU faction in the federal German Bundestag, “Now the U.S. will use its strategic arsenals only if the U.S. sanctuary itself is attacked.” Besides removing the U.S. nuclear umbrella from Western Europe, the report called for pulling out U.S. troops as well. It was proposed to place the emphasis on attacking developing countries in the Third World under the familiar “brushfire war” rationale.

To the extent that this view becomes official policy, Article V of the North Atlantic Pact (the “attack on one is an attack on all” clause) becomes a dead letter, and Soviet world domination a foregone conclusion. The Reagan administration argued that Iklé-Wohlstetter did not represent current policy, but rather an attempt to deal with problems that might arise in the future. This fooled no one, since the *Discriminate Deterrence* abomination had been signed not just by Iklé and Wohlstetter, but also by such luminaries as Kissinger, Brzezinski, Judge Clark, General Vessey, Samuel P. Huntington, Anne Armstrong, and other spokesmen of the Washington elite which, under most circumstances, is more important than the wishes of the President himself in foreign policy.

Stench of doom and defeat

The Iklé-Wohlstetter document expresses the cowardice and historical-cultural pessimism that is pervasive in the degenerate U.S. foreign policy elite. Its basic idea had already been expounded in Brzezinski’s 1986 book, *Gameplan*, where Carter’s national security adviser argued that since frictions between the U.S. and the U.S.S.R. are unavoidable if the former insists on maintaining a presence anywhere on the Eurasian land mass, the smart thing to do would be to pull back to a posture of de facto hemispheric or virtual “Fortress America” defense. Similar themes were developed in a report from CSIS towards the end of 1988. The stench of defeat issuing from *Discriminate Deterrence* is otherwise coherent with the trendy “School of Decline” of historiographical studies predicated on the collapse of the American Empire.

The Iklé-Wohlstetter Commission continued to spew out its poisons during the course of the year. The January report was followed by such titles as *Supporting U.S. Strategy for Third World Conflict*, *Commitment to Freedom: Security Assistance as a U.S. Policy Instrument in the Third World*, and *Sources of Change in the Future Security Environment*, all coherent with the original line of appeasement in Europe, and aggressive hostility to the developing nations.

No sooner had the INF treaty text been initialed at the White House, Soviet spokesmen began to flaunt an arrogant triumphalism in their dealings with Western Europe. Foreign Minister (and KGB General) Shevardnadze came to London in January to bluster about the “danger of compensatory rearmament in Europe” in the wake of INF, including the threat

that nuclear modernization by France, Britain, or by NATO as a whole “cannot be tolerated.” The British press noted the “bullying” and “insolence” of the new Moscow line, but Thatcher failed to learn her lesson. Other Russian spokesmen began to expound the need to diminish the gap in living standards between Western and Eastern Europe through the coerced transfer of excess wealth into the Soviet empire.

Under the impact of U.S. betrayal and Soviet arrogance, disarray in NATO increased. Denmark was shortly gripped by a political crisis around the issue of NATO nuclear defense. According to European experts, fear of Moscow has grown so large in Denmark that a large question mark has been placed over the country’s effective role in the alliance.

After the INF had gone through, a palliative was to proceed to modernize short-range or battlefield nuclear weapons with ranges below those proscribed by the treaty. Such measures involved the predictable, structural difficulty of concentrating an unacceptably large share of nuclear risk on German territory alone, since this is where the warheads would land. The pro-Moscow Social Democracy (SPD) was ready at once with a “third zero,” banning the battlefield weapons as well. It was German Foreign Minister Hans-Dietrich Genscher who then ruled out modernization of the battlefield weapons, a position he has reiterated with more vehemence in the wake of Gorbachov’s United Nations disarmament demagoguery.

Federal Germany is increasingly under direct Soviet irregular warfare attack. The deepest suspicion of Soviet involvement and tampering attaches to the August crash of Italian air force fliers at the annual open house airshow of Ramstein air base in the F.R.G. This tragic incident, together with the numerous crashes of military aircraft in Western Europe, is being systematically exploited by the declared enemies of the NATO alliance in the campaign to outlaw low-level flight training over German terrain. Such combat training, conducted over the territory where hostilities would actually occur, is of course indispensable to a credible defense. Social Democratic and Green spokesmen are receptive to the various trial balloons the Soviets have floated, including proposals to barter cuts in Soviet tanks on the central European front against the liquidation of NATO forward based air systems, now just about the only ones that have even the theoretical ability to strike behind the Warsaw Pact lines and perhaps reach Soviet territory.

In the wake of the Uwe Barschel affair of late 1987, German politics has been subjected to repeated upheavals. For pro-NATO forces, the greatest has been the death of Bavarian Minister President Franz Josef Strauss, the head of the Christian Social Union for the past three decades. A week later, the Soviet KGB, availing itself of the services of Green and SPD members of the Bundestag, as well as of media and journalistic networks, carried out a partial coup d’état in Bonn by forcing the resignation of the President of the German Bundestag, Philipp Jenninger. Jenninger had been one

of the very few remaining confidants of Kohl, and his departure has weakened the executive in Bonn, to the advantage of Soviet agents of influence like Foreign Minister Genscher.

Gorbachov's Asia policy

The ongoing liquidation of the Euromissiles deployed under the December 1979 NATO modernization decision has in effect implemented a key part of the Soviet Ogarkov doctrine: the Soviet desire to avoid any war in Europe, and to be able to fight the United States alone, without allies. A corollary of this part of the Ogarkov doctrine is that if there is no war between the U.S.S.R. and NATO Europe, then the danger that the People's Republic of China will fall upon the Russian rear, while the bulk of the Red Army is engaged in central Europe, is diminished.

In Asia, accordingly, Gorbachov has pursued an aggressive diplomacy along the lines suggested in his September 1986 Vladivostok speech, in which he demanded the recognition of sweeping imperial rights for the U.S.S.R. in Asia. The current phase is dominated by the follow-up to Gorbachov's late November 1987 call for a communist superpower summit between himself and Beijing's paramount leader, Deng Xiao-Ping. In October, Deng told a Finnish delegation in effect that there could be a summit with Gorbachov if Deng got his way on Cambodia and a series of other Chinese strategic concerns. That "if" has now been confirmed by the first trip of a Beijing foreign minister to Moscow in over 30 years. Gorbachov's recent visit to New Delhi and Rajiv Gandhi's imminent visit to Beijing (the first such trip by an Indian Prime Minister since before the 1962 Sino-Indian border war) indicate that Gorbachov's Asian strategic deception also prominently includes India.

Gorbachov is thus playing one game with the United States and NATO Europe, and another game with Beijing and New Delhi. An integral part of this strategic constellation is the collapse of Beijing's economy, a breakdown so catastrophic that it threatens to destroy the central authority and bring on a new "war lord" epoch of the type seen after 1911 and repeatedly during China's millennial history. According to well informed European sources, Gorbachov has concluded that Beijing will not be able to play the role of a true world superpower for the next 30-40 years, if at all. These sources say that he evoked for his Indian hosts the glittering vision of India, with Soviet aid, becoming the third superpower empire in alternative to China, a vision he cunningly formulated to appeal to the vanity of certain Brahmin chauvinist circles.

There is no sign, however, that Soviet KGB-inspired ethnic destabilization operations against India have been limited in conformity with this vision. What Gorbachov wanted in concrete seems to have been an Indian attack on Pakistan, a country whose head of state, President Zia, was murdered by the Soviets. At the same time, Gorbachov's December U.N. speech was a tacit admission that the highly-touted Geneva accords on Afghanistan are a dead letter, and that the Red Army will not leave the country by Feb. 15, 1989.

Gorbachov's basic card is therefore a new Indo-Pakistani war, followed by the partition of both Afghanistan and Pakistan, with the Soviets retaining northern Afghanistan, the Wakkan corridor, and also securing predominant influence in the new entity of Baluchistan that they would hope to precipitate out of these events. The Soviet puppet state of Baluchistan would realize the Kremlin's centuries-old dream of access to the warm waters of the Arabian Sea and the Indian Ocean.

Eastern Europe

The Millennium of the Russian Orthodox Church celebrated at mid-year has been accompanied by the opening of what could easily become the terminal crisis of the Russian Empire, caused by food shortages and the exhaustion of resources for looting. In February, the upheavals began in Armenia, Azerbaijan, and the rest of the Transcaucasus. In April-May, Poland began to boil over once again, with the biggest strikes and protests since the imposition of martial law in December 1981. The Baltic Republics and, more importantly, 50 million Ukrainians have been in continuous ferment, watching and waiting for the chance of an effective rebellion. In the fall there were momentary indications that the Red Army was massing to roll over Romania as a prelude to an invasion of Yugoslavia in support of the Serbians against their opponents in the looming Yugoslavian civil war. Indeed, some knowledgeable observers were of the opinion that one key motive for Gorbachov's Dec. 7 visit to New York City was to ask Reagan and Bush for a free hand in Yugoslavia, including the seizure of Yugoslav Adriatic ports by the Red Army—a move which in reality would set the stage for World War III. The outbreak of a civil war in Yugoslavia is seen as a virtual certainty for 1989, with Slovenes, Croatians, Kosovo Albanians, and Montenegrins lining up against the Russian-backed greater Serbians, and with Albania, Hungary, Bulgaria, and Greece tempted to join the carving in an anti-Serbian mode.

The entire Soviet empire would now be vulnerable to the political-organization penetration described by General Wego Chiang in a recent speech as "the mellow offensive"—the building of an anti-communist political combat organization behind the enemy's lines. The ideological integument of the CPSU and its puppet parties has been destroyed, and after being told that Stalin was a butcher and Brezhnev was a crook, Russians do not know what to believe in.

U.S. strategic opinion remains split among Dukakis-Shultz appeasers, traditionalist and military layers around Lyndon LaRouche, and a middle group including Henry Kissinger. As 1988 waned, CIA Deputy Director Robert Gates, NATO Supreme Commander Gen. John Galvin, Kissinger, and others issued warnings about Soviet intentions. As for Gorbachov, he told the Armenians on Dec. 11, "One more step and it's the abyss." LaRouche's international anti-Bolshevik strategy of people's war remains the key to reversing the New Yalta.

Moscow's new 'defensive' doctrine hides post-nuclear offensive posture

by Konstantin George

Moscow has gone out of its way throughout 1988 to convince the West that it has adopted a new "defensive" military doctrine. This campaign hit a climactic phase around Gorbachov's United Nations "troop reduction" address and the lie peddled by his entourage that Marshal Sergei Akhromeyev had "retired" as Chief of the General Staff on account of "ill health." The "troop reductions" are worse than a fraud; they are a crucial component of a crash plan by the Soviet Military Command to bring the entire Soviet armed forces to full war readiness in the next two years, and are part and parcel of Moscow's *real* new doctrine, a deadly new *offensive* doctrine.

On Dec. 15, Radio Moscow announced Akhromeyev's removal as Chief of the General Staff, in the following words: "A new Chief of the General Staff has been appointed. He is General Colonel Mikhail Moiseyev. He took over from Marshal Sergei Akhromeyev, who was relieved of his post in connection with his receiving a new assignment." Once again, the West had fallen victim to carefully staged Russian *maskirovka* (deception). Akhromeyev has not been "retired" and clearly suffers from no "ill health."

In fact the formulations are identical with those of Sept. 6, 1984 when Marshal Nikolai Ogarkov was "relieved of his post" as Chief of the General Staff, which, as the world was soon to learn, gave him a huge promotion—to directing the Soviet Union's wartime theater command structure.

As with the content of Gorbachov's U.N. speech, the appointment of Moiseyev as the new Chief of the General Staff, is another big step in the consolidation of Russia's new offensive doctrine. Here we shall rip off the "defensive" doctrine veil so meticulously crafted by Moscow over the past year, since the signing of the infamous INF Treaty, removing most of the effective U.S. nuclear presence in Europe, and reveal the true post-INF story: Moscow's shift to a new offensive doctrine, emphasizing elite airborne, air assault, and spetsnaz (special national) forces.

Spetsnaz-centered offensive doctrine

To summarize the matter. The highly publicized new Soviet "defensive military doctrine" is a cover for the refine-

ment and improvement of the traditional Soviet military offensive doctrine, featuring the use of spetsnaz and airborne forces at the center of the new offensive posture, based on post-nuclear, "emerging technologies" weapons. The new offensive doctrine is designed to secure by means of full-scale deployment of these elite forces and post-nuclear new technology weapons, the destruction of the enemy's rear area nuclear forces, aircraft and logistics, to score decisive victory at the "outset of war."

The existence of the new offensive doctrine was confirmed publicly in a Radio Moscow interview, July 29, 1988 with General G. V. Batenin, a military adviser to the Central Committee, on loan from the General Staff. In the interview, Batenin revealed that during the past two years "most of our military exercises involve repelling submarine, airborne, and commando attacks."

Batenin specified that such exercises have been most heavily concentrated in the Leningrad Military District, which includes the Kola Peninsula and the Northern Fleet, and the Far Eastern M.D., which includes the Pacific Fleet.

Batenin's revelations are important on two counts. First, it marks a clear admission that, since 1986, the main weight of Soviet military exercises has shifted to *offensive* operations by elite spetsnaz and airborne units staging "airborne and commando attacks" which "defenders" have tried to repel. Beyond the Leningrad and Far East M.D.s named as where such exercises have been most heavily concentrated, the same pattern has been in evidence among all the Soviet "Groups of Forces" stationed in Eastern Europe, and in the Odessa and Baltic M.D.s as well.

Secondly, all such exercises are, by their airborne and commando nature, relatively small numerically, and thus are below the troop numbers requiring Western observers and public announcement.

The new Soviet airborne and spetsnaz centered offensive doctrine forms the "secret" behind what has appeared to the West as the "stunning" military personnel shifts during 1987 and 1988. During this two-year time frame, those generals who have been most extensively involved in reshaping the Soviet armed forces in conformity with the dictates of the

new doctrine, have been the ones propelled and in some cases catapulted into the highest command positions of the military.

Batenin's revelations concerning the crucial role the Far East M.D. has played in rehearsing "airborne and commando attacks," explain why a 49-year-old General Colonel, Mikhail Moiseyev, who has spent the last five years in the Far East M.D., at the center of the airborne and commando "experiments" consolidating the new doctrine, has been catapulted from Far East M.D. commander to Chief of the Soviet General Staff. The same principle holds true for the incredible rise of General Dmitri Yazov, 18 months earlier, from Far East commander, to deputy defense minister, to Defense Minister, May 30, 1987.

The new airborne-centered offensive doctrine is also the reason that within a month of Yazov becoming Defense Minister, three generals who had been at the center of developing and expanding Soviet airborne-spetsnaz capabilities since the 1960s, General M.I. Sorokin, General D.S. Sukhorukov, and General I.M. Tretyak, became deputy defense ministers.

The Leningrad M.D., also correctly singled out by Batenin, produced a crop of generals, expert in conducting airborne spetsnaz operations, who have become, together with Afghanistan war veterans, the new command team for the Soviet forces stationed in Eastern Europe.

The new doctrine

The new Soviet offensive doctrine was evaluated in a presentation at an *EIR* seminar on electromagnetic weapons in London, June 24, 1988 by Lt. Gen. Gerard C. Berkhof (ret.) Royal Netherlands Land Army:

The doctrine is aimed at:

- achieving surprise by the manipulation of political tension and other maskirovka measures.
- conducting deep operations by air assault brigades, spetsnaz companies of the armies . . . and assisting the operations of the ground forces by amphibious landings.
- conducting the operational/strategic air operation by attacking important military targets in NATO's rear area using missiles, the spetsnaz brigades of the fronts, and the naval spetsnaz brigades of the fleets, and aircraft attacking through air corridors.
- By simultaneous operations at the front and the rear, the Soviet military hoped that the military and political integrity of NATO would be destroyed before nuclear weapons were used. The air operation, subsequent attacks with non-nuclear missiles, spetsnaz brigades, and aircraft against NATO's nuclear forces, command and control systems, and air defenses, figured prominently in this concept.

The new doctrine is linked to Moscow's ongoing crash efforts to develop and deploy new technology weapons,

referred to by Marshal Akhromeyev and other Soviet military leaders as "conventional weapons" which "approximate nuclear weapons in power, range, and accuracy."

With the firepower revolution effected by such weapons and the offensive "mobility revolution" attained by the extraordinary emphasis on airborne/spetsnaz operations, numerical reductions in the Armed Forces, as Gorbachov has now announced, are not only possible, but actually necessary, to bring the *entire* armed forces to the level of total war readiness required to score victory at the *outset* of war.

Thus, Gorbachov's "reductions" are not "disarmament," but an integral part of a final phase pre-war plan. By cutting low readiness troops, energy can be devoted to bringing all other units up to 100% war readiness. Correspondingly, eliminating thousands of obsolete, worthless tanks, towed artillery and hundreds of aircraft, increases war fighting capabilities.

Preparing military options

Gorbachov's disclosure of a war mobilization plan was not the only ominous military note to sound out of Moscow in the closing months of 1988. Starting in September with the failure of the grain harvest, items showing advanced preparations for outward aggression began to mount.

● Starting in September, confirmation that the most sweeping reorganization of the Soviet wartime theater commands and the Warsaw Pact command since Ogarkov's September 1984 creation of the theater commands, was under way, and has continued with Akhromeyev's transfer and Moiseyev's promotion.

● The huge September "Autumn '88" maneuvers, commanded by Yazov, attended by all Warsaw Pact Defense Ministers, opposite Romania, in the Soviet republics of Moldavia and the Ukraine. These were the largest maneuvers to date embodying the new doctrine. They featured large-scale airborne, spetsnaz, and amphibious landing operations, all a clear rehearsal for a lightning strike to occupy Romania as a stepping stone to later operations in Yugoslavia.

● The 1988 Transcaucasus military build up, ominously poised on the borders of Iran and Turkey. In May, a former commander of Soviet forces in Afghanistan, Lt. Gen. I.N. Rodionov, assumed command of the Transcaucasus M.D., and in November, Gen. Col. M.A. Tyagunov, previously 1st deputy commander in chief of the Southwest Theater of War, and fresh from a pivotal role in the "Autumn '88" maneuvers, joined High Command South in Baku.

● The threat in the Far East, targeting Japan and South Korea, is growing. During 1988, after a two year lapse—the two years in which the Far East pioneered the doctrinal shift and brought its airborne/spetsnaz and amphibious forces to instant readiness for operations against Japan—the Far East High Command was ominously upgraded to its wartime function, when the vacant post of 1st deputy commander in chief was filled, by Gen. Lt. A. Kleimenov.

Soviet domination of Germany threatened

by Rainer Apel

Throughout the postwar period, the cornerstone of Soviet strategic policy toward Europe has been the free western part of Germany, the Federal Republic. In consequence, Moscow empties most of its arsenal of destabilization tactics on West Germany. This includes the well-known repertoire of phony scandals, blackmail and intimidation, a chain of strange deaths and political assassinations, and irregular warfare carried out through the radical ecologist (Green Party) and anti-defense movements. This flank was activated to the utmost during the past year. KGB chief Vladimir Kryuchkov's marching orders, in July and again at the end of September, were that "the minds of the reluctant politicians must be influenced by popular mass movements."

