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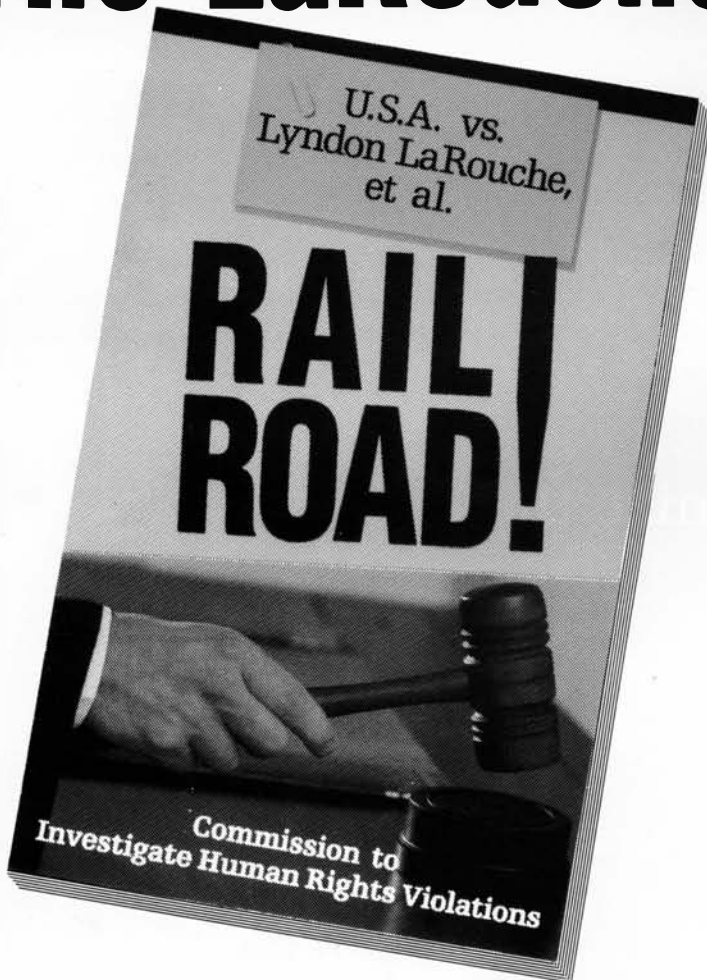
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The next four to six weeks will be crucial in deciding not only whether Lithuania can survive, but indeed whether the West can survive, *morally*, if it turns its back on the struggle for freedom and sovereignty. If Lithuania can hold out, it will be Moscow that capitulates.

With that in mind, a good place to begin your reading is Lyndon LaRouche's remarks on the need to bring reason back into U.S. Soviet policy, on p. 62. It is complemented by Webster Tarpley's analysis in the *Feature*, which addresses trends toward regional separatism in the West, in the historical context of how the United States was saved from dissolution 125 years ago by Abraham Lincoln.

We would like to underline President Landsbergis's appeal for the Ninth Symphony of Beethoven to be played worldwide as a symbol of support for Lithuania. Performances and broadcasts of this universal music of joy and hope, which was also the theme of the Chinese students in their defiance of the evil Beijing communist dictatorship one year ago, are the best way to send a message to the leaders of our governments that they must find all the practical means for supplying Lithuania with an economic lifeline—so that David can bring down Goliath.

On p. 58, you will read the dramatic revelations about how the Anti-Defamation League, which has been used by the U.S. Liberal Establishment as a dirty-tricks vehicle against Lyndon LaRouche and his associates, was caught red-handed in a blatant attempt to influence the judicial process in Roanoke, Virginia. In the wake of these revelations, on April 20, Richard E. Welsh, the next defendant slated for trial, filed a criminal complaint against various ADL officials with the Civil Rights division of the U.S. Department of Justice. The complaint requests an immediate criminal investigation for conspiracy to violate civil rights, obstruction of justice, mail fraud, and conspiracy by attorneys Murray Janus and Ira Gissen and other ADL officials who were involved in efforts to improperly influence Judge Clifford R. Weckstein.

Nora Hamerman

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Market volatility marks new phase of collapse

by John Hoefle

Since the beginning of the year, world financial markets have been beset by increasing volatility, with wild upswings and downswings. The most dramatic outbreak has been in Japan, where the Nikkei stock market index, which stood at an all-time high of 38,915.87 on Jan. 2, skidded to 28,002.07 on April 2, a drop of 30% in three months in the world's most productive economy.

The drop wiped out almost \$1 trillion in assets, dropping Japan's market capitalization from \$3.15 trillion at the end of 1989 to \$2.18 trillion on March 30, according to the *Financial Times*. At the end of the year, Japan accounted for 41.52% of the FT-Actuaries index of world market capitalization, a full 10% over the second-place United States' 31.04%. At the end of the first quarter, Japan's index had dropped by 31.36%, after which Japan's market capitalization was 33.48% of the world index, compared to 34.83% for the U.S. Since then, the Nikkei has been fluctuating 2% or more a day.

The problems in Tokyo then migrated to the bond markets in the United States. Amid persistent rumors that major Japanese institutional investors were selling off large chunks of their long-term U.S. Treasury bonds to cover needs back home, the usually staid Treasury bond market began to fluctuate wildly. The market got so excited that on April 18, the word went out that Treasury Secretary Nicholas Brady had resigned (alas, it was not true). The volatility also spread into the currency markets, where the dollar danced up and down relative to the yen and the deutschemark, and other world currencies.

The swings on the highly manipulated Dow Jones Industrial Average have been less pronounced, with daily movement generally less than 1%, reflecting the massive amounts of federal money being pumped into the U.S. markets at key

leverage points. In their efforts to "save" the Dow Jones, however, the manipulators cannot help but leave other flanks exposed, making it just a matter of time before their façade of control is shattered.

The increasing volatility in world markets represents a new phase of the world economic collapse.

There are three ways to destroy paper values, economist Lyndon H. LaRouche, Jr. warned recently. First, there's the "deflationary collapse—a classical depression—that's destruction of paper values." The second way is the "inflationary collapse, where the paper becomes worthless." The third is "extreme volatility, where in the ups and downs, each time the thing goes up and down violently, something is shaken out and destroyed." In their efforts to avoid the first two, the manipulators have triggered the third.

LaRouche pointed to the likelihood of such activity in the forward to his draft congressional program of July 4, 1989. Referring to that draft, he stated April 17, "During the recent months, from August through the October crisis into the middle of April, the world economy has followed the pathway which I projected in nearly all points. In terms of bankruptcies, collapse of production, increase of unemployment, and so forth, the period resembles the comparable period of 1931-32. The Soviet economy has been collapsing at an accelerating rate, as has Communist China. The United States and Canada and Britain—their economies are collapsing, the Japan physical economy is holding up, and central continental Europe and continental Europe generally are holding up fairly well. But the rest of the world is in a terrible collapse with a few small exceptions here and there: 1931-32 all over again.

"Despite some important collapses, i.e., October-January into early February," LaRouche continued, "the U.S.

financial market has not collapsed and people are wondering what the devil is going on. Well, it is known that the United States government and the Federal Reserve System have been pouring many billions of dollars into the New York Stock Exchange and the Chicago Futures Index and things of that sort in the attempt to prop up markets unofficially, for political purposes. Bush does not want to see a financial collapse on the New York Stock Exchange which would weaken his political power, at home or abroad. Therefore, he's doing everything possible to prop up that exchange, whether it means anything now or not, and is also forcing the Japanese, the Anglo-Dutch, and the Germans to pour a great amount of their money into the U.S. economy to prop up the markets. So that despite the collapse of the U.S. banking system and the greatest rate of bankruptcy since 1932, people who delude themselves that the New York Stock Exchange is the U.S. economy, think that the economy is sort of stumbling along, a little shaky, but nonetheless stumbling along."

"Back in February," LaRouche said, "some people, knowing of my forecast and forecasting, asked me what I would predict on markets and dates. I said, well, except for predicting the period March 15 to April 15 to be in the period of extreme volatility, I would make no particular prediction on the financial markets as such, day to day or week to week during this period. There are too many factors of manipulation coming in from the government and others. But what I would predict was *increased volatility*. That is, either a straightforward collapse of the type which people expect when you say collapse, or collapse translated into a different kind of phenomenon: increased volatility.

"That's precisely what we've seen on the Tokyo markets during this period—increased volatility. In the *simplest* terms, without looking at some of the secondary effects—approximately a trillion dollars of the world's liquidity has been wiped out. We've had a wipeout of liquidity in the United States and the banking system, a similar phenomenon in other parts—the bond market is wiping out a lot of liquidity implicitly. We're headed toward, say, \$10-12 trillion of world liquidity being wiped out during this present Depression, and we've had a few trillion already wiped out, led by the Japan Nikkei Index wipeout of about a trillion dollars of liquidity.

"To understand this volatility phenomenon which we've had in the U.S. markets as opposed to a straightforward simple collapse, you have to look at the two main phenomena that effect a financial market of this type. The main thing is the inflow and outflow of liquidity. Well, liquidity has been outflowing at a great rate. On the basis of the outflow of liquidity, one would expect a great financial collapse—that is, of a straightforward, simple stock market collapse type. And, everything in terms of outflow of liquidity has indicated just that.

"What has happened, however, at the same time, is that the Federal Reserve System has been pouring in billions

virtually per day to prop up the stock markets—particularly some stock market indexes even more than the stock markets as a whole—and has been armtwisting the Anglo-Dutch, and Germans, and Japanese, to continue propping up the U.S. dollar, and propping up U.S. markets. So, in the U.S. markets as such there has been a vast outflow of liquidity, as a result of the growing spread of bankruptcies—classical 1931-32 waves of bankruptcies—but paper has been pouring in at a rapid rate (that is, liquidity), from the other side. These two movements—the pouring out of liquidity through ever-larger punctures in the market, liquidity punctures *out*, and the matching increased flow of liquidity *in*—have caused the instability in the international markets as a whole, an instability which is most clearly manifest recently up to now in the Tokyo Nikkei. So, that's the nature of the situation."

Market crash or hyperinflation

"But what this means, is that we're headed either toward a worse collapse of the classic stock market type than we would have had a short way down the pike, or we're headed into a South American-style hyperinflation. The testing point will come very soon on the question of interest rates: Either the markets, particularly Japan at this moment, will react with a dramatic increase in interest rates to channel some of this borrowing and to force a triage among the weaker firms in order to save what remains, or the continued pumping in of liquidity to meet an increasingly voracious demand for liquidity caused by dropout of liquidity on the other side, will result in setting off something analogous to what happened in Germany in 1922-23, when the German government banking system kept pouring in liquidity to try to maintain the value of German debt obligations to foreigners arising from the Versailles reparations agreements. That's what we're heading toward.