In the Soviet leadership's view, the INF agreement and bilateral summit talks with the Reagan administration in Moscow in May 1988 gave them a claim over West German affairs and the right to interfere at will. The Soviets waited until the beginning of the "hot phase" of the U.S. presidential campaign, the so-called "leaderless period in the West," and then acted to topple the Kohl government.

Inside the political establishment of the Federal Republic, this campaign met weak resistance. The Soviets and their political collaborators in West German politics, the Social Democrats and the Greens most of all, could capitalize on the fact that the foremost spokesman of the German conservatives and the defense lobby at-large, Franz Josef Strauss, suddenly died under peculiar circumstances on Oct. 2, at the beginning of Moscow's destabilization campaign. Only three days before Strauss collapsed during a hunting trip, he almost crashed in his private Cessna plane on the way back from a visit to Bulgaria. And, nearly three months after the death of Strauss, a full report on the causes is not yet available, some say because of official suppression. Poison could be involved, for example.

The death of Strauss came at a most convenient time for Gorbachov, because Chancellor Helmut Kohl was just preparing for his Oct. 24 state visit to Moscow and would have enjoyed the advice of Strauss. Instead, the Chancellor went into his meetings rather unprepared and driven by illusions of a "new openness in Moscow." The trip was a disaster. Gorbachov told Kohl to his face, sources reported, that he should toe Moscow's line, or face overthrow. "You are not the one we are going to make our deals with," Gorbachov is said to have stated.

No sooner had Kohl returned to Bonn than phony scan-

dals exploded in three West German states governed by his Christian Democrats, Lower-Saxony, Hesse, and Rhineland-Palatinate, as well as West Berlin. Within 10 days, the opposition Social Democrats and Greens had launched formal parliamentary investigations in these crisis spots, four cabinet ministers had resigned, and the state governor of Rhineland-Palatinate announced that he would resign soon.

This created a dual-power situation in West Germany, threatening the loss of the Christian Democrats' one-state majority in the Bundesrat, the second legislative body under the federal parliament or Bundestag. Were only one state lost to the opposition Social Democrats, Kohl would be unable to govern, because the Bundesrat, representing the 10 states of West Germany plus West Berlin, has absolute veto rights over all federal legislation. Moscow's challenge to Kohl was on the table.

The next round of destabilization began Nov. 10, on the occasion of Kristallnacht Remembrance. The Greens, the Social Democrats, and their political accomplices among the liberal Free Democrats and Christian Democrats, chose the Remembrance speech of parliament speaker Philipp Jenninger, a conservative Christian Democrat, to stage a scandal in collaboration with the international media and the "Bronfmanite" current inside the Jewish community. The phony scandal was promoted by a spectacular walk-out of opposition Greens, Social Democrats, and Free Democrats on the pretext that Jenninger's speech was a "defense of the Nazis." The text of the speech, actually an attack on the Nazis, was not available to most parliamentarians and the media, because the printer in the parliament, for some reason, broke down the night before.

Pressure built up to such an extent that Chancellor Kohl decided to sacrifice Jenninger, who resigned Nov. 11 and was replaced by Public Health Minister "Condom" Rita Süßmuth. (She had shown her true colors several months earlier, when she called on West German youth to spend their summer holidays in the Soviet Union, to help bring in the harvest and thus support Gorbachov.)

Still ongoing is the third round of destabilization, which aims at ousting Defense Minister Rupert Scholz, one of the few remaining opponents of Gorbachov's arms control propaganda inside the West German political establishment. Both Jenninger and Scholz were close friends of the late Franz Josef Strauss.

Lyndon H. LaRouche identified the phony Jenninger affair as a crucial event in Soviet imperial designs on Europe, and issued an international call for the building of an international resistance movement against Moscow's strategy of world domination. That call, first publicized on Nov. 14, has become a rallying point of resistance in West Germany and Western Europe. To that degree, optimism for 1989 and beyond, almost lost in the course of German events in 1988, has been reestablished. Germany and Europe can still be saved from Moscow's grip.

The targeting of New Yalta's opponents

by Linda de Hoyos

Pakistan's President Mohammed Zia ul-Haq was assassinated Aug. 17 by operations involving both the United States and the Soviet Union. That is the conclusion of a confidential working paper prepared by the Pakistani People's Party, now being circulated among specially selected circles. Zia, the paper states, "was sacrificed on the altar of the new spirit of détente between the two superpowers. He had outlived his usefulness."

Zia's death Aug. 17 was but the most dramatic and highly publicized removal of a political leader who was acting as an obstacle to the U.S.-Soviet regional agreements. The pattern also includes the June 18 attempted assassination of Turkey's Premier Turgot Özal, the sudden death of the chairman of the West German Christian Social Union, Franz Josef Strauss, and the murder in April of Evo Fernandez, foreign affairs secretary of Renamo, the guerrilla group operating against the Soviet-backed government in Maputo, Mozambique.

Zia was killed in the mid-air explosion of a Pakistani Air Force C-130 Hercules transport aircraft. Gen. Akhtar Rahman, chairman of the Pakistani Joint Chiefs of Staff who had directed Pakistani support to the Afghan mujahideen, was also killed, along with the U.S. ambassador to Islamabad, Arnold Raphel. Despite subsequent investigations showing that the plane had been sabotaged, the U.S. State Department systematically balked at admitting that the Pakistani President and others on board had been assassinated.

Zia was becoming bothersome for his opposition to the Afghan accords of April 15, his attempts to militarily defeat the Soviet troops with the Afghan mujahideen, and his insistence that a political settlement was required in Afghanistan. In addition, his strong backing to Islamic fundamentalist rebel chief Gulbuddin Hekmatyar created unease in New Delhi and Washington.

No matter who actually "pulled the trigger" in the Zia case, the beneficiaries were not ashamed to admit the opportunities opened by Zia's sudden elimination. "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," wrote the London *Financial Times* Aug. 19. "Washington cannot squeeze much more mileage from the Afghan resistance and the Geneva agreement has had the effect of reducing Pakistan's geopolitical resistance."

Moscow had been threatening Zia in the days immediately before his death. On Aug. 15, Foreign Ministry spokesman Gennadi Gerasimov declared, "The Soviet Union reserves the right to take whatever steps the situation requires" in the face of continued Pakistani violations of the Geneva accord. This declaration, he said, could be viewed as an "official warning to Pakistan." On Aug. 19, Gerasimov officially commented 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."

The tip-off that Zia was in trouble with the New Yalta dealers was the June 18 attempted assassination of Turkish leader Özal, who has brought Turkey into close coordination with Pakistan. Turkish sources describe Özal as the "guarantor" of Turkey's pro-West orientation toward the European Community and NATO. In addition, Özal's work to broaden the base of his Motherland Party has created a strong coalition and ensured political stability. Turkey has been the target of Soviet-directed Kurdish separatist-terrorist operations. As a pro-Western defender of his nation's sovereignty and defense, Özal is a target for early elimination.

The circumstances of the attempt on Özal's life, however, remain shrouded. His would-be assassin, Kartal Demirag, appeared to be a carbon copy of Mehmet Ali Agca, who made the attempt on Pope John Paul II, as both are felons and members of the terrorist Grey Wolves. Demirag was reportedly safehoused in West Germany by a businessman who was interrogated for past connections to Agca. But there is also speculation that Özal was targeted by Turkey's cigarette mafia, with routes into the Warsaw Pact's Bulgaria.

The circumstances surrounding the Oct. 3 death of West German conservative political leader Franz Josef Strauss recall the "suicide" death a year earlier of Christian Democratic leader Uwe Barschel. Although Strauss officially died of a heart attack, the events leading to his death indicate murder. Strauss was a point-man for various networks opposing Soviet hegemony over Western Europe. Only one week before his death, on Sept. 26, Strauss was piloting his Cessna from Bulgaria toward Germany, when the plane suddenly went out of control, forcing Strauss to dive from an altitude of 10,000 meters. On Oct. 1, Strauss was stricken as he was climbing from a helicopter. Two days later, he died of heartbeat malfunction, and the collapse of his lungs and kidneys. The removal of Strauss left a political vacuum in West Germany, leading to the November Jenninger affair.

In the case of Evo Fernandez, assassination is definite. The leader of the Renamo guerrilla group in Mozambique was gunned down in Lisbon, Portugal, by a three-man hit team. Investigation by *EIR* showed that Fernandez was the victim of operations run by Tiny Rowland's Lonrho Corporation, with Angolan UNITA head Dr. Jonas Savimbi, Zaire President Mobutu, and other Renamo officials also on the hit list.

The year of 'regional settlements'

The Afghan accord, which has revealed itself to be a pig in a poke, was the strategic blinder for appeasers in the West. Linda de Hoyos reports.

On April 15, 1988 the Soviet Union and Pakistan signed the Geneva accords on Afghanistan. The accord signaled a milestone in a three-year process of negotiations over regional settlements involving the superpowers and their proxies in the Middle East, Asia, and Africa. The Afghan accord called for the full withdrawal of all Soviet troops from Afghanistan by Feb. 15, 1989, in exchange for withdrawal of support for the Afghan mujahideen by Pakistan. Lacking of course was any political settlement for a government in Kabul. This ensured that the Afghan accord would not only *not* bring peace, but would assure an escalation in the Afghan war.

Nevertheless, with that "success" in their pockets, the Soviets moved full steam ahead to negotiate deals for the other areas of superpower conflict. "After the positive achievement over Afghanistan at the Geneva talks, we have a dynamic for working toward the political settlement of the South African question, both in Namibia as well as Angola," stated Soviet Deputy Foreign Minister with responsibility for Africa, Anatolii Adamishin, on April 29. And from Bangkok, Soviet Deputy Foreign Minister with responsibility for Asia, Igor Rogachev, declared that the planned withdrawal of Soviet troops from Afghanistan would "help in finding solutions to other regional conflicts—we hope it relates to the Kampuchea situation."

As explained by one pro-Russian source in Paris in mid-May, the Soviet policy on forging regional settlements is projected to produce conditions under which "both superpowers get out" of the arenas of conflict. Explaining the allure of this prospect for the West, he said, "This is very much in line with U.S. policy, dictated by budgetary restraints. But it is also Soviet policy. They want to deal with all this regional crisis nonsense through the United Nations, to strengthen the United Nations, and to manage crises with the Americans, but also with the other powers, Britain, China, France, etc."

The April 1988 edition of Moscow's multi-language *New Times* elaborated Soviet plans for a worldwide condominium of the superpowers. *New Times* praised Canadian magnate Maurice Strong, who had just been elected president of the World Federation of United Nations Associations. Moscow hailed Strong's proposals for the creation of a "global security system" that would "function most effectively on the basis of

the U.N. Charter and within the U.N. framework." As *New Times* explains: "He [Strong] proposes that a commission on global security and multilateral cooperation be set up under the aegis of the World Federation of the U.N. Associations" to be composed of "outstanding representatives of different countries with vast experience in politics, economics, public relations, science and military and other fields." Strong's plan is "welcomed in Moscow," said *New Times*.

This is the ostensible rationale behind Moscow's drive for negotiating "zones of peace" particularly in the developing sector. This is also the public rationale for such Moscow proposals as the Asian Collective Security Pact, which is to guarantee peace in this volatile region, and which is to include the Soviet Union, the People's Republic of China, and the United States.

However, as the unfolding events in Afghanistan showed, the Soviets might be willing to give up the positioning of their troops, but not give up their control, or their military proximity. More to the point, the Afghan accord functioned as the strategic blinder for the appeasement faction in the West.

The environment for the 1988 round of negotiations had been set with the visit to Geneva at the end of March by Assistant Secretary of State for Political Affairs Michael Armacost to meet with Soviet Deputy Foreign Minister Yuli Vorontsov, a scion of an old Russian princely family and point man for the Afghan accords. Within a week, the accords were signed after high-powered armtwisting of Pakistan from Washington.

At the end of April, Moscow's Rogachev met in Paris with Assistant Secretary of State for Far Eastern Affairs Gaston Sigur, as Assistant Secretary of State for African Affairs Chester Crocker was meeting in London with his counterpart Adamishin. Simultaneous with the Crocker-Adamishin meeting, the British Foreign Office announced that talks on Angola would be held in a secret location in London May 3-4, involving the United States, Cuba, South Africa, and the Angolan government.

Then again from Aug. 31 to Sept. 2, Armacost held a round of meetings with Soviet officials in Moscow. The Crocker-Adamishin and Sigur-Rogachev teams met again in

November, in the case of the latter two for 10 hours in Paris. In the middle of all this, for one week, beginning June 21, Chinese Deputy Foreign Minister Tian Jiangpei met for a full week in Moscow with Rogachev.

What have these rounds of negotiations, with many intermittent informal discussions in Moscow, Washington, and other capitals produced?

Southern Africa

On July 22, Cuba, Angola, and South Africa announced that they had accepted a 14-point peace plan which had been worked out at the United Nations with Crocker. According to the plan, the Cubans are to withdraw their 65,000 troops from Angola. In exchange, South Africa is to withdraw its troops from both Angola and Namibia, as a prelude to granting independence to Namibia. The Soviet-Cuba side of the deal had been cleared when Soviet General Staff Marshal Sergei Akhromeyev traveled directly to Cuba for five days of talks July 13-17.

In December, the agreement was made official in the signing of the accord by South Africa, Angola, and Cuba, in Brazzaville, Congo, on Dec. 13. On Dec. 22, a formal signing ceremony was to take place at the U.N. According to Crocker, the agreement "has been a case study of superpower efforts to support the resolution of regional conflicts."

Slated for destruction in the accord is Jonas Savimbi, whose UNITA organization controls one-third of Angola. Under the accord, Cuban troops are given 27 months to leave Angola, and Savimbi forces are concerned that their avowed withdrawal will become the pretext for a cut-off in aid to Savimbi. Savimbi's calls for an election in Angola to resolve the internal conflict have been ignored by the MPLA government in Luanda, which has been given a \$1 billion worth of high-powered arms by Moscow. The implication of the agreement, as stated explicitly by Crocker, is that the United States will recognize the Luanda regime, which in any case never discontinued the operations of U.S. oil companies in Angola.

Afghanistan

The celebratory signing of the Afghan accords in April was turned full-circle by November, when the Soviets announced that Soviet troop withdrawals were being "suspended for the time being." In the past eight months, the Soviets have made clear that they are not prepared to give up control of either the capital city of Kabul or other cities, or the northern area of Afghanistan.

This policy was further exposed by General Secretary Gorbachov's speech to the U.N. on Dec. 7, calling for a ceasefire to be followed by negotiations for a reconciliation government. The Afghan mujahideen and Benazir Bhutto's new Pakistani government rejected Gorbachov's "offer," noting that Moscow is putting conditions on its previously agreed unconditional withdrawal.

Meanwhile, starting in early November, the Soviets have begun pouring in offensive weaponry into Afghanistan, including 30 Soviet MiG-30 Flogger D offensive fighter planes, and SS-1 Scud missiles which according to the State Department have "a range which puts the western frontier of Pakistan and much of Afghanistan itself within striking distance." The Soviets have also moved Su-24 bombers near their own border with Afghanistan. In late December, the Soviets moved to retake the southern city of Kandahar from the mujahideen.

At best, the Afghan accords will result in the partitioning of Afghanistan, with the Soviets holding the north. Behind the negotiating subterfuge the reality of the Soviet policy rang out loud and clear from Deputy Foreign Minister Aleksandr Bessmertnykh Nov. 4: "More powerful means of destruction are now being additionally supplied by the Soviet Union to the armed forces of Afghanistan."

Indochina and Far East

In the case of Indochina, the Soviet Union is bent on winning a settlement over the Kampuchea conflict, given that it is named as one of the "obstacles" by Beijing standing in the way of a full normalization of Beijing-Moscow relations. The biggest stumbling block is Beijing's refusal to decrease its full military and political support for the genocidal Khmer Rouge resistance movement to the Vietnamese-backed Phnom Penh government.

China demands that the Vietnamese must withdraw from Cambodia before any negotiations for a political settlement begin—a demand that would likely lead to the Khmer Rouge takeover of the country. The Soviet answer to this problem, as implied by their endorsement of Maurice Strong's "collective security pact" ideas, is to bring in a U.N. peacekeeping force into Kampuchea. In April, Rogachev pleaded that the Soviet Union could not "impose any demands on Hanoi. Remember that Vietnam is a sovereign state." But by the end of 1988, it is clear that Moscow is pressuring Vietnam for a full unconditional withdrawal from Kampuchea.

The United States has already nearly been driven out of the picture in Indochina, as Gaston Sigur has argued for a policy of "simultaneous action" in "a very delicate situation." The U.S. do-nothing position is to press for an aid cut-off to the Khmer Rouge if and when there is clear-cut progress toward Vietnamese withdrawal. The U.S. has already been reduced to a spectator in the Sino-Soviet cat-and-mouse game.

Nevertheless, the Soviets have their apparent willingness to negotiate on Indochina to good use in courting the non-communist countries of Southeast Asia. This year saw major tours of the ASEAN countries by Rogachev and Foreign Minister Eduard Shevardnadze. For the Soviet Union, the poverty-stricken communist countries of Vietnam, Laos, and Kampuchea are expendable tools in their pursuit of hegemony over ASEAN, and diplomatic accommodation with the Republic of Korea and Japan, nations whose thriving economies can better serve the Ogarkov warplan.

Southern Africa faces superpowers' 'peace'

by Jeffrey Steinberg

On Dec. 13, in Brazzaville, Congo, representatives of South Africa, Cuba, and Angola signed the final draft of a treaty that would ostensibly see all Cuban troops withdrawn from Angola over the next 27 months in return for South Africa's permitting of United Nations-directed elections and independence for Namibia, after 73 years of South African rule. The Brazzaville Accords, formally signed with pomp and circumstance at United Nations ceremonies in New York City on Dec. 22, will be heralded as one of the dramatic examples of superpower collaboration in solving "regional matters" in a "year of trust" that saw Washington and Moscow ratify an intermediate range nuclear weapons pact and an agreement for Soviet troop withdrawals from Afghanistan.

Reality on the ground, however, betrays the massive fraud of this superpower-rigged outbreak of "peace." One element of the fraud was reported to *EIR* by a senior official of the Southwest African (Namibian) provisional government in Windhoek. In late October, a United Nations team concluded a study preparatory to the U.N.-overseen Namibian elections, scheduled for Nov. 1, 1989. That study, among other things, estimated that the costs of administering those elections and overseeing the transition to independence over a seven-month period would be over \$1 billion. The announcement caused an immediate furor inside Namibia, where that same billion dollars could be far more usefully spent building up the infrastructure and agricultural productivity of the country. As the official put it, an infusion of \$1 billion in development credits would bring genuine peace and prosperity to the country.