"The United States is bankrupt . . . The continental European economy is in fair shape; Japan as an economy is in excellent shape; the Soviet economy is collapsing; the Communist Chinese economy is collapsing; and the Third World is in a state of genocidal ruin as a result of IMF conditionalities. And on top of this, somebody's trying to prop up the U.S. and other markets with a flow of artificial liquidity which has brought this tremendous instability, so far reflected in the Tokyo market, but preparing to spread elsewhere.

"If that volatility increases and continues, then it will express itself not only as volatility, but as an inflation tending toward hyperinflation, which could be a new variant on what we've experienced so far. But, in any case, the net result is the same, whether by straight-out bankruptcy of financial institutions, increased volatility which blows out institutions as well as bankruptcy does, or hyperinflation. The world as we have known it, the liberal economic monetarist policies of the past 20-25 years, that whole system is now doomed and is collapsing. It's gone. And unless we replace it, we're gone, too."

Nuclear energy base crucial to European industrial reconstruction

by William Engdahl

West Germany's excellent nuclear industry has had its share of troubles, but in alliance with the French, a nuclear export boom could transform Eastern European economies.

Two developments which took place within the past year illustrate the paradox of West Germany's nuclear electric industry. One was the decision to abandon the Wackersdorf nuclear fuel-reprocessing facility in Bavaria before it was complete. The construction site had been the scene of violent demonstrations by communists and fanatical ecologists. The second was the announcement by Dr. Klaus Barthelt of KWU and J.C. Leny of Framatome that the two large West European nuclear reactor makers would form a new joint company, Nuclear Power International, a 50-50 partnership between the leading makers of French and German nuclear reactors, for export of nuclear plant technology to third countries.

Export potentials

In the announcement of its formation last April, NPI stated its initial aim to economize resources in order to capture a significant share of the dwindling Third World export market, particularly India and China. Clearly, events in Eastern Europe since the Berlin Wall was breached on Nov. 9 have dramatically transformed the potentials for nuclear export. The combined capacities of Framatome, France's nuclear vendor, and Siemens's KWU create one of the world's most important power engineering groups. In addition, Siemens (KWU) and Asea-Brown Boveri have been in on-again/off-again negotiations with Moscow over export of high temperature reactor technology based on the Hamm-Uentrop reactor design.

Ironically, abandonment of Wackersdorf and the merger of Framatome and KWU export capacities were both part of a strategic reorganization which, if carried to its full conclusion with necessary political support from both Bonn and Paris, could form the seed-crystal for regeneration of European nuclear industry at the time that its capacities are most urgently needed in Eastern Europe, the U.S.S.R., and Western Europe, as well as in developing countries such as Brazil and Pakistan.

In contrast to the promising Franco-German nuclear developments of the past year, the situation in the United States, the world's largest nuclear energy consumer, is nothing short

of abysmal. Despite the fact that White House Chief of Staff John Sununu holds a doctorate in nuclear engineering, and despite much fanfare about a renaissance of nuclear energy, the Bush administration has not made any significant change in a situation that is disastrous for the future of nuclear electric power. The last time a U.S. electric utility ordered a nuclear power plant was in 1978! Studies project massive power shortages in the end of the present decade, equivalent to 100 new 1 GigaWatt nuclear power plants or 200 coal-fired plants.

German nuclear capacities

Despite an intensive anti-nuclear campaign since the mid-1970s, West Germany has managed to complete, albeit with delays, its planned nuclear program. The problem is that this is not enough capacity for the greatly expanded industrial demand posed by Eastern European development.

From 1975, West German nuclear installed capacity rose from 3.5 GigaWatts (electric), approximately four average 900 MWe units' worth, to almost three times that by 1980, or 10 GWe. And during the last decade, despite the shrill cries of the Greens and others, it continued to grow. By 1985, nuclear capacity had passed the 19,000 MWe level, and today it stands at 22,700 MWe or 23 GWe. If one uses a standard of 1 GWe to power the electricity needs of a modern city of 1 million, this gives a measure of the significance of these numbers.

In terms of share of overall electricity generation in the Federal Republic, nuclear has also grown steadily through the past decade. As of 1989, West German nuclear reactors provided a significant 39% of all electric generation. This places Germany a qualitative step beyond the stagnant United Kingdom, which has a pathetic 19.3% nuclear electric share. But the German share more appropriately should be compared with France's achievement, which in 1989 reached 70% of all electricity from nuclear generation, the world's current high.

If we take a per capita nuclear generation figure, comparing Britain with Germany, the German case comes up looking rather healthy, with a relative 36% more nuclear electric per capita. In per capita terms, Germany today lags behind the United States, though not by far, at 87% of U.S. levels.

Effects of succumbing to anti-nuclear lobby

But compared with France, German failure to develop its original 1974 nuclear program shows. In per capita terms, Germany today is only 38% the "nuclear electricity intensity" of France. Had the Federal Republic not succumbed to the anti-nuclear pressures of the late 1970s, and had she held, as France did, to her 1974 plan of 45 GWe installed by 1985, today West German nuclear electric generation in per capita terms would range a far healthier 75% that of France today. It would also have an extraordinarily cheap power reserve to fuel the rates of industrial growth required into the coming decade.

While France's EdF is currently selling its "excess" electricity from its nuclear reserve, the French Atomic Energy Authority CEA reports that such "surplus" capacities are all but contracted until the end of the century, and little new capacity remains to meet a growing industrial electric demand, especially in light of Italy's vote in 1987 to ban nuclear power, which simply forces Italian industry to import French nuclear-generated electricity. The per capita U.S. nuclear electric intensity today is 43% that of France.

The West German nuclear program, before the agreement in 1989 with France, risked the fate that has met the U.K. nuclear reactor program. The German fast breeder program was a dead letter. The most promising new reactor technology, the high temperature reactor (HTHR-300), the operational prototype at Hamm-Uentrop, was being decommissioned in 1989, despite the fact that it began low-power test operation only in June 1987. The initial tests did reveal certain technical design problems with the fuel pebble discharge, which, reportedly, have since been solved.

But it has been the ideological hostility of Gov. Johannes Rau, and the Social Democratic government of the state of North Rhine-Westphalia, which has killed one of the world's most promising future nuclear reactor technologies. Using the fact that the Green campaign against Nukem GmbH in Hanau had jeopardized the future reliability of the plant's unique fuel supply source, Rau's government refused to guarantee a higher risk insurance to the consortium, ensuring the premature closure of the multi-billion deutschemark project.

The second major setback for the German nuclear industry was the fate of the Wackersdorf nuclear-reprocessing facility. In July 1989, the first contract for an alternative use for the Wackersdorf construction site was signed . . . to build a kitchen utensil company, instead of a facility for reprocessing spent nuclear fuel from German reactors.

The cancellation of Wackersdorf leaves German nuclear reactor utilities dependent for long-term reprocessing of spent fuel rods on British Nuclear Fuels Ltd. and on France's Cogema. With Britain's own nuclear power program having been devastated by the free market "privatization" lunacies of the Thatcher government last year, the main future security

of the German nuclear base clearly depends on building on a base of economic cooperation between France and the F.R.G.

What now?

The status of German nuclear construction and research for the past decade, perhaps more than anything else, reflects the stagnant "steady state" nature of overall German industrial expansion. While, as with steel, and subsequently with the vital machine tool sector, there has been a quality intensification of key sectors of German industrial productivity since the crises of 1979-82, the physical scale and impulse of the Federal Republic's industrial sector has been largely metastable since the recession of 1980-82.

This is clearly not a healthy state, either in nature or in physical economies. If West German industry is to be the driving force for qualitative expansion of European and worldwide industrial capacities, the country requires a dramatic improvement in the nuclear electric efficiency and generation capacities into the end of this decade.

If significant new openings for nuclear technology export are not permitted, the potentials of productive triangle of rail-based infrastructure linking Paris; Vienna, and Berlin, as Lyndon LaRouche has proposed, will be aborted in a few short years.

Fortunately, the prospects are not altogether black. The agreement signed last year between Framatome and KWU (Siemens) to create Nuclear Power International, to make and export to third countries nuclear reactors, can form the basis for creation of the world's most important nuclear plant engineering capability.

In addition, in June 1989 Veba AG signed a Memorandum of Understanding with France's Cogema to create a new joint venture company, 49% owned by Veba and 51% by Cogema, to own and operate the new reprocessing plant, UP-3, now under construction at La Hague, France. This was clearly the resolution of the question of Wackersdorf's future, which was part of a larger Franco-German economic agreement reached between Chancellor Helmut Kohl and President François Mitterrand last year. As the future of Europe depends on the strength of German-French economic and political cooperation, things could be far worse.

Talks between the HTHR consortium (Siemens-ABB) and the U.S.S.R., for construction of future HTR reactor modules in the U.S.S.R., have so far gotten off to a shaky start, with the Soviet side signaling stop-go/go-stop. But the potentials here, despite the political demise of Hamm-Uentrop HTR, are considerable for export of German HTR reactor technology to rebuild Eastern Europe's dilapidated and inefficient electric power grid.

Clearly, a closely integrated merging of the combined potentials of French and German nuclear industry and engineering is vital to meet the requirements of rebuilding Eastern Europe's inefficient and inadequate electricity base.

'Stability' for China means no freedom

by Mary M. Burdman

One word dominated the proceedings of the late March session of the Chinese National People's Congress (NPC): "stability." This is the favorite concept of all those, East and West, who have been attempting to stop the revolutions of 1989, and is now the focus of every exhortation to China's impoverished people, as they are told that the future holds only more austerity.

"The people seek stability, and the stable situation in China is obvious to the world. . . . It is essential to seek to develop in the course of stability and to promote stability by means of development," the Hong Kong newspaper *Wen Wei Po*—a primary outlet for Beijing's policy line—wrote in its editorial April 6.

The Chinese leadership of Deng Xiaoping, Prime Minister Li Peng, and military strongman President Wang Shangkun imposed a brutal malthusian austerity policy in October 1988 to curb all real growth in China, and this Congress, held in Beijing March 20-April 4, made very clear there will be no change.

The essence of their economic policy is zero growth in all sectors, as Li Peng specified in his statement on China's agriculture. He told Congress delegates March 23: "Agriculture can only develop gradually, for its growth rate cannot be too high. . . . The rise of grain output and growth of population must be kept at the same pace. . . . We must make strenuous efforts. The key is to pay full attention to family planning in the rural areas."

Using the kind of measures that the International Monetary Fund/World Bank demand for every indebted Third World nation, the government has slashed imports, is exporting everything it can move, including food and raw materials, and devalued its currency in a desperate effort to contain inflation and build the foreign exchange reserves to meet payments on China's \$42 billion debt.

As a result, imports fell by 20.2% from January to March, while exports, boosted by a 21% devaluation of the exchange currency, the renminbi, rose 13.4%. The collapse of imports is accelerating: They fell by 18.3% in January; by March, they were down 27.9%. The critical problem is that many imports, including machinery, are essential if China is to develop at all. Industrial production grew by only 1.4% in March, after dropping 0.9% in January and February compared to last year. Just last year, growth figures often topped 20%. Inflation has certainly been cut down in the past 18 months, to about 4% by March, but so has the entire economy.