The official went on to complain bitterly that the whole of southern Africa has been devastated by locusts and drought which has gutted agricultural productivity, by the AIDS pandemic which has particularly spread through the refugee camps dotting the war-ravaged region, and by the effects of unending civil wars in Angola and Mozambique in particular. These underlying economic and ecological disasters define the actual plight of southern Africa, and it is these underlying issues that Washington and Moscow, for the time being, have agreed to ignore.

One U.S. administration official deeply involved in the southern African superpower negotiations bluntly conceded that Moscow and Washington have jointly "written off Africa" for the next 20 years. "Black Africa is dying of AIDS," the official told *EIR*, and the two superpowers are therefore

negotiating a mutual pullout.

Among the "unresolved" issues set aside in the U.S. and Soviet sponsored Geneva talks was the fate of UNITA, the Dr. Jonas Savimbi-led anti-Soviet resistance movement inside Angola that has fought a decade-long war against the MPLA government in Luanda, its onetime ally in the struggle to win independence from Portugal. According to Dr. Savimbi, who was never brought in on the South Africa-Cuba-Angola negotiations, the terms of the treaty spell a death sentence for him and his movement, which controls over one-third of the country and has stood off combined Angolan-Cuban military assaults with the aid of the United States and South Africa. The 27-month timetable for full Cuban troop withdrawal is intended to provide the "decent interval" in which UNITA, if cut off from American and South African backing, can be slaughtered.

Lonrho and the Russians

On the eastern coast of southern Africa, a similar civil war is raging in Mozambique, where the anti-communist RENAMO movement is also in control of at least one-third of the country. As in Angola, the Soviet-backed FRELIMO government in Maputo is holding onto power on the basis of foreign military support, including over 15,000 troops from neighboring Zimbabwe and smaller contingents from Tanzania and now Malawi. In addition to the usual array of Soviet bloc "advisers," the FRELIMO regime is for all practical purposes a front for one of Great Britain's largest multinational companies, Lonrho, which controls the major rail and energy infrastructure. In April, an assassination squad from a Lonrho subsidiary, Defense Systems Ltd., reportedly carried out the assassination in Lisbon of the foreign affairs chief of RENAMO, Ivo Fernandez. As part of the regional agreements, South Africa has officially cut off all aid to RENAMO and has, as of December, begun providing non-lethal military aid to FRELIMO.

Within South Africa itself, Lonrho and Oppenheimer family Anglo-American Corporation interests, represented principally through Foreign Minister Pik Botha, have accepted the superpower framework. Botha, Oppenheimer, and Lonrho have reportedly been engaged in secret back channel talks with Moscow, pursuing the prospects of a Soviet-South African cartel that would control the world supply of gold and several other militarily vital precious metals. Tragically, these would-be Trust allies of Moscow have apparently missed the bigger picture in which the obituary for southern Africa—black and white—is already written.

President-elect Bush inherits a foreign policy toward the region steered by Chester Crocker, the State Department's senior Africa official and the author of the U.S.-Soviet administered deal. A reversal of the Reagan era policy—shifting focus instead to the life and death issues of food, AIDS and infrastructure—may very well be Africa's only alternative to a U.N.-presided funeral.

Mideast: peace on the horizon?

by the Editorial Board of
Middle East Insider

The decision of the Bush transition team and the outgoing Reagan administration to begin exploratory talks with the Palestine Liberation Organization, producing what one Israeli paper characterized as "an earthquake" in Israel, has

Middle East Insider seen as authoritative

Now entering its fourth year of publication, *EIR's* weekly confidential newsletter *Middle East Insider*—with separate French and English editions—is fully recognized as an authoritative source of confidential information. Throughout 1988, *MEI* has been quoted countless times in the media of the Middle East, both in the Arab world and in Israel. Some weekly publications are renowned for reprinting *MEI* stories—without attribution.

Of *MEI's* major scoops in 1988, here are a few:

- On April 11, *MEI* was the first publication to detail the Soviets' gameplan for the partition of Afghanistan, and ongoing work to build up Mazar e Sharif as an alternative capital to Kabul.

- On May 9, *MEI* was the first to expose the workings of "Tiny" Rowland's Lonrho in Southern Africa, and its connections to the political murder of RENAMO leaders.

More spectacular:

- Our June 27 special investigation into the assassination attempt against Turkish Prime Minister Turgut Özal was cited as having influenced the prime minister, and made the front page of some Turkish newspapers.

- Likewise, *MEI's* July 11 warning of a terror wave in Greece, published 48 hours prior to the "City of Poros" massacre, created a scandal throughout the Greek news media. Three weeks later, the Greek government had to acknowledge *MEI's* report of a Libyan connection to the massacre.

changed the very nature of the 40-year-old conflict in the Middle East. Although it is still too early to tell whether the long search for a durable peace settlement is about to succeed, a number of crucial facts point in this direction.

First and foremost, an undeniable change has occurred within the PLO over the past years, leading to the declarations made by PLO chairman Yasser Arafat in Geneva on Dec. 15 which fulfilled the longstanding conditions laid down by the United States for initiating dialogue with the PLO. In his speech to the U.N. General Assembly meeting extraordinarily in Geneva and in his subsequent English-language press conference, Arafat recognized the "right of all states, including the Palestinian and Israeli States" to exist within secure borders, endorsed resolutions 242 and 338 of the United Nations and formally renounced all forms of terrorism. In and of themselves these statements reflected the fact that the realists and the long-time advocates of Palestinian-Israeli negotiations within the PLO executive and the Palestine National Council, once a small minority within the PLO, now dominate the Palestinian camp. The courageous exploratory work during the 1970s of Palestinian peace camp activists such as Dr. Issam Sartawi or Said Hammani, who paid with their lives, assassinated by extremists within Arab camp for engaging in dialogue with Israelis, paved the way for this change in Palestinian thinking. The dramatic U.S. recognition of that change was a necessary step, a *sine qua non*, in stabilizing this policy in the PLO. Arafat's statements would not have been made had he not had firm commitments from Washington.

Also, longstanding American intelligence concerns about Soviet influence within the PLO were allayed by estimations of the inevitable impact that the U.S. move would have in Palestinian ranks as well as by consultations between Moscow and Washington on the Mideast, before and during Gorbachov's Dec. 7, 1988 trip to New York. In effect the United States committed itself to dealing with the PLO on condition that the U.S.S.R. reciprocate vis-à-vis Israel. Though the U.S. and U.S.S.R. remain in competition in the Mideast and do not see eye to eye on the sequence of steps leading to negotiations, it is expected that the Soviets will reopen diplomatic relations with Israel in 1989. This has been another longstanding precondition demanded by the United States for Soviet participation in Middle East peace talks.

Secondly, Washington and all major European capitals were convinced that the total political impasse in Israeli politics resulting from the Nov. 6 elections made a major U.S. political initiative necessary. The negotiations led by caretaker Prime Minister Shamir with fundamentalist religious parties only reenforced the view in Washington, and notably of the Bush transition team, that such an initiative was required.

By early 1988, leading U.S., Israeli, and European observers had become convinced that the deteriorating political, economic, and ideological situation in many Mideastern

LaRouche on dialogue with PLO

The following statement was released on Dec. 16 by 1988 Democratic presidential pre-candidate Lyndon Hermyle LaRouche, Jr.:

I am obliged, and also greatly pleased to have this occasion to congratulate the U.S. government and PLO Chairman Arafat on the actions which have led into the official discussions between the two parties.

This is a development for which I have hoped, and sought to bring about since my 1975 meetings with both leading Arabs and Israelis on this subject. All who have worked to bring this present development about, should consider themselves recipients of my personal gratitude on that account.

None of us familiar with the complexities of Israeli and Arab politics would dare to suggest that the long-sought goal of Middle East peace is assuredly in sight. However, until the dialogue between the U.S.A. and the

PLO began, the injustices and bloodshed in the Middle East would continue indefinitely.

Although I will respect any argument Israel submits to me respecting the security of Israel within its recognized borders, there is no rational basis for Israeli objections to U.S. official dialogue with representatives of the PLO.

There is never a need for peace negotiations except between forces which have been engaged in killing one another; the mere fact that PLO members have killed Israelis, and that Israelis have been killing and oppressing Palestinian Arabs, is not a rational argument against a peace process, but is rather the best possible argument for one to begin.

The fact that Israel's government lacks presently the political will and capacity to enter into such discussions, is no grounds for objecting to the U.S. entry into the talks. It has probably been the case all along, that just peace between Israel and the PLO would never occur without first steps in that direction by the nation which has spent the most to subsidize Israel's economy and existence, the United States.

We are tired of this bloodshed in the Middle East. Since the PLO has met all the preconditions for beginning the peace process, our government has rightly accepted its moral responsibility for taking the next logical step.

countries was leading toward a new, full-scale Mideast war. On April 11, 1988, the *Middle East Insider* reported "The changing nature of military forces in the Mideast is based on the generalization of CW warfare or CW [chemical warfare] capabilities and the availability of appropriate vectors. . . . Syria which remains Moscow's most important asset in the Arab world may be arming its Scud B missiles with CW warheads. The Soviet manned SS21 batteries in Syria are also CW capable and highly precise. . . . Missile launched CW represents a military threat greater to Israel than all of the Arab world's land armies. In the worst case scenario, the use by Syria of CW capabilities would unleash [Israeli use of] nuclear weapons in the Mideast."

Though it is too early to judge the short-term impact of the U.S. decision to dialogue with the PLO in Israel, in the long run it will reinforce the peace camp. According to opinion polls published in Israel prior to the Nov. 6 election, 50% of Israelis were willing to negotiate with the PLO if it were to recognize the state of Israel. This view is shared in the main by the leadership of the professional military establishment and is reflected in the growth of the Israeli Peace and Security Council, led by retired military and intelligence officials who advocate dialogue. Discreet back-channel talks between the PLO and Israeli leaders, including leading younger members of the Likud, reflect this. Israel's political

class in general is in shambles, however, and does not reflect this appropriately. In the view of Gen. Ezer Weizmann, a leading spokesman of the peace camp, the U.S. move will force Israel, sooner or later, to enter into talks.

The fragility of the situation is underscored by the irreducible opposition to peace by extremists in both camps. On the Israeli side, Gen. Zvi Gandhi's Molodet Party which advocates the wholesale transfer of Palestinians from the West Bank to Jordan, Gen. Ariel Sharon, and others, will inevitably seek to derail any peace talks. Syrian-controlled terrorist assets such as the PFLP-General Command of Ahmed Jibril will seek the same on their side.

The third major effect of the change has been to strengthen the moderates in the Arab world, notably Egypt, Jordan, Morocco, and Tunisia. Syria, two years ago a major political regional power and a forced interlocutor in any peace initiative, has been weakened by the combined effects of a deep and unresolved economic crisis, growing resistance in Lebanon, and the end of the Iran-Iraq war. Though Syria remains a major regional military power, it no longer has the political weight it used to. Prospects for a real peace now depend on whether a combination of forces appears in Israel to negotiate directly with the Palestinians and the Arab moderates. The failure to do so would stimulate the imposition of a solution from "above" by both superpowers.

Noriega stood up to overthrow plot

by Carlos Wesley

The head of the Panamanian Defense Forces (PDF), Gen. Manuel Antonio Noriega, proved he was right when he said: "I am not Ferdinand Marcos and Panama is not the Philippines." As 1988 closed, Noriega was still commander of the PDF, and Manuel Solís Palma, whose government was given at most two weeks when he assumed the presidency on Feb. 26, was still President. Project Democracy—the parallel government that runs U.S. foreign policy—had easily overthrown the governments of the Philippines and Haiti; few would have dared to predict that Panama would resist the all-out war launched against it as 1988 began.

This war has included a campaign of lies unparalleled since Joseph Goebbels was in charge of Nazi propaganda. Noriega was accused of being a drug trafficker, despite a pile of contrary evidence, including repeated testimony by the U.S. Drug Enforcement Administration (DEA), that the PDF under Noriega's leadership is among the best allies in the war on drugs in Ibero-America.

It has included an economic war in which the U.S. government has misappropriated millions of dollars in Panama's government funds, held back millions more it owes for rents and utilities fees for the U.S. Armed Forces in Panama, and failed to pay the annuity for the Canal. Tens of thousands of Panamanians have been left jobless, scores of businesses are bankrupt, and the government has been forced to curtail health and other services, and is barely able to meet its payroll.

President Solís Palma told the U.N. General Assembly Sept. 26, "I categorically state that my government has abundant reasons to fear direct U.S. military aggression against the Republic of Panama." The U.S. sent additional troops into Panama, to reinforce the 10,000 men permanently stationed there with the U.S. Southern Command, he noted among other signs.

Project Democracy's regional point man, Assistant Secretary of State for Inter-American Affairs Elliott Abrams, met on April 14 in Rome with his Russian counterpart, Yuri Pavlov, and got a green light from the Soviets for the U.S. to do as it pleased in Panama.

How has Panama, surely much more vulnerable than Marcos's Philippines, managed to resist this onslaught? Besides underestimating Noriega, Project Democracy's mistake, as Henry Kissinger noted at the National Press Club in Washington, is that it failed to have a viable opposition to replace the Panamanian government.

Almost all of their recruits to lead an opposition move-

ment are either from the local oligarchy, called *rabiblanco*s ("white asses"), and/or implicated in the drug trade. Such is the case, for example, with Carlos Rodríguez and Roberto "Bobby" Eisenmann, owners of Miami's Dadeland National Bank, which has been proven in a U.S. court to be a drug-money laundering bank. Both these leaders of the "BMW revolution" spend most of their time taking care of their business interests in Miami, and they have been unable to garner any popular support. A group of PDF officers the U.S. suborned to rebel against Noriega in March, found no troops to follow them, much less support from civilians.

When then-President Eric Delvalle gave in to U.S. pressure, including the banning of sales in the American market of sugar from his mills, and attempted to fire Noriega, Panama's Congress impeached him for violating the Constitution and named Solís Palma the new President. Setting itself up as interpreters of Panama's Constitution, the Reagan administration decided that Delvalle was Panama's legal President, and refused to recognize the Solís Palma government. But soon it found itself alone. Great Britain, West Germany, and Japan all broke ranks and recognized the new government. There was no reason not to, said a spokesman for the Bonn foreign ministry, "since the Solís Palma government seems to be generally accepted by the Panamanians."

Because some Latin American governments initially buckled to State Department pressure, Panama was suspended from the so-called Group of Eight nations, which it helped found as a policy-coordinating body for Ibero-America. But this quickly changed, as it became clear that the real U.S. aim was to install a regime willing to renegotiate the Carter-Torrijos treaties, to enable the U.S. to keep its military bases and the Panama Canal past the year 2000. Mexico announced that it was challenging the U.S. embargo, and would supply Panama with 50% of its oil needs on easy credit terms. The member nations of the Latin American Economic System (SELA), held an emergency session March 29 and agreed to assist Panama to overcome "the coercive economic measures taken by the government of the United States of America against Panama."

More important, the Panamanian cause was embraced by the overwhelming majority of Ibero-Americans. On Aug. 8-11, senators, congressmen, labor leaders, historians, businessmen, clergymen, retired military officers and political leaders from every continental nation, and from all shades of the political spectrum—from Argentina's Peronist and Radical parties, to Colombia's Conservative and Liberal parties, to the Cubans and Nicaraguans—gathered in Panama to plan a Second Amphictyonic Congress, which would be a forum to unite all the continent's nations. This gathering, the first time in the history of Ibero-America that representatives from all the nations of the continent had come together, committed itself to unite the common "fatherland, from Mexico to Argentina, in defense of the integrity and sovereignty of the Panamanian people."

Soviet irregular warfare in Ibero-America makes headway

by Valerie Rush

The year 1988 was the target date set by Moscow's irregular warfare armies for a narco-terrorist takeover of Ibero-America's strategically vital Andean Spine. Under Soviet sponsorship, and with the treasonous complicity of the West's "Project Democracy" networks, their insurgency came dangerously close to succeeding. Selective kidnappings and assassinations, targeted destruction of national infrastructure and, most importantly, a relentless propaganda assault on the foundations of constitutional republicanism, have worn down populations and governments alike, while stripping the already budget-ravaged military, the last bastion of national defense, of its ability to function.

This dramatic advance of Moscow's so-called "partisan armies" across Ibero-America in 1988 has been stalled—but only stalled—because of the decision of a handful of patriots to take action to save the region's armed forces as institutions capable of resisting, and ultimately defeating, the narco-terrorist onslaught. Whether their actions succeed in turning the tide of surrender, or serve only as a temporary holding action, will be determined in the course of 1989.

A nation at war

Colombia is the most illustrative case of a nation under total irregular warfare siege. The nation has been subjected to the most brutal terror, with "military action" by the country's 10,000-strong guerrilla army now matched by escalating anti-civilian terror, including wholesale massacres of innocents. The year opened with the narco-terrorist murder of anti-drug Attorney General Carlos Mauro Hoyos, and his replacement by pro-Communist Horacio Serpa Uribe, who has turned that office into a branch of the Moscow-tied Amnesty International.

The Colombian Armed Forces' proper response to Mauro Hoyos's hideous murder—an aggressive military counter-punch against the networks of the drug mafia—triggered a violent international campaign against this alleged "dirty war" in Colombia. On April 19, the London-based Amnesty International (AI), a global clearinghouse of Communist and terrorist movements which coordinates closely with Moscow, issued a "briefing" on Colombia which accused the Armed Forces of employing "a deliberate policy of political mur-

der," while making no mention of the narco-terrorist bloodshed. AI's Washington, D.C. briefing was addressed by Colombian Senator Pedro Alcántara Herán, an elected representative of the Colombian Communist Party's electoral front.

The Communist newspaper *Voz* simultaneously vehemently defended cocaine czar Pablo Escobar against the alleged "Rambo" actions of one of Colombia's most effective counterinsurgent leaders, Gen. Jaime Ruiz Barrera. On April 24, the *London Observer*, owned by the blue-blood sponsors of AI, the Astors, cited Amnesty's report to blast the Colombian military and demand "the pariah treatment" for "savage, lawless Colombia," while lamenting that its government had yet to heed "powerful arguments for legalization of drugs."

With the Barco government now on the defensive, Moscow's irregular warfare forces struck again. The kidnaping on May 29 of Conservative Party leader Alvaro Gómez Hurtado, and subsequent guerrilla demands for the dismantling of the military as a counterinsurgent force, as the condition for Gómez's release, nearly produced a white flag of surrender from the hapless government of President Virgilio Barco. Only days after the kidnaping, Barco called in a June 7 address to the United Nations General Assembly for the dismantling of the armies of the developing sector, as an "example" to the superpowers!

By early August, the environment for capitulation was such that former Colombian president Alfonso López Michelsen, a.k.a. the "godfather," was able to demand at a public forum that the narco-terrorists be granted official "rebel" status. One astute journalist noted that López would impose the strictures of the Geneva Conventions for wartime conduct upon Colombia's battle against a criminal underworld suddenly endowed with internationally protected "belligerent" status.

President Barco's inability to withstand the combined terror from within and "human rights" pressures from without, produced a strategy of "dialogue" with his nation's assailants. His removal of outraged Defense Minister Gen. Rafael Samudio Molina on Nov. 4, only days after his army had successfully enforced a government ban on a terrorist-sponsored general strike, permitted the emboldened narco-terrorists to carry out a near-miss assassination attempt against

Samudio's successor, General Manuel Jaime Guerrero Paz, on Nov. 22. However, it may also have served as the proverbial "last straw," for on the military's apparent insistence, Barco did an uncharacteristic turnabout on Nov. 25, decreeing life imprisonment for terrorists and ordering the resupplying of the Armed Forces to bring them to battle-readiness.

A Project Democracy victory

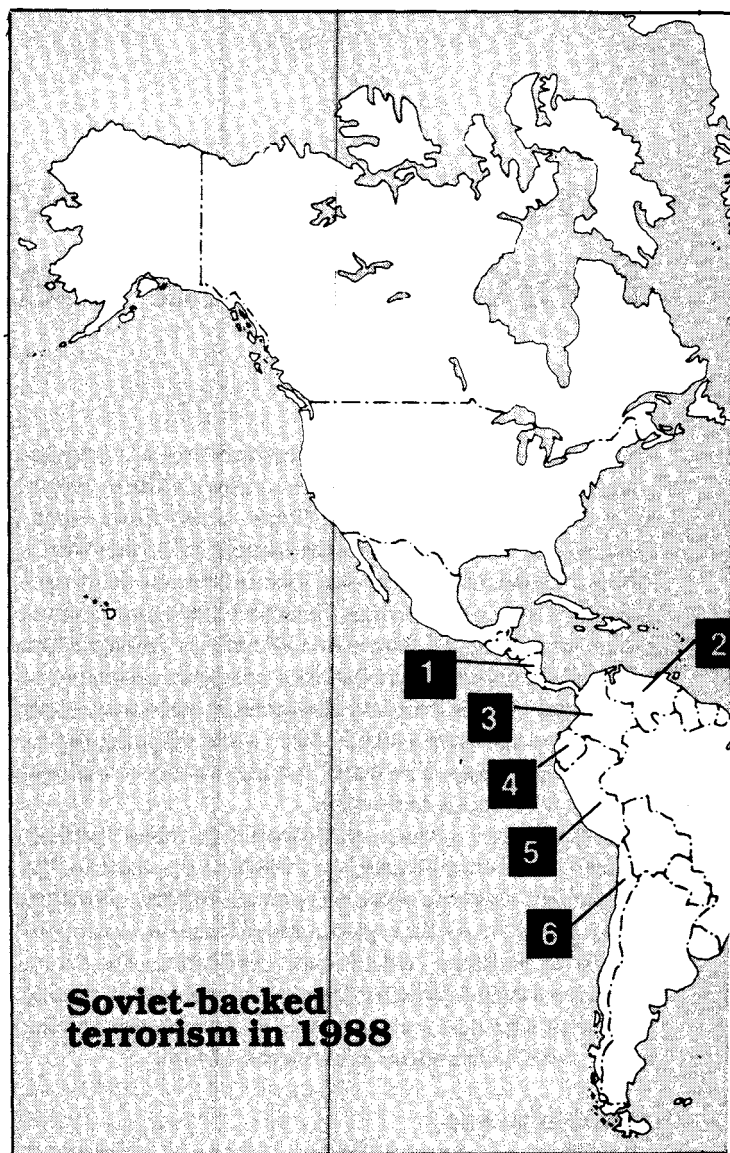
While Colombia ends an otherwise tragic year on a hopeful note, neighboring **Venezuela** has less cause for optimism. The campaign to destroy the continent's armed forces, detailed by Project Democracy's "Inter-American Dialogue," claimed an early victim with the March 28 forced resignation of Venezuela's Justice Minister, the strongly anti-drug and pro-military José Manzo González. Defense Minister Eliodoro Guerrero Gómez, under similar attack, ultimately retired from office.

The surfacing of narco-Communist and Gnostic circles in defense of terrorism during the course of 1988 is made particularly dangerous because of the political support these elements have received from newly-elected Venezuelan President Carlos Andrés Pérez. Pérez, whose own ties to drug networks have been a matter of speculation for years, has repeatedly given credibility to the anti-military ravings of Project Democracy's agents, such that rumors of a military coup in the event of a Pérez victory were rife just prior to the Dec. 4 election.

Narco-terrorist destruction of **Peru**, economically and politically, is perhaps the starkest Ibero-American tragedy of 1988, with that country now hovering on the brink of a fascist takeover—from the left or right. And with the crumbling of national defenses throughout the Andean Spine, debt-strapped and mis-led nations like Brazil, Chile, and Argentina, are becoming ripe for the picking by Moscow's irregular troops.

President Alfonsín in **Argentina** has been in the forefront of the assault on the military as an institution, as he has in capitulation to the International Monetary Fund. The forced retirement of nationalist elements of the military, the jailing of numerous officers who fought the British during the Malvinas War, the calculated budgetary starvation of the Armed Forces, finally led to a carefully-planned military action on Dec. 2 by Malvinas War hero Col. Mohammed Ali Seineldín, who demanded that both the dignity and the capacity of the Armed Forces be restored.

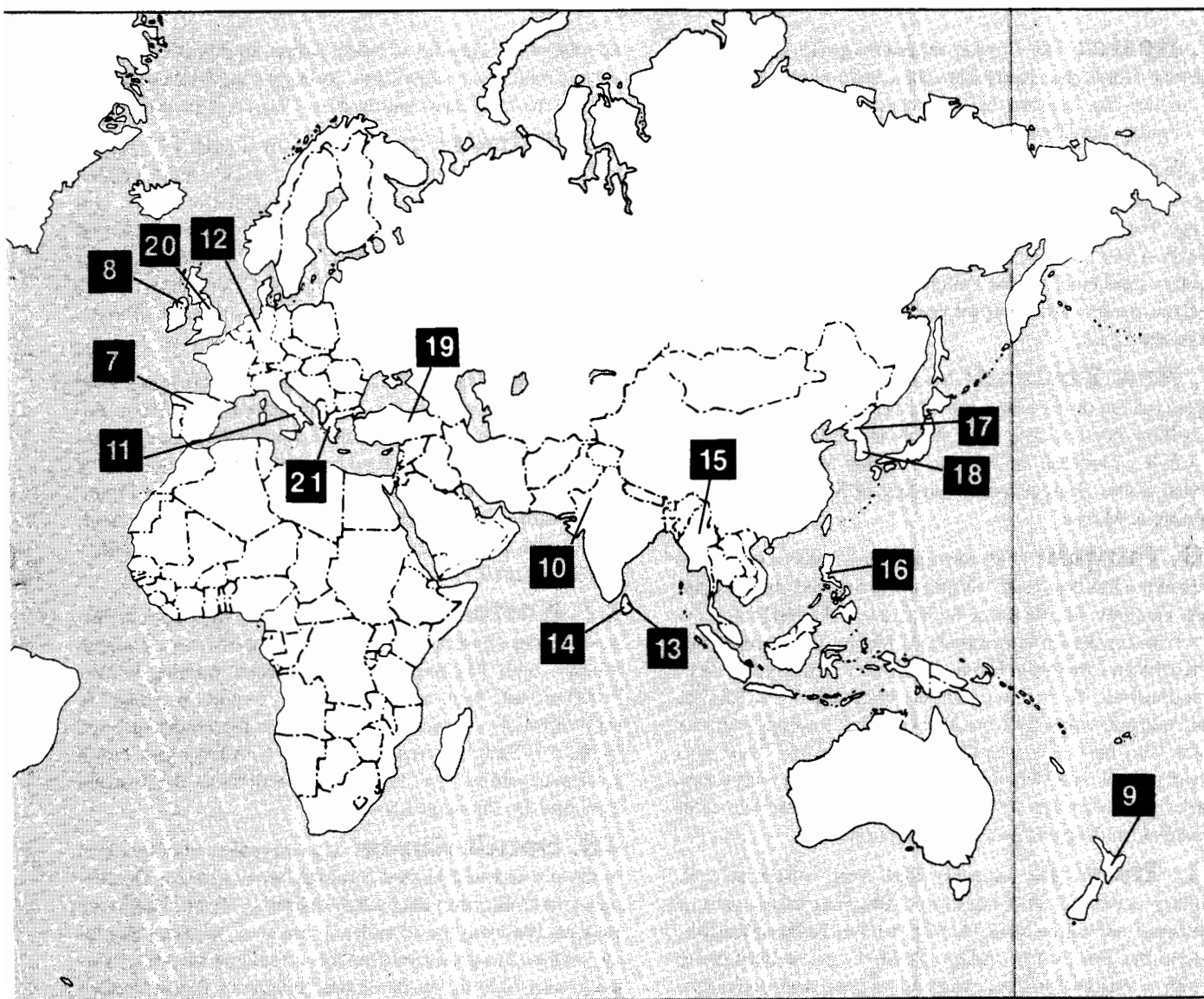
Through a series of negotiations with the government, and with the military united behind him, the fervent nationalist Seineldín succeeded in forcing a number of concessions to insure the survival of his institution, including critical wage increases for the troops. While not a revolution, Seineldín's 96-hour action has provided inspiration for the entire continent and, as such, has stalled the planned destruction of its military defenses. It now remains for his Ibero-American counterparts in both the political and military realm to follow suit.



1. Central America: Long-term Soviet presence in Cuba and Nicaragua has served to turn those nations into launching-pads for irregular warfare. In Guatemala, El Salvador, and even Honduras, Soviet strategy has been to employ narco-terrorist insurgencies to sow chaos and economic dislocation.

2. Venezuela: One of the newest additions to the map of Soviet irregular warfare in Ibero-America. Gnostic/Communist elements have run cover for an infiltration of neighboring Colombia's full-fledged insurgent movement. A major target of the narco-terrorists and their allies has been the Venezuelan Armed Forces.

3. Colombia: The guerrilla forces of the Moscow-dominated Colombian Communist Party alone maintain a 10,000-man army in 42 "fronts" across the country, complemented by thousands of armed lunatics from various other



narco-terrorist formations, and by the mercenary armies of the drug mafias. In the first 11 months of 1988, some 18,000 Colombians were killed in narco-terrorist and other actions, more than 300 kidnaped, and the major oil pipeline bombed 60 times.

4. Ecuador: While it has its own “home-grown” terrorist movement, the Communist Party-spawned *Alfaro Vive, Carajo*, Ecuador’s location between Colombia and Peru makes it a refuge for neighboring insurgent movements, as well as a transport route for illegal drugs.

5. Peru: Nearly 12,500 Peruvians have been killed since 1980, and over 500 in November 1988 alone, and an estimated \$10 billion in material damage inflicted on the communication, transportation, electricity, and productive infrastructure. According to ex-President Francisco Morales Bermúdez, the Shining Path insurgency controls over 80

areas of the country, moving from the major mountain and jungle areas into the cities over the past year. Their strongholds, in the Upper Huallaga Valley, Huancavelica, Ayacucho, and Cerro de Pasto, not accidentally overlap the centers of coca production.

6. Chile: The military dictatorship has kept any organized Communist insurgency to a minimum over the years, but the mobilization of Project Democracy and Moscow-sponsored “human rights” lobbies worldwide in anticipation of the Oct. 5, 1988 “yes/no” plebiscite on the Pinochet government proved a foot-in-the-door to terrorist penetration. The Chilean Communist Party-spawned Manuel Rodríguez Patriotic Front first emerged around the September assassination attempt against Gen. Augusto Pinochet, and its terrorists have even been spotted and/or captured in neighboring Argentina. On Sept. 30, the Front called on the 20,000-strong Communist Party to “make the country ungovernable.”

7. Spain: The Basque separatist group ETA and its political fronts like Herri Batasuna, have been purged and retooled as Soviet assets. ETA escalates terrorism throughout the country, reaching "Beirut" levels in the Basque country.

8. Northern Ireland: The worst terrorist bombing campaigns since the early 1970s by the Irish Republican Army. For the first time in a decade, IRA renewed attacks on British Army facilities in West Germany, as well as British military personnel on the Dutch side of the West German-Holland border. IRA support operations extended into Belgium and Spain.

9. New Zealand: Maori terror-groups are being organized out of the Maori minority (12% of New Zealand's 3 million population), with direct input from Libya and U.S.S.R., modeled on American Indian Movement in the United States. Evidence is mounting of Soviet arming and training of Maoris.

10. Punjab: Sikh terrorists have taken over 4,000 lives in the last two years. Originally organized around Naxalite ideology in All-India Sikh Student Federation, now terrorism centers on fundamentalist ideology in such groups as Khalistan Liberation Front, Khalistan Commando Force, Bhindranwale Tiger Force, Bhabar Khalsa and Dal Khalsa. Not controlled directly from Moscow, but through overseas Sikhs who have ties into the Soviet-dominated Trust networks in U.S. and Britain, and also into Beijing with cross-border protection from Pakistan. Drug trafficking is a chief source of funding and political protection.

11. Italy: The Japanese Red Army struck at U.S. military personnel in Naples. Red Brigades assassinations continued, including close De Mita adviser Roberto Ruffilli. Also in the Trento/Aldo Adige (South Tyrol) of Italy, there was an extensive bombing campaign of great destructiveness by Soviet and neo-Nazi-connected "South Tyrol separatists," aimed at destabilizing the institutions of the Italian state.

12. West Germany: Again in 1988, a series of arsons, "street actions," destruction of infrastructure, etc., by "irregular warfare" forces.

13. Sri Lanka: Tamil separatists active in four districts in the north and three in the south. Dominant Liberation Tigers of Tamil Eelam was formed in 1977 but became active in 1983. With Indian Peace Keeping Force in area, LTTE leadership is reduced to 100 and living in jungles. LTTE was allegedly trained by PLO and has connections to Libya. Drug trafficking a chief source of funding.

14. Sri Lanka: Janatha Vimukthi Peramuna (JVP) consists of about 10,000 members with 200 hard-core activists with strongest base in coastal southern Sri Lanka. Led by Rohana Wijeweera, medical drop-out from Moscow's Patrice Lumumba University, JVP was banned in 1971 after an

aborted coup. Has ties to North Korea. JVP promotes chauvinist Sinhala race superiority. Military wing Deshpremi Janata Viyaparaya (DJV) murdered 1,400 people in 1988.

15. Burma: Civil war front is a point of irregular warfare pressure against Thailand. Burma government linked to both Soviet Union and People's Republic of China. Opposing National Liberation Front comprised of 11 armed ethnic organizations representing over 11 million people. Also active in the north is the Burmese Communist Party, reportedly backed by U.S.S.R. with Vietnamese auxiliaries. Kachin Independence Organization close to China.

16. Philippines: New People's Army is armed by Soviet Union and Vietnam, with funding from Western European and U.S. theology of liberation Catholic and Protestant church networks, often under government auspices. NPA includes 30,000 members of Communist Party of Philippines, with 45 Communist front political organizations; fielding 20,000 armed guerrillas. One-third of Filipino countryside is under NPA control.

17. North Korea: Has 121,500-man Special Purpose Forces (*spetsnaz*) group, according to *Jane's Defense Weekly*, with 30 camps providing terrorist training to over 5,000 recruits from some 25 nations. Exports personnel to train terrorists overseas. *Spetsnaz* force reportedly directed by Kim Il-Sung's psychopathic son, Kim Chong-il. North Korean capabilities are intermeshed with those of Libya and Iran, and the Japanese Red Army.

18. South Korea: Student movement organized in the pro-terrorist United Minjung Movement for Democracy and Unification led by Rev. Moon Ik Hwan. Hard-core students brainwashed in violence-oriented "*minjung* theology," which has produced numbers of student suicides. *Minjung* street-fighting operation has backing of World Council of Churches, and propaganda support from North Korea.

19. Turkey: Soviet-backed "irregular warfare" forces attempted to kill Prime Minister Turgut Özal. The country has been under repeated threat from Soviet-backed Kurdish People's Party (PKK) and Turkish Communist Party/Marxist-Leninist (TKP-ML) forces.

20. Britain: Toward year-end, London saw a series of bombing attacks on department stores and travel agencies, in one case believed attributable to "animal rights" groups, in the other, to "Welsh separatists." London also saw the worst radical student unrest in 20 years, promoted by the Trotskyist Socialist Workers Party.

21. Greece/Cyprus: Libyan-sponsored terrorists carried out a raid on the *City of Poros* ship. The "November 17" terrorist group carried out four to six bombings and assassinations on American military installations. Lebanese Shi'ites were responsible for a bomb explosion in Nicosia.

Satanists escalate war against Western civilization

by Mark Burdman

On Feb. 24, 1988, one of the more revealing slanders of the 1980s was hurled against Lyndon LaRouche by the Panamanian opposition newspaper *La Prensa*. LaRouche was attacked as a “detractor of Basilides,” a gnostic-pagan philosopher of the second century A.D. who is highly revered among pagans and satanists today, particularly in Central America and parts of South America. Basilides was also the pen-name adopted by “New Age” psychologist Carl Gustav Jung in his first published book.

To the informed intelligence specialist, this charge might have been seen as a signal that 1988 would be a singular year for activation of satanist cults. And indeed, it was. Communications among satanist organizations early in the year defined 1988 as a year for public “combat” against Christian belief. Along similar lines, “green” and “ecological” groups worldwide began to more explicitly embrace Roman-model “Great Mother” cultism.

“Great Mother” cults practice ritual sacrifices and like horrors. So, 1988 witnessed a contagion of devil-worshipping youth-suicide cults, and abductions of children for use in child sex and sacrifice rituals. This contagion appeared in Britain, Northern Germany, Yugoslavia, across the Atlantic in the United States, and across the Pacific in New Zealand.

It should also be recalled that 1988 was the year in which it was revealed that both Ronald and Nancy Reagan were involved in astrological mysticism. This prompted Lyndon LaRouche to warn, in *EIR*'s May 20, 1988 cover story (“Astrology Is a Threat to National Security”), “Surely, all history shows that astrology is a structure based upon worship of Satan, and surely most Americans must agree that worship of Satan is a pretty nasty form of sin.” In fact, the astrologers influencing the Reagans were creatures of the World War II-era British “Occult Bureau,” who, LaRouche stressed, had deep ties to the “overtly Satan-worshipping Theosophical Society of Annie Besant, Madame Blavatsky, Aleister Crowley, and Astor-backed Rudolf Steiner.”

‘Why not kill Satan?’

If LaRouche were singled out as the satanists’ public enemy number one, it is also true that LaRouche and associates have launched war against satanism.

In the April 1 *EIR* cover story, “Elliott Abrams Backs

Nazis in Panama,” partly written in response to the “detractor of Basilides” attack, LaRouche asserted, “It is this pro-satanist, self-styled ‘brotherhood’ of such fellows as Oxford’s John Ruskin, Dostoevsky, Nietzsche, Berdyaev, Gorky, Blavatsky, Crowley, H.G. Wells, Bertrand Russell, and so on, which is the enemy of all mankind, and the author of neomalthusian dionysian and other countercultural cults, as well as being the true author of both Nazism and Communism.”