Chen Muhua, the chairman of the financial committee of the NPC, told the Congress March 30 that the "current financial difficulties are serious." Top priorities must be to develop agriculture and "make continued control of overall social demand the major task."

Unemployment was discussed repeatedly at the NPC session. In fact, Li Peng's report was not considered strong enough on the issue of unemployment, and the paper *Wen Wei Po* reported April 5, "Substantial changes were made in the expression of the government work report" to call for "minimizing the number of personnel waiting for job assignments."

With living standards plunging in the cities, a State Planning Chief Zou Jiahua admitted to the Congress on April 7, savings rose a remarkable 35% last year. Such savings—with a lot more stored "under the mattress"—show how much people fear the economic collapse. The money saved may be only \$100 per person, but average income in China is only about 900 yuan (\$300) per person per year.

While every effort is made to service the foreign debt, China is choking on its internal debt. Zou Jiahua stressed the nation's "triangular debt" among the enterprises. The State Council has launched an emergency project to deal with the debt crisis. Industry and transport, strapped for cash, have defaulted on loan payments, to the point where Xinhua called the situation "very serious." Raw materials and goods are piling up as the internal market collapses. The State Council demanded that all enterprises and units which have been allocated government construction and purchase funds, immediately pay off all arrears to local producing enterprises, and that financial and credit departments provide funds for all other enterprises to ensure they incur no further debts. The debt will also have to be cleared on the provincial and national levels, by the end of July.

World Bank deals

Li Peng emerged from the Congress to meet April 6 with World Bank Senior Vice President Moeen Qureshi in Beijing. Qureshi returned to Washington the week of April 16 to prepare a report on China's economic situation, including its international debt, for the World Bank board. The bank, which never closed down its office in Beijing last year after the tanks rolled in Tiananmen Square, has already resumed some lending to China. China's malthusian policies cohere with those of the bank, whose Strategic Planning Center announced recently that there can be no more growth in the Third World.

Li assured Qureshi that China's economic and political situation is "stable" and expressed his appreciation for the World Bank's "correct understanding and positive appraisal of the Chinese government's policies on improving the economic environment and readjusting the economic order."

Qureshi congratulated Li on China's "achievements" in stabilizing the economy.

Strike wave threatens Argentine 'stability'

by Cynthia R. Rush

Argentine President Carlos Menem is boasting that he has achieved a degree of stability in his chaos-ridden country in recent weeks. His closest advisers emphasize that the exchange rate and financial markets have calmed down significantly, and point to reports from the state intelligence agency, SIDE, that 85,000 gathered in Buenos Aires' Plaza de Mayo on April 6 to voice approval of Menem's program.

All indications are that the calm, if it ever existed, won't last for long, however. Speaking from Madrid, Spain on April 15, labor leader Saúl Ubaldini, secretary general of one faction of the divided General Confederation of Labor (CGT), stated that "there is no difference between the economic policies which Raúl Alfonsín applied, and those currently applied by President Menem." Former President Alfonsín, the social democrat who governed from 1983-89, inherited a devastated economy from the military junta which preceded him, and made it worse by applying the International Monetary Fund's monetarist recipes.

Ubaldini, who demands that the government adopt a policy based on defending the "real economy," also charged that Menem's economic policy comes from "the same monetarist sectors who worked for the dictatorship," a reference to the team of Milton Friedmanites who ran the country's economic policy under Finance Minister José Martínez de Hoz from 1976-81.

This was not a favorable comparison for a Peronist President—nor was it intended to be. In the wake of numerous strikes and protests from state sector employees who oppose the government's privatization program, Menem has threatened to jail striking workers and dock their pay for every day they strike. He has also threatened to impose a state of siege. When workers from three railroad unions went out on wildcat strikes on April 8 and 9, Labor Minister Jorge Triaca canceled the unions' legal registration and declared a nationwide railway strike illegal. Now, the government is considering legal means to limit the right of state sector workers to strike.

Who backs Menem?

Government officials point to the fact that the International Monetary Fund (IMF) is expected to announce its acceptance of the government's new letter of intent on May 25, as

evidence of support for Menem's policies in the international community. If the Fund takes this action, it will unblock three tranches of \$235 million each, frozen since last year's standby arrangement fell through. IMF director Michel Camdessus has also invited Finance Minister Antonio Ermán González to attend the Fund's interim committee meeting on May 7, to present Argentina's point of view regarding the problems of international financing for "deeply indebted nations."

The April 16 issue of the financial daily *Ambito Financiero* reported that World Bank President Barber Conable promised Ermán González a \$1 billion package to Argentina to further its reform of the state sector, reorganize its financial system, and reportedly aid the poorest sectors, hurt most by the government's austerity.

While Menem's government sees these developments as proof of the Bush administration's backing, not everyone in Washington agrees. An analyst from the American Enterprise Institute, linked to the right-wing social democracy, recently explained that regardless of what happens in Argentina, "it's not going to get any bridge loans, or special treatment from us. It's a rich country, but it misused its resources, and now it's alone. . . . The point is that the region is just not that strategically important to us anymore. . . . The Cold War is over." He added that Argentina no longer had the capability to "blackmail" the U.S. with threats of instability.

Statements like these are an admission that what matters to the administration are its condominium arrangements with Soviet leader Gorbachov, and that relations with nations like Argentina are viewed from that standpoint only.

As for the IMF's "backing" for Menem, it is contingent on his applying more of the austerity which has already destroyed living standards and thrown people out of work. As one of its conditionalities for aid, for example, the Fund demands that the federal government reduce financial allocations to the bankrupt provinces by as much as 10%. Given the volatility of the interior provinces, where economic deprivation is greater than in Buenos Aires, and where many rely on state governments for employment, these measures guarantee further upheaval. Almost 90% of provinces' income is allocated for wages, and federal funds are the primary, and sometimes the only source of income. Of 22 provinces, 17 can barely meet their wage bills. Some, like Corrientes, haven't yet paid February's wages. Because of the economic depression, tax revenues are dropping in many provinces.

The April 13 issue of the weekly *El Informador Público* reports that there could be as many as 150,000 layoffs in both the private and public sector over the next two months, and that the labor sector, led by Ubaldini, is preparing to resist government policy with a wave of strikes and a massive labor demonstration on May 1, Ibero-America's traditional "Labor Day." Ubaldini reported in his speech from Madrid that 42,000 state employees had been fired over the last year.

Pakistan's neglected infrastructure, a barrier to rapid development

by Ramtanu Maitra

Pakistan's ruling elites, comprised mostly of landlords and foreign-educated technocrats, are engaged in a campaign to promote Pakistan's bright economic future. They are well equipped with the requisite monetary data to back their optimism, and on the surface the claims might appear credible. But a moment's reflection on some of the hard realities of Pakistan's impoverished agriculture (see *EIR*, Feb. 3, 1989), its dilapidated infrastructure, and total dependence on foreign aid and the International Monetary Fund (IMF)-World Bank for economic management, points to problems the elites have not yet begun to tackle.

On paper, in the calendar year 1989, Pakistan's economy fared much better than in 1988. The rate of inflation in the second half of the year declined to 6% from 11% in the first half. The overall monetary deficit for the entire year showed a decline of about \$166 million, to about \$2.71 billion, from the previous year. Moreover, the Benazir Bhutto government has an IMF-approved economic policy bandwagon rolling that includes "privatization" of public sector industries and extensive concessions for foreign investment.

To the joy of free-market ideologues, Minister of State for Finance Ihsanul Haq Piracha announced recently that three public sector enterprises were to be privatized. "This will mark the beginning of the privatization process of the public-sector concerns," he told members of the powerful Karachi Chamber of Commerce and Industry on March 21. There are rumors that even the broken-down Pakistan Railways will soon be partially privatized.

The ruling Pakistan People's Party (PPP) government has also come up with a new policy package designed to increase foreign investment twentyfold. The Pakistan Board of Investment announced that total investment sanctions in the 12 months up to Dec. 2, 1989, are likely to cross \$2.5 billion—a six- to sevenfold jump from the previous two years—with half of this in foreign exchange.

This economic headiness was given the final touch by the ubiquitous U.S. Ambassador Robert Oakley, who recently announced to a Pakistani reporter that Pakistan can be "another tiger"—a reference to the four economic "tigers" of South-

east Asia: Taiwan, Singapore, Hong Kong, and South Korea.

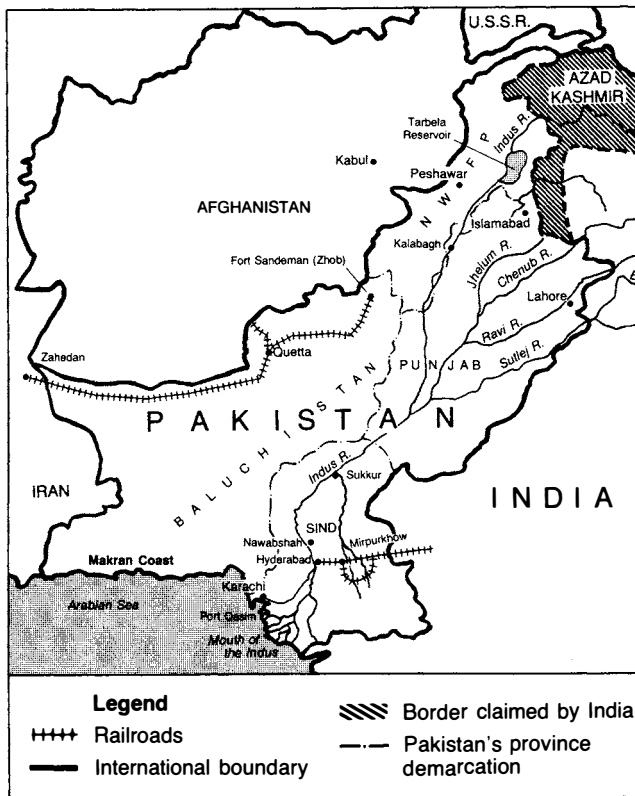
Tiger, or paper tiger?

But **Table 1** gives a hint of just how preposterous Oakley's claim is. As some economic journalists point out, inflation came down in 1989 because the ruling party decided to ruthlessly slash public expenditure. Even the IMF, the high priest of economic homicide, seems to have been taken aback by the slowdown of public sector investment. In its recent report, the Fund strongly backed credit-restraining policies, but remarked that public sector investment of only \$1.1 billion during the entire year had hurt the manufacturing sector badly.

These austerity policies are not without their political effects. The PPP's "Public Works Program," the cornerstone of its 1988 campaign promise to improve people's lot, has been given short shrift. It is no secret that the IMF vetoed the program. Within the party, such kowtowing to the IMF has few takers, and resentment is growing throughout the party ranks.