In a Sept. 30 piece, “Behind the Mask of So-called ‘Communism,’ ” under the subtitle, “The True Enemy, Satan,” he declared that the satanism of Nietzsche, Crowley, et al. was “the key agency to be destroyed as a precondition for victory in irregular warfare.” He warned that the communist and fascist instruments of satanism aimed “to make destructive hatred of the good the pleasure of the recruit,” and to achieve a “global New Dark Age” and a “one-world government under the rule of international socialism.”

Weeks later (“Bolshevik Russia is a Golem: the Myth of Marxian Communism,” Nov. 4, 1988), LaRouche wrote, “The real adversary” of the human race is “Satan and that great whore Ishtar-Isis, his mother.” He asked, “Why not kill Satan, whom such as Friedrich Nietzsche and Aleister Crowley worshipped? . . . Are we not the Creator’s Right Arm, endowed with that reason which no other earthly creature possesses, that we, as dutiful creatures of Providence, might do precisely such awesome deeds when the time came we must do so?”

This declaration of war culminated in a Nov. 18, 1988 memorandum entitled, “A Worldwide Anti-Bolshevik Mobilization is Now in Progress,” published as the lead story of *EIR*'s Dec. 9 edition.

‘We’re at war’

There are two levels to the satanists’ mobilization of 1988. There has been the proliferation of satanist cults as such. And there has been the increasingly open embrace of satanism by powerful forces among the international liberal elites.

New Zealand is a nation undergoing economic contraction and large-scale unemployment after decades of prosperity. There, growing numbers of teenagers have been pulled into suicide cults, the ideology of which is centered on listen-

ing to the death-obsessed lyrics of rock groups such as "Gothic." A London *Times* feature Sept. 26 reported that the country was experiencing a "surge of teenage suicides," to the extent that suicide had become the "second biggest killer of New Zealanders aged between 15 and 24." The "Gothic" children dress up in black, color their rooms black, and paint their faces white. They also play "role-playing board games," one of which "supposedly originated in the 14th century"—the century of the last great "Dark Age."

Youth behaving in similar fashion, dressed in black, wearing white makeup, and sleeping in coffins, were reported earlier in the year in the economically depressed Zagreb region of Yugoslavia. The authorities issued a bulletin warning that the situation was going out of control. At one point during the year, suicides there reached 20 *per week*. In many cases, the teenagers would leave notes, "The Lord of Darkness called me up."

"Gothic"-type cults have also been reported in the economically contracting Ruhr region of West Germany. Teenage cult-members are called "Gruftis," from the German word for "grave." They dress in punkish style, with black clothes and white paint on their faces, and explain that they have "given their soul to Satan." Suicides linked to this cult have been reported in the Ruhr, in Northern Germany, and in East and West Berlin.

In Bavaria, estimates are that between 20 and 50% of young students are involved in occult practices. Experts stress that it is a straight path from occultism to satanism. In certain regions of North Germany, satanism has become an epidemic in the high schools, and the prime concern of parents and clergy in the region.

In Britain, the Childwatch organization estimates that as many as 4,000 children *per year* are used as sacrifice victims or subject to horrifying rituals.

Childwatch coordinator Dianne Core told *EIR* that "heavy rock" groups are largely responsible. She stressed that the satanists' aim was to destroy the institution of the family. Children are encouraged to leave their families and become wards of social agencies, where they often get hooked on drugs and become dependent on adults involved in satanist practices. A symptom of their state of mind is the statement, "Satan is my father."

Mrs. Core also observed that satanism was strongest in areas where economic collapse and despair were highest.

She charged that satanist cults were being protected "at the highest level. We're in the middle of the most massive spiritual warfare. The whole satanist movement has decided to initiate as many young people as they can. We're at war."

The Beltane Conspiracy

During March 1988, a memorandum was circulated in the United States through a private communication network linking various satanic groups. It was entitled, "The Beltane Conspiracy," in recognition of "Beltane," April 30, also

known as "Satan's birthday." (In German, "Beltane" is known as *Walpurgisnacht*.) The memorandum warned that in 1988, pagan groups would be facing "the greatest threat to the Old Religion . . . this country has ever seen." The memorandum outlined a preemptive battle-plan to "combat" Christian belief in the United States, and to "help put this country back on the path set out by our beloved, drug-sodden, sex-crazed, mystical forebears Jefferson, Franklin, Adams, and Washington (long may his pot fields wave)."

The essence of this "combat" would be "The Beltane Conspiracy . . . or: can a bunch of Witches, New Age types, rock musicians, computer geeks and 60's burnouts save American democracy and have a good time while doing it. . . . The current resurgence of the 1960s, both in interest and in musical style, as well as the ascension of those of us who grew up (or didn't) through the 60s to positions of importance in government and business, provides an excellent platform for a year of celebration."

The "celebration" would occur according to a "conspiracy timetable," by commemoration of key days on the pagan calendar, including Omblec/Candlemas (early February), Beltane (April 30), Midsummer (summer solstice), and others. Midsummer, for example, should bring together "the Pagans, Hippies and NeoHippies, the Punkers and the Eccentrics. . . ."

The memorandum urged pagan organizations to openly celebrate "holidays" in public parks. And, during 1988, Childwatch and other organizations reported an increased threat to children exactly around the periods of "holidays" like Beltane and Halloween.

Ordo Templi Orientis

The secretive Ordo Templi Orientis, an organization created by the late Aleister Crowley is the probable command-center of satanism. OTO has at least 48 offices in the United States. One offshoot is centered around a certain Lt.-Col. Michael Aquino, and has managed to infiltrate the U.S. military and NATO. OTO is also under investigation in Britain, continental Europe, Australia, Canada, the Caribbean, France, New Zealand, West Germany, Norway, and Yugoslavia. In mid-May, Britain's Dianne Core called on the British government to launch an official investigation into OTO.

Leading British satanists were among those who traveled to Turin, Italy for a five-day conference on "the devil," Oct. 17-21. That event, carried out over the protests of the Roman Catholic Church, was held with official funding from the municipality of Turin, a city held sacred by practitioners of magic. It is also the stronghold of such powerful financier interests as the de Benedetti and Agnelli.

The real problem of organized satanism is the belief-structure of what LaRouche has labelled "a cabal of powerful families." In the coming year, either the power of such families and their institutions is smashed, or the world will be hurtled into the worst dark age in human history.

Behind the mystery air crashes: Soviet electromagnetic sabotage?

by Rainer Apel and Mark Burdman

The Western alliance was faced with an unconventional array of attacks on its security in 1988, for which a conventional explanation of causality is inadequate. In one year, NATO lost more military planes than exist in the whole Norwegian Air Force. Pakistan's Gen. Zia ul-Haq and Germany's Franz Josef Strauss, two key leaders who were acutely aware of the security threat from the East, died under strange circumstances. The number of unexplained deaths of British scientists working in the defense field soared to almost 25.

In the face of such forms of unconventional threat, *EIR* was the only publication that challenged conventional wisdom and put forward new hypotheses on the nature of the threats from the Warsaw Pact, based on Soviet development of what might be called "post-nuclear methods."

By September-October, certain of the more sober of Western spokesmen and think tanks, such as CIA Deputy Director Robert Gates and London's International Institute for Strategic Studies, began to warn about the increased threat to the West from Gorbachov's Russia. But these warnings were inadequate, as they remained within the bounds of traditional perceived threats from the East.

What is required, is a new quality of thinking, of the type pointed to in *EIR*'s report, "Electromagnetic-Effect Weapons: The Technology and the Strategic Implications." Published in early 1988, first in English, and then in German and French, the report was featured in *EIR* briefing seminars in Paris, Lyons, Marseilles, Metz, and Normandy in France; Madrid, Spain; London, England; Brescia and Vercelli in Italy; Copenhagen, Denmark; Stockholm, Sweden; and Oslo, Norway. *EIR* played a role similar to the one it played in 1982-84, when it was the only institution that held seminars across Western Europe on the new strategic realities created by strategic defense systems based on "new physical principles" (later known as the SDI).

Lyndon LaRouche made a speaking appearance in Lyons during the summer, his first in Western Europe on this subject since the last quarter of 1987, when he had helped launch the information campaign about "electromagnetic-effect weapons," in speeches in Munich, West Germany and in Milan, Italy. During the year, *EIR*'s material on the subject was favorably covered on Italian television, in the French military magazine *Défense et Armements*, and in a leading Austrian military publication. The report has also provoked a furious

behind-the-scenes debate in military strategic circles in Britain and elsewhere.

The question of sabotage

The threat to Western defense capabilities is best seen in what has happened to military aircraft. As the year-end approached, *Jane's Defence Weekly*, the prestigious military review published in Britain, released a study of the 12-month period ending Oct. 31, listing a total of 128 NATO aircraft lost in air crashes. By Dec. 10, the figure had already risen to 135.

The Dec. 8 crash of a U.S. A-10 A Thunderbolt II in a residential area of the German town of Remscheid, which killed the pilot and five civilians, highlighted the year of air disasters.

On the one hand, this disaster had the anticipated effect of increasing the violent campaign by Moscow's fellow-travelers in West Germany against military airflights over German soil. On the other hand, it was also indicative of certain behind-the-scenes rumblings, that the word "sabotage" was prominently displayed in certain West German newspapers reporting on the crash. This had not happened in response to previous air crashes, including the Ramstein Air Show disaster of Aug. 28.

The Dec. 10 issue of the *Bild Zeitung* mass-circulation daily published a list of "six burning questions" on the Remscheid disaster on its front page, "sabotage" ranking second among them, after the possibility of a "pilot heart attack." In a centerfold feature, *Bild Zeitung* revealed that German judges investigating the Remscheid crash "are not ruling out that there was sabotage of the machine." The Dec. 10 *Stuttgarter Nachrichten* reported that sabotage was among the tracks of investigation being pursued.

Cui bono?

What is striking, is how little talk of sabotage there was this year, despite the vast amount of talk about the terrorist threat to the West, and despite the unprecedented number of planes lost.

On the numbers: As *Jane's* documented it, the destroyed craft included 97 combat planes and 31 support aircraft plus helicopters. The United States alone lost 40 combat planes; 20 of these were F-16s, and most of them crashed over Ger-

many. Not all of the military air crashes and other incidents destroying planes were reported, but between one-third and one-half of all incidents occurred in German air space or at the air bases of allied powers in West Germany.

Official statements on the incidents were unconvincing: that they were due to either "material fatigue" or "pilot error." *EIR* began in-depth investigations into the issue of sabotage. Even more than the technology issues involved, the more fundamental *political* question motivating such an investigation is: "Who benefits from the crashes?" The interplay between these air crashes and the Moscow-controlled political campaign of Social Democratic and Green Party demagogues against NATO air forces in West Germany, was all too evident. Increasingly since the spring of 1988, the pattern of air crashes became densest just when the "anti-air force" opposition was raising, or about to raise, new political demands.

This addresses the political-strategic problem related to sabotage, the Soviet campaign for a withdrawal and reduction in size of Western air forces in Europe. West Germany is a special target of this campaign, because half of the 600 combat aircraft the United States has stationed in Europe, are deployed at German air bases. Soviet assets in West Germany have made a big deal about making "dual-capable aircraft" the next subject of arms-control discussions. Other fellow-travelers insist on trading NATO "quality" (superiority in air technology in particular) for Warsaw Pact "quantity."

For much of 1988, the "anti-air force" campaign was not successful. What changed the atmosphere, was the Ramstein Air Show disaster on Aug. 28. Upon demands from the West German Social Democrats and Greens, who announced that they had been "predicting" such a calamity all along, all air shows were banned in Germany. The A-10 crash in Remscheid—which was not the result of a low-altitude test flight but occurred during a routine transfer of 18 A-10s from Britain to Germany—provided the Soviet-inspired propaganda campaign against NATO low-altitude flights with a major boost.

Hypothesis of electromagnetic interference

How could sabotage be carried out? While technical sabotage, like tampering with mechanical or electronic airplane parts by agents operating on NATO air bases, could not be ruled out, *EIR* researchers concentrated on the question of electromagnetic sabotage. This would involve sending destructive electromagnetic pulse (EMP) shock signals, from a device based on the ground, in the air, or in space.

Research into this technology has been going on for about two decades, and the Soviets have already used relatively primitive first-generation devices to blind U.S. satellites, and likely also military aircraft, in previous years. Sensitive avionics of a modern jet aircraft can be blinded, as can the pilot himself. Paralyzing the pilot for just a few seconds during a critical phase of the flight, like curves, loopings,

etc. would in most cases suffice to down his plane.

When *EIR*'s "Electromagnetic-Effect Weapons" report was published in February 1988, most experts were skeptical, and preferred to hold on to the "pilot error" interpretation of the air crashes. During the period from late March to late August, highlighted by the crash of three Italian jets at an air show at Ramstein Air Base, West Germany, which caused the death of 70 spectators and the three Italian pilots, some 50 NATO aircraft were destroyed in crashes or other "accidents."

In one year, NATO lost 128 aircraft in mysterious accidents—more than the entire combat strength of the Norwegian Air Force. While the world's press dwelt mostly on "pilot error," EIR's investigators looked at a more convincing hypothesis.

The Ramstein incident represented a phase-change. Based on the LaRouche hypothesis, the Schiller Institute, the transatlantic group founded by Helga Zepp-LaRouche, launched an international call for a "ruthless investigation of the series of NATO air crashes." The call was, in a matter of days, signed by numerous defense experts and former military leaders of NATO, such as Generals Friedrich A. Grunewald (ret., German Air Force) and Paul A. Scherer (ret., former head of the MAD, the Military Counterintelligence of Germany), Generals George Jones and Earl F. Cole (ret., both U.S.), Gen. García Conde-Señal (ret., Spain), Rear Adm. Ralph Earle (ret., U.S.), and numerous scientific experts, like Dr. James D. Frazer of the United States.

The Schiller Institute's call and a concentrated campaign around it internationally had a substantial impact on the expert debate in Italy and Germany, breaking the silence of the international media on the sabotage issue. On Dec. 11, the Italian weekly *Epoca* wrote: "Tornado airplanes fell down all over Europe, but there is not any precise cause known at this time; anyway, it is not excluded that some electromagnetic interference with the sophisticated avionics instruments of the Tornados could be in some way the cause of the crashes."

The article also noted that electromagnetic radiation can interfere with "the delicate electrical signals exchanged by brain cells themselves." This is what LaRouche has charged earlier this year, pointing at Soviet or Soviet-related electromagnetic interference in all cases where NATO pilots allegedly became "disoriented and lost control of their planes."

AIDS policy—even worse than it looked

by John Grauerholz, M.D.

As one reviews the past year, it is hard to escape a feeling of unreality, as if one were living through an episode of "The Twilight Zone." It is five years since we confronted the fact that a new lethal, incurable infectious disease, for which we possess no preventive vaccine, is spreading around the world. Since that time it has become increasingly evident that this epidemic could, indeed, exterminate the human race.

What has been the response of national and international health agencies and officials to this potentially apocalyptic situation? In its superficial aspect, it is a policy of bureaucratic crisis management designed first and foremost to contain costs. In its deeper aspects, it is something much more sinister and profound.

Nineteen eighty-eight is the year in which the HIV epidemic was brought under "control," at least for the time being. It is important to realize that this "control" has nothing to do with containing the actual spread of infection with HIV, and the development of illness from that infection, but rather it pertains to controlling the perception of that spread and the resulting "panic" in the general population.

This was accomplished in part by the ability of the public health establishment to control and manipulate the the data on the number of infected individuals in the United States and elsewhere. A classic example was the U.S. Public Health Service calculation that the number of infected persons in the United States was between 948,000 and 1.4 million in 1988 as compared to an estimated 1.5 million in 1986. Needless to say this reduction in cases was credited to the success of "safe sex" as well as the fact that certain "risk groups," such as homosexuals in some metropolitan areas, were already "saturated."

When the Hudson Institute of Indianapolis, Indiana published a study which contested the PHS figures and gave an estimate of at least 3 million infected, most of them heterosexuals, they were vigorously criticized, as were Masters and Johnson, who also raised the issue of heterosexual spread in the general population. Subsequently, the Hoover Institution published a study lowering the number of infected to half the PHS estimate!

These manipulations bore fruit in July 1988 when California voters turned down Proposition 69, which would have placed HIV infection under the existing public health laws dealing with infectious diseases. Proposition 69, which was supported by Democratic presidential primary candidate,

Lyndon H. LaRouche, Jr., received 31% of the vote as compared to Proposition 64, an earlier version of the same measure, which received 29% of the vote in November 1986. Following this, Proposition 102, a more detailed measure sponsored by U.S. Rep. William Dannemeyer and political activist Paul Gann, lost by a 62-38 margin in the November elections after leading by a 72-28 margin in early polls. A limited testing measure for accused criminals, sponsored by Los Angeles Sheriff Sherwood Block, was passed.

While the government continued to oppose mass testing as too expensive, it decided to expend \$17 million to mail a copy of Surgeon General C. Everett Koop's picture, attached to a pamphlet recapitulating the official "line" on how HIV is and is not transmitted, to every household in the United States. Not accidentally this mailing occurred just prior to the vote on Proposition 69. Since HIV is a fairly simple organism, it is doubtful that it could read the pamphlet or that it would be willing to change its behavior to conform to government policy.

In addition to the Fourth International Congress on Acquired Immune Deficiency Syndrome held in Stockholm, Sweden in June, there were numerous other meetings and conventions, including a World Summit of Ministers of Health on Programmes for AIDS Prevention in London in January. As if that wasn't enough, we had World AIDS Day on Dec. 2, 1988. Since the essential approach to the problem hasn't changed one iota in the last five years, and appears to be immune to the biological evidence, almost all of this activity consisted of bureaucratic back slapping, pornography, and the lynching of an occasional heretic who had the nerve to buck the "line."

Quo vadis?

A review of the actual scientific work makes it increasingly evident that this problem is every bit as bad as the so-called "doom-sayers" say. When all is said and done, we have no vaccine and no real prospects for one, no curative treatment and only one palliative drug with substantial side effects. The virus mutates so rapidly that it is meaningless to talk of a viral isolate, even from a single patient! In addition, it is more and more evident that the primary target of the virus is the nervous system and that a number of such viruses are spreading simultaneously.

The response to this problem is to spend increasing funds in molecular biological research which, by the researchers' own admission, is incapable of dealing with this infection, while refusing to utilize the increasingly sophisticated tests which molecular biology has developed in a comprehensive program to detect infected carriers as part of a real public health approach to this disease. Thus the answer to the question, *Quo vadis?*—Where are you going?—is that we are going to be gone unless we change our approach to this disease in particular and our view of the value of human life in general.

World resistance to euthanasia grows

by Jutta Dinkermann

The international euthanasia lobby learned in 1988 that their cynical campaign had met substantial organized resistance worldwide. In the last 12 months, more than 100 prominent church leaders, doctors, and citizens from all over the world signed the Club of Life's urgent appeal, "Euthanasia Never Again," as a response to ravaging malthusian policies and frank Nazi campaigns of triage, euthanasia, and genocide.

In the past year, Western Europe and America saw traditional medical protocols replaced by cost-containment policies that balanced the budget by cutting medical services and human lives. Outright patient starvation is now daily "treatment." In the spring of 1988, American "ethicists" and France's death lobby demanded that hospitals be forced to stop (costly) care of severely handicapped children. Parents, they say, must have the legal right to kill these children.

The AIDS plague became the battering ram to make euthanasia "acceptable." Dutch doctors comply promptly with death requests from AIDS patients. Social workers design programs to assure a patient's "right" to an early death. Hospice volunteers boast an underground movement that "humanely" kills AIDS victims. Last June, the U.S.-based Hemlock Society launched its campaign in three states to legalize physicians' aid in killing patients.

West German courts dismissed the case of Dr. Julius Hackethal, who brazenly flaunted his role in the cyanide deaths of several handicapped patients and admitted to killing his mother. The rationale, that the murderers were "merely helping someone already committed to dying by suicide," also appeared in U.S. court dismissals.

International conferences

While the Club of Life appeal was already a blow to the euthanasia lobby, the June 11-12 international conference of the Club of Life in Munich, West Germany was even more so. Three hundred delegates from all areas of public life gathered to condemn every kind of euthanasia policy, be it hidden under the pretense of humanitarianism or the result of drastic austerity measures, which urges doctors to make a selection among their patients. Prominent guest speakers included Don Dario Composta from the Pontifical University Urbaniana in Rome, Father Angel Riba from the Bishops' Conference of Venezuela, U.S. presidential candidate Lyndon LaRouche, Helga Zepp-LaRouche, founder of the Club of Life, and Manfred Pohl, President of the Federal Union of

Medical Rescue Personnel in West Germany.

Although many of the anti-euthanasia resistance fighters could not attend personally, the messages of their greetings and support underlined their powerful commitment. Among those messages, which could easily have filled another conference day, were those from Dr. André Wynen, General Secretary of the World Medical Association; Cardinal José Freire Falçao, Bishop of Brasilia; Father Guillermo León Zuleta, Archdiocese of Medellín; Rita Calderini, National Committee for the Defense of the Italian Schools; Bishop Dr. Alois Wagner, Vice President Cor Unum, Vatican; Fred Borgmann, Member of Parliament, Netherlands; Monsignor Alfredo Noriega, Auxiliary Bishop of Lima; Monsignor Tullio Chirbella, Archbishop of Barquisimeto, Venezuela; Chief Rabbi Mordechai Piron, Zurich; John Weber, Board of Overseers, Hebrew Union College, California; Dr. Peter Gauweiler, Undersecretary in the Bavarian State Ministry of the Interior; and Botho Prinz zu Sayn-Wittgenstein, President of the German Red Cross.

The resolutions of the conference called upon the Western world leaders to:

- Finally end their deadly policy of wait and see toward Africa and implement emergency measures. "It is a scandal that the West is making satellite photographs of Africa, which show vast areas depopulated by AIDS as well as food shortages and locust infection, and that Western governments are doing little or nothing."

- "Defend human life from conception to death against all attacks such as euthanasia, abortion, or the abuses of reproductive medicine."

- Forbid organizations like the West German Society for a Humane Death from "pushing propaganda for suicide, or killing on request, from disseminating instruction books on suicide, from recruiting paying members for this purpose, and thus making a cynical profit from the suffering of other human beings."

- Refuse to implement austerity measures for the public health services, as "ordered by the international financial institutions and the private insurance companies which will necessarily lead to the destruction of public health services—as, for example, has already been demonstrated in the United States," where the reduction of the health budget through triage and euthanasia has "led to a considerable increase in the death rate and to immeasurable human suffering."

- "Decide rather on an effective strategy against the economic crisis for a New World Economic Order."

A follow-up conference in Medellín, Colombia on July 7, gathered leading Ibero-American anti-euthanasia resistance fighters, who are not only confronted with the fight against hunger and poverty, but also another special form of euthanasia politics: the various sterilization programs. The resolutions passed at the Munich conference and the appeal laid the ground for all kinds of activities to stop euthanasia in whatever form or country it shows its ugly face.

Euthanasia never again!

It should not go unpunished that today, 43 years after the defeat of the Nazi regime, people once again dare to advocate and implement euthanasia, making themselves judges over other people's lives, allegedly unworthy of being lived. This is murder pure and simple, and incitement to murder.

On Dec. 23, 1987 a paraplegic young woman from Karlsruhe, West Germany by the name of "Daniela" was killed by a woman who is a sympathizer of the German Society for Humane Death, by means of cyanide. The Society and Dr. Hackethal are currently carrying out a massive propaganda campaign with the hypocritical argument that one must respect the decision of the patient if such a patient wants to end a life "not worth living." Similar euthanasia campaigns are emerging elsewhere.

Lurking behind the euthanasia campaign is not a shred of "respect" for the desires of afflicted persons—it is merely brutal cost accounting. The Society for Humane Death is nothing but a propaganda front-organization for the political circles and financial institutions, which, in the face of the new world economic crisis, want to kill off the old and the ill as "useless eaters," just as they did the last time.

It is estimated that in Holland, as many as 10% of all deaths can already be attributed to euthanasia, and ever more elderly and ill people are refusing to be admitted to hospitals and care homes, because they fear being killed as a cost-saving measure. Emergency cases in the United States over 50 years of age are no longer given medical care if they are not able to prove that they have the financial means to pay, and it is an open secret that active euthanasia is common practice in most hospitals and hospices.

Furthermore, there is a degree of panic among all governments of the industrial nations that the AIDS epidemic will produce a cost explosion in health care which will shatter all cost-reduction efforts in their health systems. Treatment of a single AIDS patient costs about \$1 million or 2-3 million German marks, and the costs will soon be astronomical. Is it any surprise that these neo-Nazi ideologues have already proposed that AIDS victims should be eliminated by euthanasia?

Once the threshold of the inviolability and sacredness of human life is broken, when political powers turn themselves into judges over the lives of the weak and the poor, then a repetition of the barbarity of the Nazis, in far greater dimensions, will unfortunately become reality. The very existence of the African continent is threatened by the AIDS epidemic, 450 million people are threatened with death—and the governments of the North know it, without granting the help necessary.

Every human life on this planet must be protected, because every person carries within himself or herself a part of the divine. It is the respect for this absolute dignity of the individual and his right to life which differentiates us from all dictatorships. And it was the denial of this right which made the euthanasia and extermination programs of the Nazis possible.

We, the undersigned, appeal to Western governments and politicians to implement clear measures to prohibit and punish euthanasia in any form, be it active or passive. We make this appeal on the basis of the same principles established in the Nuremberg trials.

If we, who are in full possession of our mental and bodily strength, do not care for the weak and the poor, this sin of omission will be the cause of our own demise. Help us to defend the human dignity of all individuals.

Among the signers (affiliations for identification purposes only):

Israel: Dr. Ram Ishai, Israeli Medical Association. **Austria:** Dr. Simon Wiesenthal, Jewish Documentation Center. **France:** Marie-Madeleine Fourcade, President, Association of Friends of the Alliance, the Action Committee of the Resistance. **Italy:** Don Dario Composta, former Dean, Pontifical Urbaniana University. **England:** Dr. Adrian Rogers, Councillor, City of Exeter, County of Devon. **Sweden:** Lennart Hane, lawyer, author. **Spain:** Nicholas Castellanos, Bishop of Palencia. **Thailand:** Dr. Mana Bookhanphol, Director, St. Louis Hospital. **West Germany:** Helga Zepp-LaRouche, founder, Club of Life; Dr. Franz-Josef Grosse Ruyken, State Physicians Board, Baden-Württemberg. **Brazil:** Congressmen Oswaldo Filho and Dr. Euclides Scalco. **Colombia:** Gustavo Patiño Duque, economist; Silva Sanchez, former president, Colombian Society of Economists of Bogota. **Mexico:** Demetrio Sodi Pallares, former president, Mexican Academy of Medicine. **Peru:** Dr. Ricardo Martín Mora, former Deputy Attorney General. **U.S.:** Erma Craven, Executive Board, National Right to Life, former chairman, Minnesota Commission on Human Rights; Rabbi David Feldman, New Jersey; Dr. Nancy Mullan, President, California Pro-Life Medical Council; Amelia Boynton Robinson, Civil Rights leader, Alabama; Rev. Wade Watts, Executive Director, Oklahoma NAACP; John Weber, Board of Overseers, Hebrew Union College, Jewish Institute of Religion, California; Prof. Frederick Wills, former Minister of Foreign Affairs and former Justice Minister of Guyana.

Juggling act confronts S. Korea's President

by Lydia Cherry

As a result of South Korean President Noh Tae Woo's adeptness in "keeping the ship afloat" since his election at the beginning of the year, the Republic of Korea is not only still standing, but has moved in the direction of cooling out the time bomb on its northern border—the closed society of Kim Il-Sung. Noh has accomplished this while at the same time dodging the bullets of a Soviet-directed irregular warfare capability on his own soil—groups that are the creation of the day-to-day funding, training, and ideologies of the World Council of Churches (WCC) and allied institutions abroad.

Although he is the hand-picked successor of former President Chun Doo Hwan, Noh, a former army general, had intervened to cool out the summer riots of 1987, prior to coming into office, by calling for "the first democratic elections in 40 years." As 1988 began, Noh won that election, and took office Feb. 25.

In parliamentary elections held April 26, however, the ruling party suffered a surprising setback, failing to win a majority in the National Assembly. The party of radical firebrand Kim Dae-Jung—the front man for the shifting underground groups aligned with the WCC—rose from an underdog position to become the clear leader of the opposition forces. As a result, the clamor in the streets got louder.

As the banner of the 1987 student and dissident riots had been "Democracy," so their banners in 1988 read, "Reunification" and "Get U.S. Troops Off the Peninsula." The pundits of the major press in the United States and elsewhere claimed that the demand for reunification and increasing anti-American sentiment represented a natural deepening of the Korean nationalist movement. Budget-cutting mania in Washington added fuel to the dissidents' calls for U.S. disengagement. Noh Tae Woo was emphatic that the U.S. troops were still needed in Korea, and as Michael Dukakis became the U.S. Democratic presidential nominee, calling for U.S. troop withdrawals, Noh politely attacked him, saying that even Jimmy Carter, once elected and forced to be "responsible," gave up that careless notion.

The United States and Japan shared South Korean concern that North Korea's Kim Il-Sung regime might well follow through in its threats to turn the September Olympics into a bloodbath. What later became known as Noh Tae Woo's "Northern Policy" was only in embryonic form prior to the Olympics. But during the summer, Noh made overtures to the North for economic cooperation, and also made over-

tures to the People's Republic of China and the Soviet Union for the successful holding of the games.

Noh then used the international prestige brought to South Korea as a result of the games as a diplomatic springboard to embark on a foreign policy revolution aimed at bringing about the eventual reunification of the divided peninsula—implicitly under the hegemony of the South. Speaking at the United Nations Oct. 4, Noh issued his offer to the impoverished North: "I have taken concrete steps to pave the way for free trade between the northern and southern sides of Korea. We must transform the North-South Korean relationship, so that we can reconnect every roadway, whether a major highway or a little path, linking the two sides which remains disconnected now." It was clear that "reconnecting every roadway" implied a massive effort from the economically successful South to develop the Northern economy, since the paved roads of South Korea abruptly turn into rubble dirt roads, as soon as the border is crossed.

Bhutto hopes to unify Pakistan

by Lydia Cherry

On Dec. 1, Benazir Bhutto Zardari was named Pakistan's new prime minister after national elections Nov. 16 that brought democracy to Pakistan for the first time in 11 years. Bhutto's Pakistani People's Party had polled the largest number of seats in the parliamentary elections, winning nearly double the number taken by her chief opponents organized in the Islamic Democratic Alliance, a party formed mostly of military chiefs organized around the legacy of the late President Mohammed Zia ul-Haq. Zia was killed in a suspicious airplane crash on Aug. 17.

The peaceful conditions in which the elections were held showed the degree to which Pakistan's elites—from Mrs. Bhutto to the military leadership that overthrew and judicially murdered her father—jointly acted to ensure a smooth transition of power. The outcome might have been much different; the near-daily Soviet air attacks on Pakistani villages from Afghanistan and the rise of social chaos and ethnic violence within Pakistani borders, had created the conditions for Pakistan's disintegration.

In her acceptance speech Dec. 8, Mrs. Bhutto saluted "President Ghulam Ishaq Khan and the armed forces chief for doing whatever they could for restoring democracy after the incident Aug. 17." Bhutto said Pakistan has been torn apart by linguistic, ethnic, and sectarian strife, which she said she would do everything in her power to end.

Several weeks later, the acting President Ghulam Ishaq

Khan was elected—with the support of Bhutto's party—as President. While keeping the post of finance minister for herself, Bhutto retained Pakistan's most eminent foreign policy leader, Yaqub Khan, as foreign minister.

Although the Soviet Union made no attempt to hide its enmity with Zia ul-Haq, it is evidently not pleased with Mrs. Bhutto's emergence either. The *Patriot*, newspaper of the Indian Communist Party, on Dec. 6 called Bhutto a "captive." "Compulsions have transformed Ms. Bhutto into a captive prime minister who is dependent on many factors for her survival in power," wrote the *Patriot*.

Despite the fact that her brothers were involved in Soviet-directed terrorism, Mrs. Bhutto has indicated that she has no intention of turning Pakistan into a Soviet puppet. She has been emphatic that the only solution for Afghanistan is for the Soviets "to get out!" Pakistan immediately rejected Soviet President Gorbachov's proposals for a ceasefire and subsequent negotiations for a government in Kabul, as a ploy to place conditions on Moscow's promise to execute a full withdrawal of its troops from Afghanistan by Feb. 15, 1989.

It is hoped that Mrs. Bhutto's coming to Islamabad will bring about an improvement in relations with India. Indian Prime Minister Rajiv Gandhi sent warm congratulations to her on Dec. 2.

Benazir Bhutto's major electoral commitment, to turn around "economic policies based on wrong thinking" because "we are on the brink of catastrophe," promises to put her in head-to-head conflict with the International Monetary Fund. She has thus far said she hopes to delay Pakistan's answer on the conditions put forward by the IMF for an \$800 million restructuring facility until June. "Alternatively, as our hands and feet have already been bound [by the IMF], let this be the last legacy of the last regime."

Her other pledge to deal harshly with Pakistan's drug economy and the destabilization factor emanating from this is already putting her government to the test. Six people died in drug-related riots in the port city of Karachi on Dec. 14.

Mexico: the elections of classical tragedy

by Hugo López Ochoa

Wall Street financial circles are still reeling from the panic that hit them with the results of the presidential elections of July 6, 1988 in Mexico. Ever since Dec. 1, when Carlos Salinas de Gortari, of the Revolutionary Institutional Party (PRI), took office as President, Mexican policy has been determined and will continue to be for the immediate future, by the fact that on July 6 the party which has ruled Mexico

since 1929 was on the verge of losing power.

On that historic day, the voters went to the polls and overwhelmingly chose the nationalist presidential candidate Cuauhtémoc Cárdenas, who, supported by a coalition grouped under the National Democratic Front (FDN), offered a program to "save national sovereignty" from the hands of Mexico's creditors and to launch an economic recovery based on freeing up resources which are now earmarked to pay foreign debt.

The PRI did prevail, but it is clear that the country faces a mass strike process in which the old "dirty tricks" and classic "rules of the game" by which the ruling party used to control the opposition, buy it off, or blackmail it, while keeping its own ranks in line, no longer works. The Cárdenas vote was not a vote for an opposition party, but the expression of a Mexican cultural paradigm which reaches beyond the parties, crosses artificial divisions of "right" or "left," and expresses itself inside and outside the established institutions. This cultural paradigm is expressed in the 1917 Constitution, the outcome of a Revolution that cost 1 million lives early in this century, and which is summed up in the beautiful Article 3: "Democracy [is] not only a juridical structure and a political regime, but . . . a way of life founded upon the constant economic, social, and cultural betterment of the people."

The President of Mexico in this century who did the most to advance this precept was Cuauhtémoc Cárdenas's father, President Lázaro Cárdenas (1934-40). Lázaro Cárdenas, in the course of his policies of agrarian reform, nationalization of oil and other strategic areas, and accelerated industrial growth, clashed with the oligarchist clique of Plutarco Elías Calles, the PRI founder, and ran him out of Mexico. This same paradigmatic battle is what Mexico is still living through: "Callism" versus "Cardenism," i.e., oligarchism versus nationalism. Cuauhtémoc himself is not part of the traditional opposition—the Communists and the right-wingers of the National Action Party (PAN). He only left the PRI in October 1987. Ex-President Miguel de la Madrid stuck to Callism, in an act of moral stupidity comparable only to the gods of Olympos, by which he drove Mexico to the brink of civil war.

The PRI rout

Thus, when Cuauhtémoc Cárdenas started, on July 16—with a rally of more than 400,000 supporters in Mexico City—a triumphant post-election national tour, a historic campaign that brought together millions, many more citizens than were at his pre-election campaign rallies, panic broke out in the leading ranks of the PRI. The seeping wounds of a divided PRI could no longer be hidden, and a rout began: Darwin Ballinas, who had run on the PRI ticket for the federal Congress in the state of Tabasco, announced he was going over to the Cardenists; then Andrés López Obrador, who as a PRI state official had won great popularity for his reformist

policies, also in Tabasco, announced he had accepted the FDN candidacy for state governor.

In July and August almost all the public meetings with the PRI base were suspended, not only on Salinas's part, but also of the worker and peasant sectors, due to the risk that they might end up being pro-Cárdenas meetings; during the Electoral College meetings, which began on Aug. 15 at the Federal Electoral Commission, and later in the Chamber of Deputies, starting Sept. 2, there was always the latent threat that the labor congressmen of the PRI, especially the oil-workers unionists, might cross over to the FDN and support the demand for a "vote-by-vote" recount of the sealed ballot boxes sequestered by the Interior (Gobernación) Department; in early August, a powerful PRI faction in Jalisco threatened to join the FDN in that state's gubernatorial race; and finally, within the PRI there arose a strong anti-fraud faction, which repeatedly urged Salinas de Gortari to show some sense and immediately kick out the oligarchic and technocratic factions of the PRI and launch a series of reforms under the premise that the priority has to be getting back on the track of economic growth. This faction took shape rapidly and now calls itself the "Corriente Crítica" of the PRI, headed by nationalist Rodolfo González Guevara.

The lessons learned

On Nov. 30, the Salinas cabinet was announced. The nationalist landslide had to be "considered" by the new President, and so the cabinet, surprisingly, included, between ministers and lower posts in various state institutions, a broad spectrum of officials identified with the nationalist policies of the era of Luis Echeverría (1970-76) and José López Portillo (1976-82). The naming of Fernando Gutiérrez Barrios to the Interior Department stands out. He headed the Federal Security Police in 1964-70, when Luis Echeverría was his immediate superior as Interior Secretary. Then, under President Echeverría's successor President López Portillo, he served as Undersecretary of Interior under the latter, and more recently, was governor of the state of Veracruz. He is believed to be strongly backed by the oilworkers' union, whose moral leader Joaquín Hernández Galicia, has been attacked with renewed fury recently by the *Wall Street Journal*.