There is now open criticism of IMF diktats and the government's obsession to define economic policy on the basis of how to earn foreign exchange. Karamat Ali, Secretary of the Pakistani Institute of Labor Education and Research, told a news daily recently: "The IMF dictates our finances. We're told IMF has 'allowed' our government to do deficit financing to the extent of 6%. What it really means is only printing more paper money. It'll hit the ordinary people whether you increase taxes or not. . . . And who needs this foreign exchange? Not us. It's not used for much industrialization but for defense, bureaucratic and administrative expenditure on importing luxuries for 3-4% of the population."

A more comprehensive indictment was delivered in November by Prof. Khurshid Ahmad, a senator and chairman of the Institute of Policy Studies, in outlining the conclusions of an institute report on the state of Pakistan's economy. Even after three decades of planned development, Professor Ahmad said, a sizable proportion of the population is still deprived of clean drinking water, the literacy rate is among



the lowest in the world, and despite increased GNP, the quality of life has not improved (see **Table 2**).

This condition makes big foreign investment nearly impossible. Investors will soon find out, it is argued, that serious obstacles prevent them from maximizing output from their investing capital. Speaking at a luncheon meeting hosted by Karachi businessmen, French Ambassador Jean Pierre Masset pointed to two such factors: growing lawlessness, known in Pakistan as the "heroin and Kalashnikov culture,"

and mountains of bureaucratic tape. Inordinate delays in getting through even the sanctioned projects would no doubt scare French businessmen, Masset said bluntly.

Electrical power, the prerequisite

More fundamentally, how can any new investments survive and be productive in an environment characterized by crippled or nonexistent infrastructure? Some Pakistani analysts point out that the foreign investors have come forward to invest in manufacturing electronics, cigarettes, petroleum by-products, edible oil, pharmaceutical products, and fertilizers—all of which require a significant input of electrical power. Others predict that the decrepit transport system would break down under the additional weight of the construction materials to be carried to job sites to build these new factories.

The fact is that the shortage of electrical power in Pakistan has already crippled existing industries. Depending upon which of the energy demand figures one chooses to believe, the shortage of power runs anywhere from 14 to 40% of present-day requirements.

According to experts' reports published over the last two decades, Pakistan's hydroelectric potential is around 40,000 megawatts. This includes the huge potential of 30,000 MW on at least eight dam sites upstream of Tarbels on the main gorge of the Indus River, up to Skardu. Another 10,000 MW potential is available on the various sites on the Jhelum, Kunhar, Swat, Chitral, and Gomal rivers, and on the smaller tributaries of the Indus in Kohistan and the Northern Areas. Out of this 40,000 MW potential, Pakistan has only so far exploited 2,900 MW. The balance of the country's power comes from thermal and nuclear plants (see **Table 3**).

The failure to exploit hydroelectric power is not due to a lack of expertise or financial resources. In 1975, a study proposing to start construction of two major hydroelectric projects of installed capacity of 12,000 MW within a year was endorsed by then-Prime Minister Zulfikar Ali Bhutto, and the

TABLE 1
How Oakley's 'tiger' compares with four southeast Asian tigers

	Pakistan	Taiwan	Singapore	South Korea	Hong Kong
Infant mortality per thousand births	120	8.9	9.4	29	9.9
Life expectancy	52	73	71	66	76
Work force					
Agricultural & fishing	55.5%	17.6%	0.7%	25%	1.4%
Manufacturing	17.8%	41.2%	36.4%	29.2%	44.6%
Commerce and services	26.9%	41.2%	62.9%	45.8%	54.0%
Number of individuals per physician	2,920	1,220	1,310	1,170	1,070
Enrollment in primary schools	44%	n.a.	100%	94%	100%

Source: U.N. and FAO

TABLE 2

Quality of life in Pakistan**Literacy:** 26.2%**Primary education:** Available to 44%
(66% primary school drop-out rate)**Infant mortality:** 120 per thousand births**Poverty:** 40% below poverty line**Land holdings:** poorest 40% households own 10% of land
richest 20% households own 57% of land**HEALTH****Physicians:** One per 2,920 people**Hospital beds:** One per 1,650 people**Budget:** 1.1% of total allocation**Access to electricity:** 15% rural; 81% urban**Access to potable water:** 40% rural; 80% urban**Access to sewage disposal:** 10% rural; 52% urban**Access to health care:** 35% rural**Income distribution:** poorest 40% households have 20% of income
richest 20% households have 50% of income**Life expectancy:** adults: 52 years; under 5 mortality: 170 per 1,000

Source: U.N. and FAO

stage was set to bring these plants into operation by 1982. In 1977 Bhutto was imprisoned, and hanged two years later. The new military junta buried the projects, and to this day they have not seen the light.

Meanwhile, the Water and Power Development Authority (WAPDA) has juggled numbers umpteen times to prove that Pakistan does not really need that much power anyway. In 1967, with the help of American consultants, WAPDA published a report projecting that Pakistan's power requirements by the year 1980 would be 5,700 MW. In 1975, another WAPDA report accelerated the power requirement to 12,000 MW by the year 1982.

In 1983, for the draft Sixth Five-Year Plan, WAPDA, having failed already to meet any of the targets, small as they were, revised the old studies and declared that Pakistan would actually require only 8,200 MW by 1988. But, the study noted, Pakistan's requirement by 1994 would be as high as 18,000 MW. Since 1983, two more sets of revised demand data have been issued, the latest revising the country's power demand by 1994 down to 10,000 MW.

Behind the maze of numbers is the reality that Pakistan in 1990 has a total installed capacity of some 7,000 MW. Since an average power plant takes a minimum of six years to complete in Pakistan, it is likely that Pakistan will not only be unable to meet the 10,000 MW target for 1994, but will fall significantly short of it.

Meanwhile, Pakistan's industry, agriculture, and commerce are forced to live with idle capacities. Recently, the PPP government began to address the power issue, and a

TABLE 3

Commercial supply of electricity

Source	Installed Capacity (Megawatts)	
	1981-82	1989-90
Hydroelectric	1,847	2,901
Thermal	2,121	4,015
Nuclear	137	137

Source: Directorate General of New and Renewable Energy, Government of Pakistan

1,200 MW thermal power plant will soon be installed in Hub, close to Karachi. Otherwise, the government's slogan "a kilowatt saved is a kilowatt produced"—represents no energy policy at all.

Transport neglected

Similar problems plague the transport sector. As an oil-importing nation, Pakistan shells out about \$1.5 billion annually for crude oil. Under the circumstances, the government should place a heavy emphasis on railroads and inland water transport to carry bulk items. But the opposite is the case. The railroads are decrepit and carry passengers only, and inland water transport is nonexistent. Meanwhile, roads of varying quality have been built and vehicles spewing black smoke criss-cross the country carrying bulk items at an astronomical cost.

According to available estimates, a locomotive carrying a 2,000-ton payload in Pakistan today does not cost more than \$1.5 million. By contrast, a road vehicle capable of hauling only a 20-ton payload costs not less than \$75,000—that is, a road-to-rail capital cost ratio of over 5 to 1 for the same hauling capacity. In spite of this published data, Pakistan's railroad carries only passengers and is losing money annually. The government is finding it difficult to carry this loss-making behemoth, and news leaks indicate a plan to pawn it off, at least partially, to private entrepreneurs.

The railway minister on Dec. 22 also announced the introduction of one new train between Karachi and Rawalpindi, along with four more passenger trains traversing the region. As a result, the railroad, which is presently losing about \$100 million annually, will lose more. With the existing fare structure, the Pakistani railways recover only 47% of the total passenger service cost. Meanwhile, the railways' share in freight traffic plummeted from 57% in 1960-61 to 49% in 1971-72, to 26.6% in 1984-85, and is about 25% today. This steady decline in freight traffic reflects the massive development of road transport, burning more imported oil, parallel to or short-circuiting the rail routes.

Pakistan is essentially a north-south country where ports

are located in the south and production takes place to the north. The country has very little trade with India, located to the east, and little trade, so far, with Afghanistan and Iran, located to the west. Although Iran is a major future trade partner for Pakistan, the north-south grid will continue to dominate transportation requirements.

Water transport is key

Common sense would dictate that Pakistan develop its inland water transportation, since the Indus River, the Jhelum, Chenub, and its tributaries flow north to south. A slow barge transport system operating between Port Qasim and Sukkur, and from Sukkur to Kalabagh would cut down transport costs significantly. Between Sukkur and Kalabagh, a distance of 809 km, the river contains sufficient water for year-round navigation. The route between Port Qasim and Sukkur, where a barrage is located, has some navigational problems, but they can be overcome by building feeder canals with locks.

There is no question that low-cost bulk commodities such as wheat, rice, cotton, sugar cane, edible oil, cement, salt, fertilizer, etc., now transported at a high cost by road, are ideally suited for water transport. According to available estimates, the cost to transport by slow-moving barges is about 50% cheaper than rail freight. Moreover, being labor-intensive, water transport could provide direct employment to a large number of currently unemployed people.

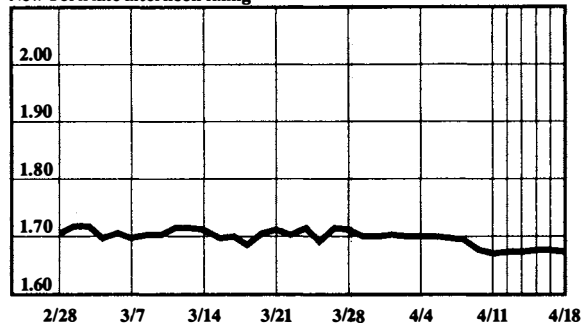
But railroads remain vitally important for setting up new towns and cities and distributing the population over the entire country. Government officials often complain that while the vast province of Sindh have remained sparsely populated, a few cities like Karachi, Hyderabad, Sukkur, Nawabshah, Mirpurkhas, and so forth are becoming too crowded. Sindh has two sets of parallel railroads, one on each side of the Indus River, and all these cities are located along the river. Apart from these river-hugging railroads, the province has no other railroads, except for a rickety meter-gauge line goes eastward from Mirpurkhas toward the Indian border.

Another case in point is Baluchistan. A British-built meter-gauge railroad, built for transporting British soldiers to the Afghan border, stretches from Fort Sandeman (Zhob) to Zahedan in Iran. Instead of turning this railroad into a broad-gauge one, the late President Zia ul-Haq built a roadway parallel to it, at an enormous cost, the idea being to enhance trade with Iran. In the same province, the southern Makran coast, now a major export area for drugs to the United States, is bereft of railroads. The area is accessible only through shingle roads, which proliferate, or by helicopter. The lack of water—which could be overcome by desalination of sea water and using Baluchistan's plentiful gas supplies for power generation—and lack of railroads have kept the Makran coast out of the hands of settlers and potentially productive enterprises and in the hands of the drug traffickers.

Currency Rates

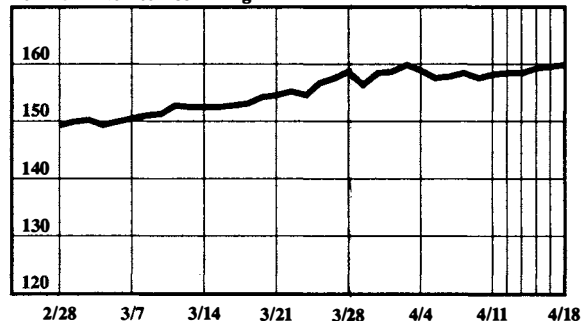
The dollar in deutschemarks

New York late afternoon fixing



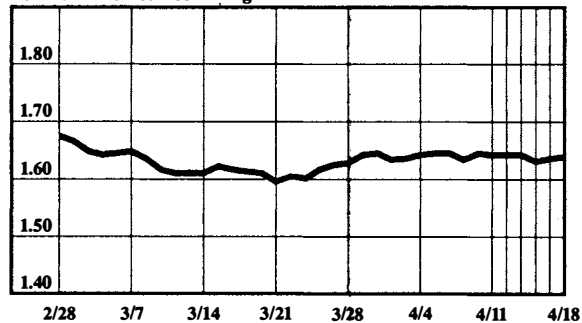
The dollar in yen

New York late afternoon fixing



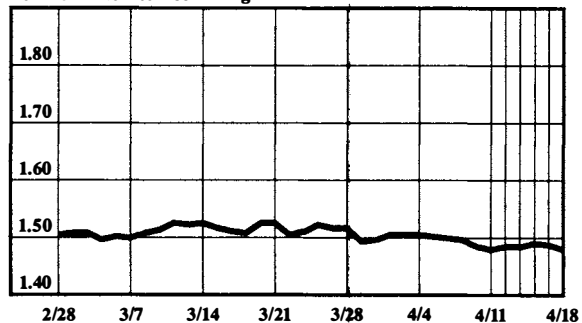
The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



A Central Asian Common Market?

The Soviets are trying to steal a march on a Chinese proposal to reopen the ancient Silk Route.

At a time when the Soviet republics of Central Asia are saying almost nothing about themselves these past weeks, it is the predominantly Muslim region of China's Xinkiang that is on the verge of explosion.

This is hardly surprising. The revolt has been brewing for several years and could only have been encouraged by a Chinese policy that swung between the most brutal repression and minimal concessions, the surprising result of good relations between Beijing and Teheran. Some Iranian mullahs have been authorized in the last few years to conduct religious studies. Certain carefully selected Chinese clerics, have also been sent to Iran for educational study. A few tens out of millions—but at a time when the region as a whole had been racked by a decade of wars and revolts, the region of Xinkiang, at one time the terminus of the Silk Route linking the heart of Asia to the Near East and Europe, could not remain quiet very long.

In spite of the warming of relations between Moscow and Beijing, the Soviet authorities have been at pains to hide their satisfaction, taking revenge for the Chinese policy of supporting the Afghan resistance, and the Chinese vigilance to queen their pawn at Soviet expense in the region. Moreover, a new wave of repression in Xinkiang will not fail to be denounced by the Islamic countries being courted by the Chinese regime.

Hence it is no mistake that at the moment that the People's Republic of China is confronted with its own Islamic crisis, the Russians are profiting

by retaking the offensive in the region.

In so doing, they are turning to their own advantage a few of the proposals originally put forth by Chinese diplomats. Thus, in 1987, when relations between the Islamic Republic of Iran and the People's Republic of China became official, the toasts that were made were for a reopening of the "thousand-year-old Silk Route linking Iran and China, across Afghanistan and Pakistan." The geopolitical consequences of these toasts were evident: The great Asiatic power wished to become the protector of an Islamic bloc opposing its two rivals—the Soviet Union on the one side, obviously enough, and India on the other side.

In an article that appeared at the end of March in the official Soviet government daily *Pravda*, a Professor Hidoyatov from the University of Tashkent in Uzbekistan launched precisely these two proposals:

First, the creation of an Asiatic Common Market which, in addition to the Muslim Soviet Central Asian republics—Uzbekistan, Tadjikistan, Turkmenistan, and Kirghizia—would join together Pakistan, Afghanistan and Iran; and, after bringing up to date the "old Silk Route," also joining with the abovementioned countries, the predominantly Muslim north of India, Xinkiang in China, and other countries such as Iraq, Syria, or Lebanon in the Middle East.

What is left out of this proposition is as important as what is mentioned: Nothing more is said of China or India as far as that goes, not to speak of Turkey.

Far from being frivolous, the proposal of Professor Hidoyatov represents quite well the ideas and plans the Soviets have in progress. It comes on the heels of several years of debate on the question, and the emplacement since the end of 1988 of various systems of commerce which have allowed countries like Iran to trade directly with their Muslim neighbors without having to go through Moscow. Large parts of the recently ratified accords by the staff of the Twelfth Soviet-Iranian Economic Commission imply that Iran will take under its charge a number of the needs of regions such as Azerbaijan.

Moscow is already further along in directly demanding that countries such as Kuwait and Saudi Arabia make large investments in the industry and infrastructure of Central Asia. The strategy could not be more clear: For Moscow, it is a question of unburdening itself of the economic weight these regions represent, which are systematically looted and underdeveloped, at the same time as maintaining their political control, which allows them to keep Central Asia as a whole as a sort of military-strategic buffer zone.

Moscow sees nothing but advantage in that. In addition to foreign investments, its prestige in the heart of the Islamic world will come out the greater. It remains to be seen if this is effectively satisfying for the regions themselves, as they become more and more tempted to follow the Eastern European model, including political and military independence.

Moscow's trump card seems to be the fact that the majority of the countries of the region are more attracted to the Soviet propositions, rather than supporting popular movements in Central Asia, which carries the risk that they could end up trying to clean a grease spot off their own clothes.

Yeutter moves to deregulate milk

Plans to replace Federal Marketing Program with low price, "free trade" could be the last straw for U.S. dairy farmers.

Relative to national and international shortages of dairy products, U.S. milk output is way below the level needed. However, Congress, the Bush administration, and dairy cartel interests are falling all over themselves to launch new policies on farm milk prices, and marketing arrangements that will make matters far worse.

A dairy panel in the House of Representatives voted in early April to boost farm milk prices by a small amount—from \$10.10 per 100 pounds of milk, up to \$10.60 per hundredweight—for the next five years, and then to empower the U.S. Department of Agriculture to place a tax, called an "assessment," on dairy farmers whenever it is determined that there is "excessive milk production."

The House group defines "excess" in terms of the eventuality of the government having to buy milk fat products exceeding the equivalent of 5 billion pounds of milk a year. About 3.6 pounds of every 100 pounds of milk are fat. Under existing laws, the government supports farm milk prices by buying milk that is not taken up in the commercial market.

The Senate has not yet started action on dairy policy. But if the House panel plan is implemented, dairy farmers would be hard hit. The current parity price for milk (a fair price to cover costs of operation, capitalization, and a modest return to the farmer) is at least \$24 per hundredweight. Anything below this price not only affects farmers, but jeopardizes the fu-

ture milk supply for all consumers.

Agriculture Secretary Clayton Yeutter opposes the House plan, but offers a free market-style plan that is equally bad or worse. The Bush administration proposes that milk support prices be gradually dropped to \$9.60 per hundredweight, and then let "market forces" take over.

Criticizing the House panel's approach, Yeutter said, "What this all boils down to are milk quotas and milk taxes—and let me make it perfectly clear that I am opposed to both."

For his part, Yeutter is moving to deregulate the milk market, and create free-for-all conditions in which the big name dairy cartels (Nestlé, the Bronfman/Labatt's dairy chain, Unilever, Kraft, and others) can pay farmers as little as they want, and charge consumers as much as they want, and shove any export customer out of the market altogether at will.

In March, Yeutter called for hearings this fall on the functioning of the Federal Milk Market Order System. This is the first step toward phasing out the current marketing system, and making way for his "free market."

On the sidelines, Yeutter is getting support for his position from a lawsuit in which he has been named as a defendant, which was filed on Jan. 17 in Minneapolis federal court by the Minnesota Milk Producers Association. The suit blames lopsided federal marketing price-rigging for hurting Minnesota farmers, and helping other farmers in other states, pitting farmer against farmer.

The Federal Milk Marketing Order Program in effect today, came about through the Agricultural Marketing Agreement Act of 1937, and amendments since. The program operates by setting terms of marketing milk for a national system of marketing order districts, that cover over 70% of all the milk marketed in the nation. The purpose is to stabilize marketing conditions for farmers, and to guarantee a continued supply of milk for consumers.

Fluid milk is highly perishable, and varies in output with the season. If used properly, the tools of the Federal Milk Marketing Order Program, and also the federal minimum milk support price, would bring reliability into the milk situation. Instead, federal officials for years have used these and other tools, such as the infamous "Dairy Herd Termination Program," authorized by the 1985 Farm Act, to drive independent family dairy farms out of operation, and to usher in "factory farms" and cartel processors.

In 1989, U.S. milk output fell, along with the fall in world milk output, below even the average consumption needs of recent years. The USDA told Mexico that it would not receive a pre-contracted order for 20 million pounds of U.S. milk powder. The USDA organized the re-purchase of a few million pounds of milk powder from West Germany, that the U.S. had originally exported! All this was done at the bidding of Nestlé and other companies in the chocolate cartel, who wanted the powder to process cocoa for Christmas candy.

At 1989 year end, Yeutter said not to worry; milk output would pick up in the new year.

But the USDA has been forced to revise its milk output projections "downwards" twice this year. At present, milk production is at the same level as last year, namely, not enough.

Congress blocks privatization

The congressional stall on privatizing the state sector has revived a commitment to protect Brazil's national patrimony.

Brazil's creditor banks, and former U.S. Secretary of State Henry Kissinger, will soon realize that the economic measures adopted by President Fernando Collor de Mello give them little, if any, cause to celebrate. Exemplary is the congressional debate on the government's proposal for privatizing state sector companies, where an intense fight is being waged to keep those valuable companies out of the hands of the international banks, which are looking to the old Kissinger plan of "restructuring" Ibero-America's foreign debt through debt-for-equity swaps, as a way to decapitalize—i.e., loot—those economic sectors.

As *EIR* reported back in 1983, Kissinger's proposal was adopted as the strategy of the "Creditors' Club" at a Vail, Colorado gathering of bankers, who demanded that state sectors be privatized, or be declared bankrupt. That exposé, recirculating now in Brazilian circles, is alerting various national sectors to be wary of such privatization scenarios.

Nonetheless, as soon as Collor de Mello assumed the presidency of Brazil, bankers began a pilgrimage to the country and to various international forums, demanding that Brazil bring its foreign debt arrears, totaling \$4.5 billion, up to date. The bankers are hopeful that Brazilian debt payments can be revived through implementation of debt-for-equity swaps.