Hernández Galicia stated on the eve of the July 6 election that even if he wanted them to, the workers in his union would not vote for Salinas if Salinas did not promise a change in economic policy. After Salinas was inaugurated, Hernández Galicia told the magazine *Impacto* that "in case Mexico were corralled by the international bankers and their Mexican chums . . . and there was no solution but suspension of payments, President Salinas would have the oil union by his side."

In contrast, Manuel Camacho Solís, Salinas's right-hand man and theoretician of the need to destroy PRI "corporativism," by which he means the patriotic unions, was stuck in

the post of Regent of the City of Mexico, when he was hankering to be Interior Secretary. No doubt Salinas figured out that for the time being, he cannot govern without the nationalists.

Lessons not learned

But there is one lesson Salinas has not learned, and which, strategically, could cost him the country. His entire economic cabinet is made up of a group of extremist monetarist ideologues who will go on subjecting the economy and Mexicans to the brutal austerity of the International Monetary Fund. That means that during the next six months, which Salinas is calling his "transition," there will be bigger sacrifices for Mexicans, while the debt is being renegotiated, which supposedly will permit growth to resume starting in the second half of the year. Heading this economic cabinet is Miguel Mancera Aguayo, infamous because President José López Portillo stripped him of power in order to nationalize the banks in 1982. Mancera was rehabilitated by Miguel de la Madrid in December 1982, as a signal to the banks he would toe the IMF line.

After Mancera, the most influential official is Pedro Aspe Armella, Secretary of Finance and Public Credit. Aspe is a scion of the most rotten monetarist aristocracy of the country from the beginning of this century. Another key official in economic policy is Ernesto Zedillo Ponce, Secretary of Planning and Budget, member of the "kindergarten" of the Bank of Mexico trained under Miguel Mancera. His job will be to continue to restrict public spending and productive investment.

This gang reflects the "gradualist" economic mentality of Salinas, which he shares with Miguel de la Madrid. "The increase in economic activity has to be gradual. . . . Immediate economic growth is limited by the low rates of investment in the last few years. A sudden recovery would favor imbalances . . . we can't make a forced march . . . 1989's economic policy will be transitional," he said in his inaugural speech. The same strategy was promised by Miguel de la Madrid, and year after year, the "recovery" was delayed, from 1982 until, in December 1987, a hyperinflationary bubble exploded which gave the *coup de grace* to the PRI for the July 6, 1988 elections.

It is as in classical tragedy. If the actors of the drama do not give up the paradigmatic assumptions which created the drama, every act they take to resolve the situation, under conditions of new rules of the game, will lead them to worsen things until the outcome is tragedy. Salinas does not want to understand that we are on the verge of a worldwide economic collapse, far worse than what was observed in the October 1987 stock market crash, which requires measures that cannot wait six months. It requires a unilateral declaration of debt moratorium now, or the country will crumble in his hands. The Mexican people already said it: Tyranny has a limit.

France in retreat after 1988 elections

by Christine Schier

A few weeks ago, the widely read daily *France Soir* carried a picture of Prime Minister Michel Rocard sitting in the cockpit of a fighter plane dressed in pilot uniform, with the ironic comment: "In spite of appearances, there is a pilot." The remark captures rather well the prevailing mood in France since the presidential elections of last May which saw François Mitterrand reelected with a very comfortable margin. His Socialist government is weak and undecided and, though pilot there may be, he has set no national course.

One can argue that the previous "cohabitation" government of Socialist President Mitterrand and Gaullist Premier Jacques Chirac was no bastion of institutional strength, either; the very fact of cohabitation meant a weakening of the institutions set up by Charles de Gaulle, under the Fifth Republic. But now, the Fifth Republic is about to be dealt the death blow, while various financial vultures and private interests gather round to snatch up what power they can from the carcass.

Nowhere is this weakness more blatant than in the social realm. The communist-led trade union, the CGT, has been leading strikes in the public sector over the past few months, whose aim is not labor benefits, but the destabilization of the state itself. The "guerrilla-style" strikes are attempting to disorganize three key branches of the economy: transportation, communications, and energy, and to do so with relatively very few workers in crucial positions, such as maintenance of the subway or operating the national power grid. This is a specific sort of irregular warfare which, so far, the government has been unable, or unwilling, to resist. Faced with such impotence, the French are growing ever more cynical. Although the Communist Party and various Trotskyist elements are instrumental in leading the strikes, the movement would never succeed were it not for the complicity and the manipulation of the "leftists" in the Socialist Party, like Laurent Fabius and Lionel Jospin, who oppose the "social-democratic centrist" Michel Rocard.

The weakening of the centralized state fits in perfectly with the Single European Act of 1992, which aims, from a different level, at taking power and sovereignty away from the nation-state to confer them on financial giants and bureaucracies. It is tragic, that in the fatherland of de Gaulle, who fought tooth and nail against a supranational Europe, no major politician of any stripe has denounced Europe 1992. Quite the contrary. For François Mitterrand, who bitterly opposed and envied the General during his lifetime, such a position is not surprising. Likewise for Michel Rocard, who

prides himself on being a disciple of de Gaulle's most fervent opponent, Jean Monnet. Their government has already opened up the French economy to international raiders, linked both to the Socialists and to Trilateral Commission member and Prime Minister hopeful Raymond Barre.

But even among the nominal "Gaullists"—heirs in name only of the general—there is no opposition to 1992. They rather claim to be the most "Europeanist" of all. The RPR has not yet gotten over its stinging defeat in the presidential elections, followed by a setback one month later in the legislative elections. The strong points of the Chirac government had been its commitment to fighting international terrorism and to modernizing national defense, while opposing the sell-out of Europe implied by the New Yalta deals between Washington and Moscow. It proposed a "Marshall Plan" for the Third World, known as the "Guillaume Plan" after the agriculture minister, which could have countered the International Monetary Fund-directed genocide in Africa. But Chirac never gave substance to the plan, which quickly fell into oblivion.

On all these points, the Rocard government has taken a contrary stance. It has moved to cut back defense programs and personnel, particularly in those advanced fields of research which have been a must in French defense policy since de Gaulle. Here again, the need for austerity is invoked to soften the shock of the cutbacks. Somewhat belatedly, François Mitterrand has begun a charm offensive of his own toward the East bloc, with a myriad of state visits, economic offers, and utterances about the "European common house." He is racing to catch up with his West European neighbors, no doubt to avoid being left in the antechamber of the new house.

As for anti-terrorism, one example should suffice to illustrate the in-depth attack launched against judicial and law enforcement institutions, under the direction of the Justice Minister Pierre Arpaillange. In November, a member of the special committee of magistrates set up by the Chirac government to investigate and try terrorists, Judge Boulouque, was indicted under an obviously faked charge of having leaked information to the press. This judge was in charge of the "Gordji case," which had led to a break in French-Iranian relations.

The Rocard government is fragile and increasingly under attack, as the guerrilla movement launched from within intersects the offensive of a supranational Europe 1992 and a New Yalta from without. Raymond Barre certainly considers himself the man who could best step in to preside over the fall of the Fifth Republic, with the blessings of the international financial establishment. The only political force in the country which defends the institutions of the Fifth Republic and a grand design for France in the world is the small but growing Parti ouvrier européen, led by Jacques Cheminade and associated with the international movement of Lyndon LaRouche.

Dukakis defeat biggest story in U.S. election

by Kathleen Klenetsky

One year ago, it would have seemed impossible that George Bush could be elected President of the United States. A slew of factors, ranging from Bush's involvement in the Iran-Contra scandal, his "wimp" image, the threat of a major financial blowout, and generalized dissatisfaction with the direction of economic and strategic policy during the second Reagan administration, combined to make the vice president appear unelectable.

Until Bush won the New Hampshire primary, thanks in large part to the efforts of Gov. John Sununu, conventional wisdom held that Senate Minority Leader Bob Dole would almost certainly become the Republican presidential candidate.

Bush's prospects looked so grim that, in March, Henry Kissinger half-jokingly suggested that the 1988 election campaign would unfold this way: "Bush [will be] the Republican candidate; the Democrats can't come up with one of their own. It's a one-candidate election. Bush loses."

But ultimately, Bush triumphed—and by a respectable margin. In the Nov. 8 general election, he won 40 states to Mike Dukakis's 10, garnering 426 electoral votes to his opponent's 112. His popular vote margin was 54-46, and he not only swept the South and Mountain states, but also took several of the major industrial states, including Pennsylvania and Ohio, as well as hotly contested California.

As 1988 evolved, Bush became the rallying point for factions of the establishment, especially the military and intelligence communities, that were not quite as starry-eyed about Mikhail Gorbachov's intentions as the Dukakis camp, and that wanted to ensure that the United States had a President who would not junk American military capabilities.

However, as the low voter turnout (the lowest in 40 years) underscores, Bush's victory was due much less to any popular outpouring for him and his program, than to a visceral reaction against his Democratic opponent.

Bush's triumph can be largely credited to the fact that, yet again, the Democratic Party chose as its presidential standard-bearer an individual completely out of tune with the American electorate. Dukakis, the three-term governor of Massachusetts, bore all the hallmarks of Democratic ultraliberalism that had doomed the party's candidates—with the exception of Jimmy Carter—since 1968.

Dukakis was pro-gay rights and even pro-bestiality. His record on defense issues was abysmal: He wanted to dismantle the Strategic Defense Initiative (SDI), stop the MX missile, and help "reformist" Mikhail Gorbachov. He even promoted satanism, making avowed witch Laurie Cabot the Official Witch of Salem, Massachusetts.

Furthermore, his economic policy prescriptions were modeled on Italian Fascist dictator Benito Mussolini's corporatism. His vaunted "Massachusetts miracle" turned out to be based on a speculative real estate market combined with a devastating decline in the state's industrial base, the results of which, primarily a shrinking tax base, led to a major budget crisis that began to erupt in June. During the last six months of the election campaign, the Dukakis camp resorted to an orgy of short-term borrowing and draconian budget cuts, in an attempt to contain the state budget crisis, at least until after the presidential election.

There were several reasons why, despite his numerous weaknesses, Dukakis was selected as his party's presidential nominee.

For one, he enjoyed the backing of a powerful segment of the Democratic Party establishment, based primarily in the Boston Brahmin-Harvard nexus, and overlapping with Republican networks centered on former Justice Department honcho William Weld. To this faction, Dukakis represented a handy vehicle for reviving the Jimmy Carter experiment in liberal fascism. Dukakis, it was believed, would be capable of imposing an International Monetary Fund-style dictator-

ship on the U.S. economy, as explicitly outlined by one of his top advisers, Ted Sorensen.

A second reason was that Dukakis had little competition. The appellation "seven dwarfs" that was applied to the Democratic field was no journalistic excess. It was absolutely on target.

Thirdly, other individuals who might have given Bush more of a run for his money, for example, Sen. Bill Bradley, declined to run, for the reasons publicly stated by another possible Democratic candidate, Chrysler chairman Lee Iacocca, in late 1986: The U.S. economy is headed for a financial collapse. Why not let a Republican become the new Herbert Hoover, and let the Democrats pick up the pieces come 1992?

Thus, once the party establishment tapped Dukakis, he was essentially a shoo-in. Jesse Jackson stayed in the race until the bitter end, not because there was any prospect that he could capture the nomination, but because he wanted to position himself to strike the best deal.

The one viable Democratic candidate, Lyndon H. LaRouche, was kept out of the political limelight by the tried-and-true tactics of smear and exclusion. He was kept out of the debates through connivance between the media and party officials, and his efforts to inject substantive debate on policy at the Democratic convention, were met by KGB-style thuggery.

Nevertheless, LaRouche played a key role in the election campaign. His policy statements, including a draft Democratic Party platform entitled "Mastering the Grave Crises of 1989-1992," received wide distribution at the Democratic convention and elsewhere, and his seven national television broadcasts, on such topics as the colonization of space, AIDS, and German reunification, drew an enthusiastic response. LaRouche's name was placed on the ballot in 12 states as an independent presidential candidate.

Another Eagleton

It was LaRouche and his associates who also dealt the death-blow to Dukakis's presidential hopes. The Duke had come out of the July Democratic convention with a 17-point lead over Bush, but that evaporated when the question of whether Dukakis was mentally fit to be President was raised. The National Democratic Policy Committee, a political action committee associated with LaRouche, had triggered the uproar when it circulated a leaflet at the convention which raised questions about Dukakis's emotional suitability for high office. Entitled "Is Dukakis the New Eagleton?" the leaflet cited evidence in two generally favorable Dukakis biographies indicating that he had a personal and family history of mental breakdown, which could prevent him from fulfilling his responsibilities as President.

The floodgates on the Dukakis mental health flap really opened on Aug. 1, when President Reagan, in response to a question from *EIR* reporter Nicholas Benton on the Dukakis

issue, commented with a smile, "Look, I don't want to pick on an invalid."

Within days, the 17-point lead which Dukakis held over Bush coming out of the Democratic convention collapsed. Even after the press began screaming that the mental health issue was a "LaRouche dirty trick," the charge stuck: It was clear from Dukakis's behavior, that he was unstable. In both pre- and post-election analyses, Dukakis aides and the media blamed the mental-health brouhaha for wrecking Dukakis's chances.

From the point when the story broke, it was just a question of whether Bush could keep up the pressure on his Democratic opponent. Hoping to make the liberal label stick, the vice president aggressively went after Dukakis for being soft on defense and crime. He gave a series of policy speeches beginning in August, vowing his support for the SDI and for a strong defense generally.

In his acceptance speech at the Republican convention, Bush castigated Dukakis for seeing a "long slow decline for our country, an inevitable fall mandated by impersonal historical forces," and counterposed his own vision of America "as a unique nation with a special role in the world." This has been called the American Century, Bush went on, "because 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."

An American Century?

Whether that turns out to be true, depends entirely on Bush's actions during the first 30-90 days of his presidency. Although James Baker III managed to stave off financial collapse during 1988 (the one eventuality which would have destroyed Bush's presidential ambitions), the looming economic crisis cannot be papered over much longer. The global food crisis, the U.S. savings and loans fiasco, the collapse of the industrial base, are just a few of the signs that "Black Monday" was just the tremor of a huge economic earthquake soon to come.

The same holds true for the international arena. Bush got a taste of the games Gorbachov intends to play, designed to advance Moscow's imperial ambitions, when the Soviet President came to the United Nations in December.

Bush cannot hope to get through the coming months by muddling along, making a few minor changes and applying a few band-aids here and there. He will either have to bow to the Wall Street boys—which means de facto bowing to Moscow—by accepting their program of savage domestic austerity, and devastating cutbacks in military spending and the defense commitment to American allies. Or he will fight for his vision of an American Century, which will mean adopting, at least in significant part, the economic and strategic policies advocated by LaRouche.

16 more 'LaRouche Democrats' score primary victories across the nation

by Marla Minnicino

Beginning with the election of Claude Jones to the chairmanship of the third-largest Democratic Party organization in the country, that of Harris County (Houston), Texas in March 1988, sixteen more LaRouche Democrats won electoral victories during the course of 1988. Candidates associated with the policies of Democratic presidential pre-candidate LaRouche won primary victories in state and federal elections in Pennsylvania, Ohio, California, Indiana, Iowa, Washington state, Georgia, and New Hampshire. Candidates running in state, local, and congressional races elsewhere frequently polled 10-40% of the vote. Below is a chronology.

March 8: In Texas, Claude Jones defeated incumbent Harris County party chairman Larry Veselka, with 54,394 votes (51%). Jones's victory caused an immediate frenzy among party officials. The county party leadership immediately tried to ram through rules changes to strip Jones of the powers of party chairman, and reduce the chairmanship to a titular position.

March 15: LaRouche Democrats running in the Illinois primary polled 20-40%. One was Sheila Jones, Midwest director of the LaRouche presidential campaign, who received 116,000 votes (21.2%) in her race for Cook County Recorder of Deeds. Three congressional candidates polled 25-38% in Chicago and Cook County districts. In the 4th C.D., George Laurence polled 26% with 7,647 votes; Tom Glossenger, in the 6th C.D., won 38% with 7,580 votes; and Dominick Jeffrey won 25% with 7,330 votes in the 13th C.D. Former firefighter Ernest Washington polled 4% in a four-way challenge to incumbent Rep. Gus Savage in the 2nd C.D. and Maurice Johnson polled 8% in the 3rd C.D. with 7,647 votes. In the race for Cook County Circuit Court, Janice Hart polled over 19,000 votes for 4%. The LaRouche Democrats in Illinois polled a total of close to 200,000 votes, despite a costly effort to stop them by the Illinois state Democratic Party leadership through mailings and distribution of slanderous campaign material.

March 26: In Pennsylvania, party officials tried to bar Claudia Billington from the ballot in the 7th C.D. primary race with a spurious court challenge to her petitions. The challenge was unsuccessful.

April 11: In Texas, Claude Jones, now Harris County Democratic Party chairman, went to court to request a preliminary injunction to prevent outgoing chairman Veselka

from tearing up the party rules and stripping Jones of his duties as chairman.

April 15: A vote was taken to change bylaws, and was denounced by Jones as the work of a "liberal clique" who "are afraid of me because I can't be bought."

April 26: LaRouche Democrats Donald A. Hadley and George Elder won the nomination for U.S. Congress in Pennsylvania's 5th and 21st C.D.s. Hadley defeated the endorsed party candidate, Robert Houchins, by a margin of 53% to 47%, polling 10,667 votes. In the 21st C.D., George Elder was unopposed, and polled 35,900 votes—more than received by incumbent Republican Rep. Tom Ridge, whom he would face in the November election. In other significant showings, George Eddleston received 10,566 votes (32%) in his bid for the congressional nomination in the 10th C.D.; Claudia Billington, running in the 7th C.D., polled close to 20%. In addition, well-known LaRouche Democrat Steve Douglas amassed over 145,000 votes in his bid for the U.S. Senate nomination, polling 20-25% in former steel-producing areas of western Pennsylvania.

May 3: In Ohio, LaRouche Democrat Mark P. Brown won the party nomination for Congress. Running in Ohio's 12th C.D., Brown was unopposed in the primary. He nevertheless polled 17,000 votes. The local party leadership decided to back Michael Gelpi, a Republican-turned-independent, who later announced he was a homosexual.

May 7: Jones assumed chairmanship of Harris County Democratic Party and chaired his first meeting.

May 10: LaRouche Democrat Georgia Irely won the primary in Indiana's 32nd Assembly District, with 4,035, comparing favorably to her Republican opponent's 3,679 votes. Irely was unopposed.

June 7: LaRouche Democrat Gary Genazzio became the party nominee for state Senate in Iowa's 20th District. Genazzio was unopposed.