At the recent Montreal meeting of the Inter-American Development Bank, co-sponsored by the Canadian government, U.S., German, and Jap-

anese bankers joined forces, according to *O Estado de São Paulo* of April 2, to demand that "Latin Americans should intensify the process of converting foreign debt into fixed investments, opening up opportunities for debt conversion to all sectors of the economy, including industry and banking services."

Citibank, the bank most exposed by Brazil's "white moratorium," has sent the same message, as has Lloyds Bank, which sent its chief executive to Brasilia to hold talks with Antonio Kandir, the secretary of economic policy at the finance ministry. The Lloyds banker told Kandir to "put his house in order" and urged including "the option of converting foreign debt into investment" in ongoing debt talks.

In the Congress's deliberations on those presidential measures, which would effectively extinguish state companies and regiment future privatization efforts, the controversy focused on those articles which would open up such companies to debt conversion schemes. Article 25 dictates that public companies be subject to the same bankruptcy rules as any private company. That item, together with one which stipulates debt-equity swaps, was overturned by an initiative of Deputy Oswaldo Lima Filho, president of the Nationalist Parliamentary Front.

Thus, at least for the moment, Congress has blocked execution of those measures. *Gazeta Mercantil* of April 12 noted, "The power of the President to veto changes introduced

by Congress will not be able to rehabilitate the conversion proposal. The reason is simply that conversion has disappeared from the text sent to the President for approval." According to law, therefore, the debt-equity conversion scheme so heavily promoted by the banks must wait at least one year before it can be re-submitted for legislation.

In addition, Congress resolved to limit participation of foreign capital in said privatizations to no more than 40% of voting capital. Congress also retained its prerogative to veto privatization of any state company it chooses.

Particularly striking in the congressional effort to overturn the debt-equity measures, is that the override vote required a substantial majority, a fact which did not pass unnoticed by the propagandists for Thatcherite economic liberalism. In its April 13 editorial, *O Estado de São Paulo* admitted that the government bloc in Congress united in purpose with that of the Nationalist Parliamentary Front. "In truth, it cannot be said that the victory of the nationalists over those who defend participation of foreign capital in the privatization process was achieved without the participation of deputies and senators who in one form or another make up the government bloc."

Until now, the sole hint of government hostility to Congress's changes came from Infrastructure Minister Oziris Silva, who commented that the congressional vote had blocked the privatization process. The congressional fight on the privatization issue has, in fact, achieved a lot more: It has succeeded in reviving the nationalist commitment—set in the 1988 Brazilian Constitution—to define such strategic state companies as Petrobras as untouchable, as national patrimony. It is unlikely that this fact entered into Henry Kissinger's calculations.

Fat Larry gets new pork barrel from taxpayers

Fat Larry Eagleburger, who is number two man at the U.S. State Department, revealed at an East-West trade conference in Washington, D.C., that there is legislation pending before Congress which would provide a new taxpayer-financed pork barrel for his cronies. Speaking at a conference sponsored by the U.S. Chamber of Commerce and the U.S. Commerce Department on April 11, entitled, "On Doing Business in Eastern Europe and the Soviet Union," Eagleburger revealed that the Bush administration had introduced a bill to expand the Support Eastern European Democracy (SEED) Act of 1989 in terms of nations covered and scope of funding.

As President Bush's Coordinator for Eastern European Assistance, Fat Larry already has at his disposal under the SEED Act two large pork barrels for his cronies: the \$240 million Polish-American Enterprise Fund and the \$60 million Hungarian-American Enterprise Fund. True to form, there is already a major conflict-of-interest scandal brewing on Fat Larry's handling of these sums.

With his new coordinating post, Eagleburger not only administers these funds but he is able to choose their boards of directors, investment fund managers, and decide upon other lucrative aspects of the funds. Under the SEED Act, material distributed at the conference showed that the funds can solicit venture capital, invest in interest-bearing instruments, and engage in venture capital management, institutionalization of investment banking in Poland and Hungary, and immediate investments in those two countries.

The scandal that emerged from

conference material is that Eagleburger chose Nicholas Rey, the managing director of the investment bank of Bear, Stearns & Co., to be director of the Polish-American Enterprise Fund. As recent *EIR* articles have documented, Bear, Stearns & Co. was the placement agent for another \$80 million Hungary Fund of émigré Hungarian financier George Soros, whose Fund's board overlaps that of the Central European Development Corporation (CEDC). It was Fat Larry who told his old friend, and fellow Kissinger crony, R. Mark Palmer that he could remain as U.S. ambassador to Hungary until July, when Palmer had already accepted the job of chief executive officer for the CEDC, that plans to operate in Hungary.

Eagleburger denies any conflict of interest

Asked by *EIR* at the conference about this violation of the 1978 Ethics in Government Act by Palmer, Eagleburger denied all:

EIR: Secretary Eagleburger, are you ever going to appear before the Senate Foreign Relations Committee to testify about your handling of aid for Eastern Europe?

A: Yes, if they ask me.

EIR: What do you mean "ask you"? You were already scheduled to testify, and you didn't appear.

A: No, I never canceled my testimony. They did.

EIR: Well, they claim you were the one who canceled. Some Senators have some questions about your conflicts in Eastern Europe. For example, is it true as Thomas Friedman of the *New York Times* charges that you were the one who advised R. Mark Palmer to violate the Ethics in Government Act?

A: No.

Meanwhile, a senior Hungarian official at the conference revealed to *EIR* on background that it was true that R. Mark Palmer and his business friends, including Ronald Lauder, Albert Reichmann, and Andrew Sarlos, did have plans to turn Budapest into a banking center for Eastern Europe like Beirut or Tangiers, where anything and everything goes. The official also revealed that the Palmer CEDC group is already establishing their beachhead in Budapest to use Hungary as the base for major deals with the U.S.S.R. This report from a senior Hungarian official partially corroborates that of a former State Department Bureau of Intelligence official that what Palmer really planned, with the connivance of Eagleburger, was the transfer of restricted technology having military applications to the U.S.S.R.

Fat Larry is already implicated in such dealings with the September 1989 conviction of the Yugoslav banking subsidiary, LBS Bank of New York, in federal court in Philadelphia on federal charges of money laundering and conspiracy to violate the Munitions Control Act. Larry Eagleburger had been on the board of the convicted bank until his confirmation as Bush's Deputy Secretary of State was assured.

While the federal prosecutor scrupulously kept Fat Larry's name out of the proceedings, it came out that some of those indicted with Eagleburger's bank had been under electronic surveillance because they were targets of a hostile foreign counterintelligence investigation, which one source in the prosecutor's office alleged had to do with technological espionage. It seems that between Fat Larry's friends on the CEDC and the LBS Bank, that he is the gopher sitting in the middle of an East bloc "mole hill."

Business Briefs

Rail Transport

Maglev train through G.D.R. proposed

The project for a magnetically levitated rapid-transit train route on East German territory was proposed by a group of Christian Democrat (CDU) deputies in Bonn on April 10. The Ministry of Research and Technology, long in favor of this project, is expected to put the proposal on the government's agenda for June-July.

"In addition to the political and economic changes on the territory of the German Democratic Republic, there is also a chance of a new start in the application of modern technology," the CDU deputies report. "The realization of a rapid transit route from Hanover to Berlin, with a stop in Magdeburg and a connection to the industrial fair city of Leipzig, would demonstrate to the entire world what the potential capacity of German-German cooperation in the area of high technology is."

Concrete plans for other railroad projects would not be affected, the authors declare, endorsing the "restoration and extension of the rail grid of the G.D.R. for their urgently required transport of goods." The new system would be used to take care of "essential parts of passenger transport" and thereby relieve congestion.

Agriculture

Japan, Taiwan, South Korea farmers unite

Leaders of agricultural cooperatives from South Korea, Japan, and Taiwan formed a united front on April 4 and inaugurated a forum called the Far Eastern Agricultural Cooperatives Collaboration Council (FEACC), to coordinate the fight against import liberalization, promote technical and economic cooperation, and to develop an international cooperative movement to battle imports of farm products.

Korea's Han Ho-sun, chairman of the National Agricultural Cooperative Federation (NACF), Japan's Mitsugu Horiuchi, president of the Central Union of Agricultural Cooperatives and Taiwan's Wu Ming-chin, president

of the Farmers' Association, signed the agreement to form the group in Seoul.

An international rice symposium also opened on April 4 at NACF headquarters in Seoul to discuss the "present situation and future direction of the policy on demand, supply, and price of rice."

Transportation

Airport delays see rapid increase

Delayed flights at U.S. airports are rapidly increasing and topped 400 per day in the New York area, according to the April 13 *New York Times*.

Flight delays rose 111% at La Guardia airport, 52% at Kennedy International, and 17% at Newark International last year, while nationally delays rose 13%. Total flights delayed rose to over 400 in the 10-mile radius which encompasses the New York area airports.

Federal Aviation Administration officials have attributed the increase in delays to various factors, the most pervasive being the shortage of fully trained air traffic controllers. The number of controllers is now lower than in 1981 when President Reagan fired the striking members of the air traffic controllers union, although the number of flights has increased 58%.

Basic Industry

Japanese investment continues to grow

Japanese high-technology investment in basic industry continues to grow and be profitable, an April 11 *New York Times* article reported.

Japan now leads all nations in capital investment in absolute terms. Even though Japan's economy is only about 60% the size of America's, the Japanese now invest \$750 billion a year in new plant and equipment—a staggering 24% of national output—compared to \$500 billion by the U.S., about 10% of GNP.

While U.S. companies most often invest to expand output, Japan tends to concentrate on new products and on new, productivity-boosting technologies. "It's a bit scary," said Kenneth S. Courtis of Deutsche Bank in Tokyo. "What we are seeing is Japan becoming the new product laboratory for the world."

The *Times* reported that Japan's industrial leadership made a conscious decision after the Plaza Hotel accord in 1985, which aimed at undercutting its international trade dominance, to compensate for the shift in exchange rates by plowing money into cost-reducing investments. While the country has pioneered high-tech areas like microchips and electronics, investment in traditional heavy manufacturing like steel and shipbuilding remains high.

Poverty

Poorest in U.S. are the youngest

The United States' "poorest citizens are its youngest. The 23% poverty rate for children under six is more than double the rate for adults," according to a report issued by the Columbia University National Center for Children in Poverty, the April 15 *Washington Post* reported.

"A higher proportion of the nation's youngest children lives in poverty now than in 1969 or 1979. Five million young children live in families with incomes below the poverty line. . . . Half of black children and 40% of Hispanic children in this age group are in families who live in poverty," the report said.

"Poor children are more likely than non-poor children to be low achievers in school and to eventually drop out. They are more likely to engage in delinquent and criminal behavior, to become unmarried teen parents and to be welfare-dependent," it said.

James Weill, general counsel of the Children's Defense Fund, told the *Post*: "President Bush and the governors have set education goals for the year 2000. But we can't accomplish any meaningful national goals nor can we enter the 21st century as a strong and competitive nation unless we drastically reduce the child-poverty rate."

Waste Technology

New method promises to rid toxic waste

A new waste-processing method, known as supercritical water oxidation (SCWO), promises a high degree of effectiveness in eliminating toxic wastes.

The process uses water heated to 705°F and under pressure of 3,200 pounds per square inch to convert 99% of a liquid waste into a stable residue in seconds. Such materials as dioxins, pesticides, PCBs, pathological wastes, and nitro organic compounds have been successfully destroyed, the *Houston Chronicle* reported April 4.

A research team at the University of Texas at Austin recently completed successful testing of the process in pilot projects. Dr. Ernest F. Gloyna, who headed the research, said the pilot scale reactors used at the Balcones Research Center could provide the basic design for industrial reactors "to meet the ultimate EPA [Environmental Protection Agency] goals of virtually zero discharge of unwanted wastes into the environment." Gloyna believes the process could handle almost any toxic waste or sludge in industrial plants or municipal sewage systems.

MODAR Waste Systems Inc. of Houston and Lummus Crest Inc. have joined in an agreement to market the SCWO process. They are now designing their first 20,000 gallon-per-day plant.

Water Transport

Elbe River waterway revival considered

Reviving the waterway of the Elbe River between Hamburg, West Germany, and Prague is a project being considered by industries and trading companies in Hamburg. In one internal discussion paper, "The Economy of Hamburg in a Unified Germany," the authors endorse several projects.

The report endorses rebuilding the Elbe River into the main central waterway for the transport of goods between Prague and Ham-

burg, becoming the Central and south East European "gateway to the world."

It suggests that modern, computer-controlled container transport by ship be organized from three coordination centers—likely Hamburg and Prague, with a third to be built in the southern German Democratic Republic. Restoration, modernization, and extension of traditional rail routes from Hamburg to Berlin and the other centers of industrial production of the G. D. R. and Czechoslovakia like Magdeburg, Dessau, Leipzig, Dresden, and Prague, is also suggested.

A connection from this main grid to the Baltic port of Rostock is envisioned, and a division of labor between Hamburg, and Kiel, Lübeck, and Rostock as central ports on the German coast for the Baltic trade, is endorsed. A future role for the shipbuilding center of East Germany at Wismar is included in the proposal.

The Senate of Hamburg, the municipal authority, is expected to decide on the projects and their funding before summer.

Health

Measles epidemic in Mexico still raging

The measles epidemic in Mexico continues to grow. With 18,517 cases reported in the first 12 weeks of 1990, the rate of infection is 80% higher than in the previous 12 weeks.

"There is no more information beyond what has already been released," a government official said when asked for more information. The official said, "There are instructions from above that officials cannot speak on this matter." UNICEF also responded that they couldn't provide any figures, because they were all coming from the Ministry of Health, and "the question of measles in Mexico is very delicate."

So far in 1990, there have been 300 deaths, mostly children. In Chiapas state, there have been several cases where entire families have become ill and died. In general, the susceptibility of the population, and high mortality rate, are due to the greatly reduced diet which the Mexican population has been forced to live on in recent years.

● **GLASS-STEAGALL**, a Depression-era act to curb speculative banking operations, was further eroded April 10 when a U.S. Court of Appeals rejected a request from the Securities Industry Association to review a Federal Reserve Board order allowing banks to underwrite and market corporate debt and equity securities.

● **JAPANESE** machine tool builders received \$10.48 billion in orders for February from a year ago, a 29.4% increase. This is almost ten times greater than the \$194.55 million in orders placed with U.S. machine tool builders, since the Japanese economy is one-half the size of the U.S. economy.

● **JOHN CHAMBERLAIN** said the world has experienced an abortion, not a population, explosion with "10 or so per woman in China, 7 in Soviet Russia," in a review of *New World, New Mind*, by "population bomb" guru Paul Ehrlich in the April 10 *Richmond Times-Dispatch*. Ehrlich is "ignoring the figures that show we are faced in the long term with a declining world population," he said.

● **OF PROSTITUTES** in New York City, one of three is carrying the AIDS virus, according to a study financed by the Atlanta Centers for Disease Control and the New York State Health Department. Prior New York City studies had shown infection rates ranging from 9 to 21%.

● **COLORADO** health officials reported that a rare form of streptococcus related to that which causes strep throat has killed 11 Denver-area people. Three years ago, Blue Cross and Blue Shield Association eliminated coverage for throat cultures which could diagnose strep throat.

● **SOUTH KOREA** will attend a meeting of the Mekong Committee, a body encouraging economic development of war-torn areas along the Mekong River, and comprised of Vietnam, Laos, and Thailand.

Is the British oligarchy preparing to balkanize the U.S.?

by Webster G. Tarpley

On April 12, readers of the *Washington Post* were offered an unusual editorial under the title, "One Canada—or Several?" The theme of the editorial was that a constitutional crisis in Canada is imminent because of the collapse of the so-called Meech Lake agreement. Meech Lake represents a series of amendments to the Canadian federal Constitution, produced under the chairmanship of Prime Minister Brian Mulroney, which were demanded by the French-speaking province of Quebec in order to safeguard Quebec's linguistic and cultural identity. Because the English-speaking provinces of Manitoba and New Brunswick have refused to ratify the Meech Lake Accords, and the province of Newfoundland has rescinded the ratification that it had carried out earlier, it is possible that by June 23, the deadline for the implementation of the Meech Lake amendments, Canada will be in effect a country without a Constitution. As the *Washington Post* editorial pointed out: "With that, a number of eminent Canadians gloomily warn, the country itself could break up." The *Washington Post's* prognosis for Canada at the end of the editorial is as follows: "Perhaps Scandinavia will turn out to be the model for the top half of this continent."

The *Washington Post's* "Scandinavian model" presumably refers to the territorial changes that took place in Northern Europe during the first decades of this century. In 1903 Iceland, which up to that point had been a part of Denmark, acquired its independence. In 1905 Norway, which had been a part of a monarchical union with Sweden since 1814, asserted its independence under a separate monarchy. Later, after the Bolshevik revolution, Finland was also able to assert its independence. In our own time, Greenland has acquired a greater and greater autonomy from Denmark. Thus, what the *Washington Post* appears to be suggesting is the partition or division of Canada into two or more separate countries, perhaps within the bounds of a loose confederation.

Further attention to Canada was provided by syndicated columnist Pat Buchanan two days later. Under a *New York Post* headline of "Manitoba, U.S.A.," Buchanan advanced the idea that the United States should seek territorial aggran-



The Death of Abraham Lincoln on April 14, 1865, as portrayed in a painting of 1866 by E. H. Miller. Today, 125 years after Lincoln's murder, the pro-Soviet British oligarchy may be preparing an attempt to break up the federal Union that Lincoln had saved.

dizement during the coming breakup of Canada. Buchanan advised President Bush to respond to the non-ratification of the Meech Lake amendments by stating that the United States is "open to any provincial request to associate with, or join, the United States, should Canadians decide to dissolve their own confederation." Buchanan went on: "There is nothing wrong with Americans dreaming of a republic which, by the year 2000, encompasses the maritime and western provinces of Canada, the Yukon and Northwest Territories all the way to the Pole, and contains the world's largest island, Greenland, purchased from Denmark, giving the United States a land mass rivaling that of the Soviet Union."

The existence of a crisis in Canada had been brought home to Americans earlier the same week, when President Bush visited Toronto for conversations with Prime Minister Mulroney, and also to view a baseball game between the Toronto Blue Jays and the Texas Rangers, of which one of the President's sons is an owner. During that game, Mulroney was loudly booed. To prevent the impression that it was Bush who was wildly unpopular among Canadians, the banal U.S. sportscasters briefed their audience in depth about Mulroney's 15% popularity ratings, caused by his demand for a 7% national sales tax on goods and services (Goods and Services Tax, GST) such as haircuts and taxi rides. Since many provinces already have a substantial sales tax of their own, the GST—in ways similar to Mrs. Thatcher's poll tax—would impose an onerous burden of regressive taxation on a Canadian economy that is already in deep crisis, and where the average living standard is only two-thirds the American

level. In effect, Progressive Conservative Mulroney's political situation is even more desperate than that of Mrs. Thatcher. One of Mulroney's earlier Schachtian austerity measures had been to dismantle about half of the passenger rail network of Canada, wrecking one of the most important infrastructural premises of national unity.

Contrary to Buchanan's vision of an American manifest destiny toward the North Pole, the danger posed by the possible breakup of Canada is the balkanization, separation, and partition of the United States itself, in an orgy of secessions, confederations, enclaves, and exclaves—all conducted under the financial dictatorship of supranational monetarist institutions typified by the U.S.-Canada Free Trade Act and the proposed North American Common Market. As Easter weekend drew to a close, indications were multiplying that, 125 years after the end of the secession crisis of the American Civil War and the assassination of Abraham Lincoln, the pro-Soviet British oligarchy is preparing an attempt to break up the federal Union that Lincoln had saved. The Canadian events, as Lyndon LaRouche pointed out, appear destined to spread the "bacillus of separatism" into the United States, with the included option of "carving up" and "feudalizing" this country.

British dismemberment plans in history

The historical commitment of the British oligarchy to the dismemberment of the U.S. federal Union is beyond question, although intentionally obscured by Anglophile historians and journalists. Apart from the escapades of Aaron



Stuart Lewis

Brian Mulroney: The Progressive Conservative prime minister has dismantled half of Canada's passenger rail network and appears about to preside over the breakup of Canada.

Burr during the early years of the last century, it is sufficient to recall the two examples also cited by LaRouche: the New England secessionist movement during the years around the War of 1812, which culminated in the Hartford Convention, and the conspiracy to create the Confederate States of America in 1860-61. The British Empire strongly supported both attempted secessions, and came close to going to war against President Lincoln several times during 1861-63 in order to secure the victory of the Confederacy. The career of August Belmont of New York illustrates British machinations in this regard, conducted through the southern jurisdiction of the Scottish Rite Freemasonry.

In the years before Southern secession, the London *Economist* and other British publications printed a series of scenarios describing how successful Southern secession, by ending Washington's control over the mouth of the Mississippi, would force the states of the upper Mississippi Valley—today's Midwest—to come to terms with the Confederacy in order to obtain free passage for their products down the river to the open sea. This, according to the London think tanks of that time, would provide enough leverage to induce a break between the Midwest and the East Coast. This could be followed by a separation of the Pacific coast from Washington, and so forth, leading to the balkanization of the former United States into four to six petty, squabbling states, all encompassed by an international monetary system based on the pound sterling. Some of these petty states were expected to expand into Mexico, Central America, and the Caribbean.

Why now?