June 7: Don Marquis, won the primary in California's 39th C.D. (Orange County) with 32,781 votes, or 97.1%. He was unopposed except for an ill-fated write-in campaign mounted by local party hacks. Marquis announced that he will target Republican incumbent William Dannemeyer's "voodoo economics," and focus on a program to stop AIDS.

June 7: Michael Fraijo was chosen as one of six candidates elected to represent the 15th Assembly District on the

Alameda County (California) Democratic Central Committee. Fraijo placed sixth in a field of eight, with 4,031 votes.

June 10: Lewis du Pont Smith, a LaRouche activist and heir to the du Pont fortune, announced his campaign for the Democratic nomination for U.S. Congress in New Hampshire's second C.D. Retired Air Force Major Robert Patton of Rye Beach also announced his campaign for Congress in the 1st C.D.

July 13: Oklahoma LaRouche Democrat George Gentry filed for his party's nomination for the 1st Congressional District seat. Gentry, whose farm was foreclosed last year, said he would stress solutions to the food crisis and fight liberal efforts to weaken U.S. defense, such as the Department of Justice raid on the Pentagon.

July 28: Four file for congressional and state legislative races in western New York State. They are: Charles Carman, for the nomination in the 31st C.D. (Buffalo); Keith Perez for the nomination in the 29th C.D. (Erie); Melody L. Long, for State Assembly in the 133rd A.D., and Yvonne Hill for State Senate in the 54th district. Perez, Hill, and Long are siblings.

Aug. 2: John Gallagher, running for the nomination in Missouri's 6th C.D. primary, polled 31% (17,600) in the primary. A corn and livestock farmer, he campaigned for a "space-age industrial revolution."

Aug. 2: In the Michigan primary, state legislative candidate Jim Green polled 42%, running in the 84th A.D. (Lapeer County). Long-time LaRouche Democrat Sam Johnson polled 12.5% in the primary for A.D. 80.

Aug. 9: In the Georgia Democratic primary, LaRouche supporter James Olson, a construction worker and former fighter pilot, won the nomination for the Georgia House of Representatives in District 61 (Gwinnet County) with 56.6% of the vote. John Chaney won his election in the 41st State Senate District. He was unopposed.

Aug. 23: George Gentry polled 12.5% of the vote in Oklahoma's 1st C.D.—a very strong showing against the Establishment candidate Kurt Glassco who outspent Gentry 50 to 1. Gentry had told voters, "If you want to eat, you must put a farmer in Congress to clean the manure out."

Aug. 26: The party leadership in Gwinnet County, Georgia announced it will publicly repudiate the candidacy of James Olson, who beat a party-endorsed candidate for Georgia's 61st House District Aug. 9.

Sept. 5: Party-backed opponents of LaRouche candidates Perez, Long, and Hill in Rochester, New York send out a hate-filled mailing saying the LaRouche candidates were "anti-Semitic, anti-Catholic, and anti-human," and urging voters to defeat the LaRouche Democrats to "preserve the integrity of the party."

Sept. 13: Lewis du Pont Smith and Robert S. Patton in the New Hampshire congressional primary won 9% and 5% respectively in the 1st and 2nd C.D.s. Smith called for a recount, based on the "known and proven record of vote fraud" against LaRouche in the state.

Seven LaRouche Democrats won their state assembly primaries. Five were uncontested, and two defeated party-backed opponents. The winners were Wayne Blanchard of Guildford, Lucien Fogg of Franklin, Charlotte Tatro of Allenstown, Dick Werren of Concord, David Ayala of Merrimack, and Ken Bush of Plaistow.

Sept. 14: LaRouche Democrat Richard van Bergen won the primary of the Democratic Farmer Labor (DFL) Party in Minnesota's Legislative District 22B, with 53% of the vote, against opponent Mel Moench. He headed a slate of 11 who polled between 10-35% of the vote. Kent Hershbach polled 10% in the U.S. Senate primary against Attorney General Hubert "Skip" Humphrey; Andrew Olson polled 20% in the 2nd C.D., and Stanley Bentz polled 15% in a three-way race in the 3rd C.D. In other races: State legislative candidate Mark Bentz polled 35% in District 35B, Jim Jutz won 16% in District 35A, Gary Legare won 15% in 23B, Karl Foster polled 23% in 52A, Dorothy Reisinger received 20% in 53B and three other candidates got 5-10% of the vote in other legislative districts.

Sept. 15: Keith Perez, running for the congressional nomination in New York's 29th C.D. (extending from Rochester to Oswego) polled 11.2% in the Sept. 16 primary. His two sisters, running in legislative races, polled 5-6%. Charles Carman, another LaRouche Democrat running in the 33rd C.D. (Buffalo) primary, polled 9%. Anti-LaRouche forces in the state party leadership had spent thousands of dollars to prevent an political upset by the LaRouche candidates.

Sept. 15: Six LaRouche Democrats in the Massachusetts primary received between 3% and 23% of the vote. In the 11th C.D., David Peterson polled 23% of the vote in his challenge to Rep. Brian Donnelly.

Sept. 20: Marian Hatch, LaRouche Democratic candidate, won the primary in Washington's 48th Legislative District, defeating a last-minute effort by party officials to stop her with a write-in campaign.

Nov. 9: The LaRouche candidates in nine states in the general elections polled 20-30%, demonstrating a strong base of support consistent with LaRouche's base among the American people. In Pennsylvania's 5th C.D., Donald Hadley polled 23%, with 37% in Delaware County. In Minnesota, Richard van Bergen in State Legislative District 22B won 33%, as did Steve Horodyski in a three-way race for school board in Ohio. Congressional candidate George Elder (21st C.D., Pennsylvania), Don Marquis (39th C.D., California) and Mark Brown (12th C.D., Ohio) won 22%, 27%, and 21% respectively, against favored incumbent Republicans. In New Hampshire, seven state legislative candidates received 12-30% of the vote. In Washington state, Marian Hatch, running in the 48th State Legislative District, polled 26%. In Georgia, Jim Olson and John Chaney in the 61st and 41st Legislative Districts respectively, received 23.4% and 28.2%. Gary Genazzio in Iowa's 32nd legislative district received 25.4%. In Indiana, Georgia Irey polled 30% in Indiana's 32nd Legislative District.

The war on drugs: victory from defeat?

by Jeffrey Steinberg

The year 1988 marked the tenth anniversary of the first edition of *EIR's* seminal study on the international narcotics trade, *Dope, Inc.* It was the year that two of the key features of the *Dope, Inc.* dossier—the role of the banks in laundering billions in drug revenues and the link between the dope cartels and international terrorism—grabbed headlines worldwide. It was the year that a new dimension of the drug plight, massive street gang violence, became an everyday reality in every urban center in the United States. It was also the year that the war on drugs, as a real war, came to a virtual halt.

The challenge confronting President-elect George Bush, who will appoint the nation's first White House drug czar as one of his first acts in office, is, therefore, how to steal victory from what is now a crushing defeat in the war on drugs.

In September, Adm. Daniel Murphy, USN (ret.) gave *EIR* an exclusive interview in which he talked about the prospects of a Bush administration war on drugs. The former chief of staff of the Office of the Vice President from 1981-85, and the first head of the National Narcotics Border Interdiction System (NNBIS), Murphy gave *EIR* a frank assessment of the status of the nation's battle against the international drug cartel:

"I view the war on drugs as a war that we have not been winning. But if we hadn't fought it at all, we'd probably be a lot worse off. I compared it in my congressional testimony to World War II in the Pacific. We'd got our heads handed to us in the beginning, but we regrouped, got more equipment out there, and we finally turned it around and beat the hell out of them. But, we didn't stand still. We had to accept the fact that we were not winning and do something more about it. Well, that's where we are today."

Drug banks under fire—at last

Perhaps the first substantive signs that a new dimension of seriousness was being introduced into the Reagan administration's war on drugs came less than a month after the Murphy interview, when on Oct. 11, a federal grand jury in Tampa, Florida, handed down indictments against 86 individuals, including top officials of the Luxembourg-based Bank of Credit and Commerce International (BCCI), charging that BCCI had been laundering drug revenues of the

infamous Medellín Cartel. BCCI is the eighth-largest privately held bank in the world. The BCCI bust, the first case in history of a major international bank and its top officials being indicted as felons along with known dope traffickers, was heralded by U.S. Customs Service chief William Von Raab as the beginning of a new era in drug enforcement. In press conferences in Florida and in Washington, D.C., Von Raab, echoing the words published a decade earlier in *Dope, Inc.*, denounced the "see-no-evil bankers" who provided the key logistical infrastructure for the international dope cartel, and without whose assistance, the cartel bosses would choke on their own cash.

By late November, 41 other major U.S.-based banks had been subpoenaed to provide account records to the continuing grand jury. All of those banks had emerged as possible collaborators of BCCI as the result of reviews of records seized at the time of the BCCI indictments. Such giants as Bank of America, Marine Midland Bank, Bank of Nova Scotia, and Republic National Bank were hit up with subpoenas. Not surprisingly, the vast majority of the banks now under federal scrutiny since the BCCI indictments, were first identified in *Dope, Inc.* The targets of the Customs probe include a string of smaller banks in southern Florida which are all linked to the Israeli mafia and to the late American mob figure Meyer Lansky and his friends at the Anti-Defamation League (ADL).

BCCI itself first came to the attention of *EIR* during the late 1970s in the context of the Billygate affair that helped bring down President Jimmy Carter. At that time, the bank was taken over by Carter patrons in the leadership of the Democratic Party, including Clark Clifford and Bert Lance. Clifford and Lance still are major players at BCCI, although neither was indicted in October.

Even more recently, the *Wall Street Journal* editorially called for an end to the Swiss bank secrecy laws which have provided one of the most frequently abused safe havens for hot money. The *Journal* also reported—for the first time outside of *EIR*—that the annual revenues of the international dope cartel exceed \$500 billion.

While the battle of words has taken on new militance, and while Congress has mandated that incoming President Bush appoint a White House czar to direct the nation's anti-drug effort, drug use, particularly among youth, continues to grow exponentially, with cheap forms of cocaine like "crack" finding their way into every high school and junior high school from coast to coast. A new vocabulary, "crack houses," "gang bangers," "Crypts," "Bloods," has been added to the English language in 1988, underscoring the cultural warfare dimensions of the drug plague and the failure to launch the real war.

Some U.S. intelligence analysts are belatedly coming to realize that, on its most basic level, the drug epidemic is a form of Soviet-inspired irregular warfare—eroding the cultural fabric of Western civilization. The success or failure of that effort will be determined before the end of this decade.

Brazen KGB role in U.S. politics

by Joseph Brewda

Overt Soviet KGB interference in U.S. politics dramatically increased in 1988, while most of the world's press was singing the praises of *glasnost*. Moscow's role in the prosecution of Lyndon LaRouche and his associates is documented elsewhere in this issue. Here we focus our attention on KGB efforts to throw the U.S. presidential election to Democratic candidate Michael Dukakis, and efforts to sabotage a Dec. 10-11 Food for Peace conference in Chicago. Both operations were run by the same Soviet ring.

On Sept. 1, John Foster "Chip" Berlet, a former editor of the pro-narcotics magazine *High Times*, and Russ Bellant, a former anti-draft activist, published a wildly libelous pamphlet entitled "Old Nazis, the New Right and the Reagan Administration: The Role of Domestic Fascist Networks in the Republican Party and Their Effect on U.S. Cold War Policies." Despite the fact that this document was based on false charges made by known Soviet assets and agents, its allegations were dutifully carried by the nation's press, beginning Sept. 8. Within a week, at least eight of the targeted Bush campaign officials resigned, including its deputy chairman.

Slanders: made in Moscow

That this pro-Dukakis dirty trick originated at KGB headquarters is incontestable. The pamphlet was almost entirely a rehash of slanders originally published in the 1950s by KGB official and propagandist Ernst Henry (a.k.a. Semyonov Rostovsky) and East German publicist Dr. Julius Mader of the Stasi intelligence service. The main conduit of these slanders to the West has been the West German-based VVN (*Vereinigte Verfolgte des Naziregimes*—United Victims of the Nazi Regime), whose East bloc pedigree is well known to Western governments.

These KGB and Stasi "anti-Nazi" formulations were updated by Charles R. Allen, Jr. of the Communist Party, U.S.A., who wrote a 400-page book in the 1960s claiming that NATO was the reincarnation of Third Reich, and similar drivel put out by the Anti-Defamation League. The only surprise in the recently issued pamphlet, is that it cites such sources directly, including *Searchlight*, the "anti-Nazi" magazine of the British Communist Party.

The Warsaw Pact's hand in the pre-election smear was against Bush's staff was even publicly admitted. The Ro-

manian embassy in Washington, for example, told reporters that it was cooperating with "Nazi hunters" in investigating Nazis in the Bush campaign.

Naturally, the Berlet/Bellant pamphlet lauds the U.S. Justice Department's Office of Special Investigations (OSI), the "Nazi-hunting" unit which relies almost exclusively on Soviet so-called evidence, and which maintains formal collaborative ties with the KGB, the only U.S. agency to do so. Notable OSI targets have included Dr. Arthur Rudolph, the SDI scientist drummed out of the country in 1985. Every witness against Rudolph was later proven a liar by a West German court. It is no mere coincidence that the OSI has acted as a KGB back-channel in the legal witchhunts against LaRouche.

Food for Peace targeted

The same gaggle of KGB and OSI "Nazi hunters" who ran the effort to elect Dukakis, also got together in the first week of December to attempt to disrupt a conference of the Food for Peace organization.

On Dec. 8, the Justice Department's Community Relations Service joined with the Iowa state government's Civil Rights Commission to sponsor an emergency meeting with the admitted purpose of attempting to block the Food for Peace event, scheduled that weekend. The meeting was organized by Donald Burger, the St. Louis, Missouri regional director of CRS; the executive director of the Iowa state Civil Rights Division; the Iowa Attorney General's office, and upwards of 40-50 overtly Soviet-linked church and "social action" organizations involved in operations against any whom they choose to accuse of "hate-bigotry activities, anti-Semitism, and racial bigotry." Among those acting as a public spokesman for this grouping is "Prairie Fire" activist Dan Levitas, and his sidekick, Lenny Zeskind.

Following the emergency meeting, Soviet asset Dan Levitas held a press conference on behalf of this KGB-DoJ coalition, to denounce LaRouche as a "fascist," and ranted that LaRouche was attempting to "recruit unsuspecting people into . . . a far-right anti-democratic political movement based on paranoia and an extreme cold war mentality." This formulation should be no surprise: Levitas is known to work closely with Berlet, Bellant, *Searchlight*, and the VVN.

Neither CRS official Donald Burger, nor the Justice Department as a whole, could reasonably claim that the pedigree of Levitas, Zeskind, and allied members of their "Get LaRouche coalition" is unknown.

Levitas's associate Lenny Zeskind, for example, directs the Atlanta-based Committee for Democratic Renewal, formed by Lynn Wells, an activist of the Communist Party, U.S.A., who later helped lead the Maoist October League. As in the case of Levitas, Zeskind's slanders against LaRouche can be shown to have originated with East Germany's Julius Mader, or the KGB's Ernst Henry, the controllers of *Searchlight* and the VVN.

Patriots and world citizens, 1988

In honor of Lyndon LaRouche, renowned violinist Norbert Brainin (right), formerly of the Amadeus Quartet, and pianist Günter Ludwig performed works by Mozart, Schumann, and Beethoven in Washington, D.C. on Dec. 2, during the Alexandria frameup trial against LaRouche and six associates.



Stuart Lewis



Pope John Paul II is shown here in Peru, during a May 1988 tour of Ibero-America, where he denounced drug traffickers for instituting "slavery," and called for a solution to the debt problem consistent with Christian morality. This theme of economic justice figured repeatedly in the Pontiff's speeches and writings during the year, most importantly in his encyclical Sollicitudo Rei Socialis. In that document, he criticized both "liberal capitalism" and socialism for their failure to assist economic development in the Third World. The Pope called for overcoming the "structures of sin," the temptation of Satan in all its guises.



Carlos Martínez

The conference to plan a Second Amphictyonic Congress, held in Panama City on Aug. 9. Delegations attended from throughout Ibero-America, and among the speakers were Gen. Manuel Noriega and President Manuel Solís Palma of the host country. The first such congress was organized by Simón Bolívar in 1826, to unite the continent's newly formed republics. The current organizing effort aims to convene a summit meeting in 1992 to institutionalize continental integration.

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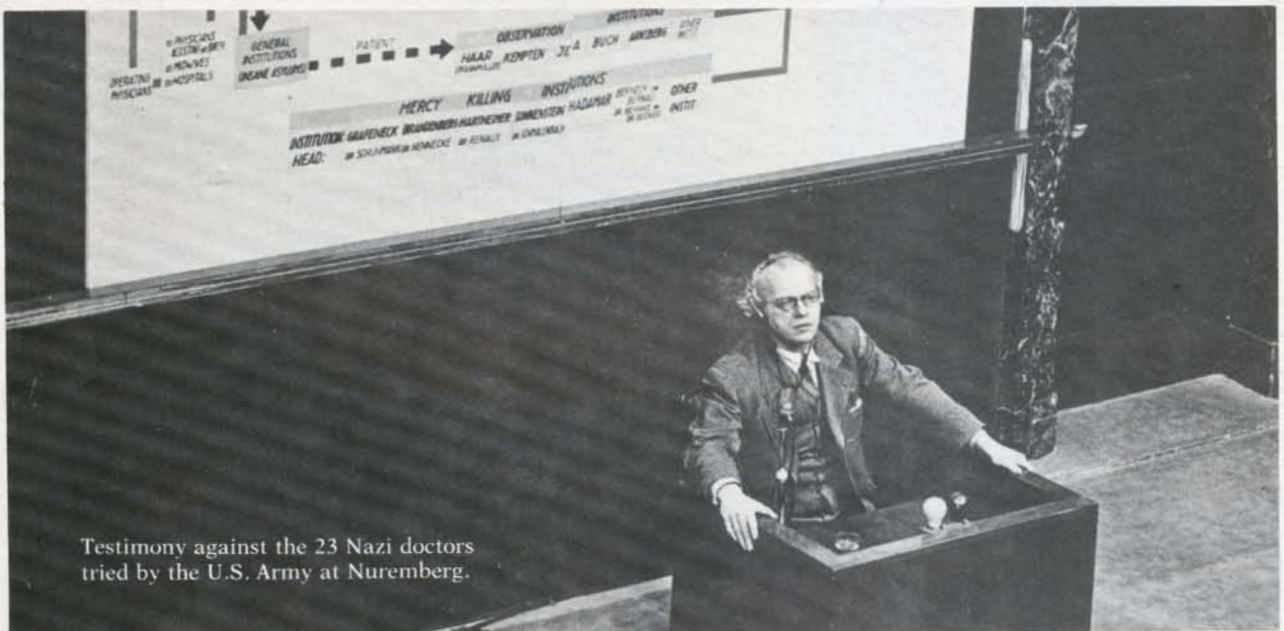
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