For almost 125 after the military defeat of the Confederacy at Gettysburg-Vicksburg in July 1863, British attempts to implement such plans were quiescent, apart from the creation

of certain somewhat more modern scenarios of secession which can be examined in a moment. The fundamental consideration that allows the British oligarchy to turn once again to its old project of dissolving the union is the catastrophic economic, political, strategic, and moral-intellectual weakness of the United States as generated by the insane policies of the past quarter-century and more. Such evident weakness is compounded by the presence of high-level government officials such as Director of Central Intelligence William Webster, who is an unreconstructed supporter of Southern secession and the values of the Confederacy. There are other powerful men in Washington, typified by Lane Kirkland, the boss of the AFL-CIO, whose family tradition is that Lincoln's military defense of the Union amounted to "aggression" against the slaveholding secessionists. The Bush administration is merging more and more with the Carter "Magnolia Mafia," who are themselves the ideological and biological heirs of secession.

The British oligarchy is hysterically obsessed with their idea of an international balance of power in which their weak nation can play the role of the decisive swing factor. Above all, they see rapid and successful German reunification and the economic impact of that process as a threat to their ability to manipulate the world. The think tanks that are working on dissolving the American Union are the same ones turning out the Thatcher-inspired "Fourth Reich" slanders on German reunification. The British are also disturbed by the perspective for the reunification of Korea, which appears likely to take place as soon as the dictator of Pyongyang, Kim Il-Sung, departs the scene. They feel immediately threatened by the demands for the national self-determination of Ireland that have grown more insistent as a result of the collapse of the East German communist regime.

It is instructive to recall that it was precisely in the epoch of the formation and consolidation of Germany and Italy in Central Europe between 1848 and 1870 that the British made their maximum effort to break up the United States. Today, the British are playing the card of separatism in the Indian subcontinent, where a nuclear war could grow out of the current phase of the chronic troubles around Kashmir. They are also fomenting divisions between the Czechs and the Slovaks, seeking to undermine the presidency of Vaclav Havel, which otherwise might exert a particularly positive influence on Poland and the rest of the Slavic world.

The condominium with Russia

Most fundamentally, the threatened efforts toward the balkanization of the United States grows out of the commitment of the Anglo-American elite to their imperialist condominium with the Soviet Union. The instinct of the British oligarchy is to preserve a balance of power between the American and Russian legs of the condominium, in such a way as to make London the permanent arbiter of the world. Now, the Russian Empire is beset by economic collapse and

by a revolt of the subject nationalities leading toward early civil war. The response of the Anglo-Soviet side of the condominium is to guarantee the stability, as they see it, of the condominium arrangements by insisting on a fearful symmetry: The United States must be subjected to the same degree of economic destruction and regional balkanization that the U.S.S.R. is destined to undergo. The London tendency within the condominium can agree all the more readily because they have concluded that the power of the United States is no longer needed for the defense of Britain, since they have foolishly concluded that the Soviet threat no longer exists.

The Clean Air Act amendments passed by the U.S. Senate and presently under consideration by the House are a case in point. These bills, as seen from any conceivable standpoint of U.S. national interest, even as imagined by leveraged buyout (LBO) speculative bankers, are a piece of manifest suicidal insanity. The Clean Air amendments express the joint radical environmentalist platform of the condominium, as agreed to in the Reagan-Bush-Gorbachov New York summit of December 1988, and publicly signaled by Gorbachov's speech to the United Nations on that occasion: Green extremism, applied on a devastating scale in the United States and the rest of the Western world, is imposed to meet the Russian demand for guaranteed strategic parity. Only the thermodynamic breakdown of the U.S. economy can assure Moscow that there will be no future repetition of the 1939-41 Roosevelt national defense recovery. The Clean Air Act is also the biggest provocation to date in the area of economic sectionalism, which is the way that the breakup of Canada could be propagated south. The Clean Air legislation represents a sectional economic attack by New England, by the Pacific Northwest, and by the Ottawa regime against the desperately poor coal-mining states of Appalachia and against the distressed coal-burning industrial regions of the Midwest. Despite the FBI's intimidation of the Senate, this sectional bias of the Senate bill was evident in floor debate, with the most vocal opposition coming from West Virginia, Kentucky, and Illinois.

Other environmental legislation has had similar overtones: It is enough to think of the discrimination against southern California, and against the Western states in general, embodied in the clean water bills turned out by Northeast think tanks. Imperialism has always said, "*Dividi et impera*, divide and conquer."

From the point of view of the condominium, therefore, if the economic ruin of Russia must be imposed on the United States through the Clean Air amendments, the breakup of the Union of Soviet Socialist Republics evident around the crises in Armenia, Azerbaijan, Lithuania, Latvia, Estonia, Ukraine, and other regions must also be duplicated in North America. This top-down condominium motivation for attempting to wreck the Union is matched by a grassroots motivation, which proceeds from the bottom up, which has to do with the requirements of domestic political counterin-



The British oligarchy feels immediately threatened by the demands for the national self-determination of Ireland that have grown more insistent as a result of the collapse of the East German communist regime.

surgency during a period of acute economic breakdown and looming political mass strikes with possible revolutionary character.

The Anglo-American elites know very well that such mass strikes are coming, and they have the political crises around Thatcher and Mulroney, plus slightly more distant rumblings in the United States to remind them. In such circumstances, the automatic reaction of these elites is to attempt to pit various parts of the population against each other, in order to deflect rebellion from such obvious guilty parties as the Eastern Liberal Establishment. With the economic breakdown and therefore the mass strikes as a given, the elites must act to preserve themselves by exacerbating whatever racial and ethnic tensions lie to hand.

In the United States, for example, the domestic counterinsurgency apparatus centering on the FBI and the Anti-Defamation League has been laboring for several years to create the premises for a black versus white race war, which



Klaus Fimmen

Signs demanding “national independence for Slovakia” were among those that met Czechoslovak President Vaclav Havel in Munich in February. The British are fomenting divisions between the Czechs and the Slovaks, seeking to undermine Havel’s presidency, which might otherwise exert a particularly positive influence on Poland.

represents the fundamental tactic for wrecking the coming American Revolution. Race riots in Miami, Virginia Beach, New Jersey, and other localities; “ethno-violence” bombings of black civil rights leaders and judges; racially motivated killings in Howard Beach and Bensonhurst in New York City, in Boston, and in other areas; the targeting, entrapment, and vilification of black elected officials—these are a few aspects of this campaign. A central focus for these efforts in coming months is likely to be the candidacy of former Ku Klux Klan member David Duke for the U. S. Senate in Louisiana with a campaign appealing to racists and white supremacists. Local secession movements in the United States can be inspired by racial as well as by economic factors, as the case of New York City’s Borough of Staten Island illustrates.

In Britain in the nineteenth and early twentieth centuries, the British oligarchy played the Irish population against the English in order to dominate both. Today, that same oligarchy is confronted by a renewed Scots nationalist agitation to which they are responding according to classic counterinsurgency lines.

National self-determination and sovereignty

This magazine supports the principles of universal national self-determination. It has applied that principle to the cases of Germany, Quebec, Ukraine, the Baltic states, Korea, China, and the nations of Ibero-America, to name but

a few. But this support must be accompanied by a warning. The fate that the Anglo-American elites appear to be contemplating for places like Scotland, Quebec, and other parts of Canada, does not represent national sovereignty. Rather, the Anglo-American elites appear to be offering various forms of loose confederation—similar to the type they tried unsuccessfully to impose on Germany—and in any case national existence under the domination of supranational-regional financial and economic arrangements typified by the International Monetary Fund and the North American Common Market. This translates into the denial of true national sovereignty.

Events in the British Isles are often used as pilot projects for political changes which the Anglo-American elites wish to duplicate on a vaster, often a worldwide scale. Thus, the regime of Harold Wilson became the pilot project for the Lyndon B. Johnson “Great Society” in the United States and for similar post-industrial New Age reforms all over the world. Similarly, the Thatcher regime of 1979 became the model for monetarist-liberal free trade deregulation regimes under Reagan in the United States, and in many other countries.

It is therefore not far-fetched to imagine that the British oligarchy may be planning to administer economically depressed Scotland through a separate Scottish parliament and perhaps as a separate independent nation, although probably

in personal union with the United Kingdom under Queen Elizabeth II and her heirs of the House of Mountbatten-Windsor. Such a form of independence corresponds to the position of the Scottish National Party. At the same time, this façade of autonomy would be exported propagandistically to numerous parts of the world, including most emphatically the United States. Without an economic development program for Scotland of the type to which the British oligarchy is implacably hostile, the root causes of economic decline of Scotland will not be touched. Such a program is therefore necessary for real national independence and sovereignty, if that is what the Scottish population chooses.

The case of Quebec

In Canada, the Quebec nationalist movement symbolized by Gen. Charles de Gaulle's great "Vive Québec libre" speech, was embodied for a time in the Parti Québécois (PQ) of the late Quebec Prime Minister René Levesque. Formed in 1968, the PQ governed Quebec between 1976 and 1985. In the referendum held on May 20, 1980, some 59.6% of the Québécois voted no to a vaguely formulated referendum proposing that the PQ government be empowered to negotiate a "sovereignty-association" of Quebec with the rest of Canada. In 1980, the younger voters were more favorable to national independence for Quebec, and there are signs that this trend has continued. On the other hand, Anglophone influence and the Anglophone population of Quebec have declined. Many observers have concluded that the historical momentum toward the existence of Quebec as an independent state is irreversible.

Today the government in Montreal is controlled by the Liberal Party of Prime Minister Bourassa, who before 1976 had declared his support for *le fédéralisme rentable*, that is to say for Quebec's continued participation in Canada, provided that this brought economic advantage. During the latter half of the 1980s, the PQ lost Levesque, its most noted leader, and underwent a decline as the pro-independence momentum of the 1976-85 era was lost. The current ferment appears rather different than the movement of those years. The current premise appears as the United States-Canada Free Trade Agreement, which in effect establishes the hegemony of the Anglo-American finance oligarchy over all of North America, from the Río Grande to the Pole, with the clear intent of adding Mexico later to create the North American Common Market, dissolving the sovereignty of the three existing nations.

Ironically, Quebec businessmen and financiers have provided the Free Trade Agreement with much support. The Anglo-American elite may thus intend to hijack the Quebec movement for a sovereign nation-state with a top-down maneuver aiming at a formally more or less independent nation, but firmly embedded in a free trade zone that would rob the new nation of all real sovereignty, including most especially sovereignty over economic policy.

In a recent editorial in the *Toronto Globe and Mail*, Allan Gotlieb, the former Canadian ambassador to Washington, argues under the title "A Strong and United Europe Should Be Canada's Model" that "in Western Europe sovereignty is being dismissed as a viable concept" and that "there are no conflicting trends in Europe today; there is only one. It involves the realization of a grand scheme for the unity and prosperity of a Europe from the Atlantic to the Urals." Gotlieb is not talking about de Gaulle's Europe of the Fatherlands; he is talking about a regionalized Europe of gutted weak nations under the domination of international bankers. Something like this may be the counterinsurgency plan of the finance oligarchy for Canada.

Is Canadian nationalism real?

Possible variations on this theme are presented in the Peter Brimelow's recent study *The Patriot Game* (Hoover Institution Press, 1986). By "patriot game" is meant the idea of Canadian nationalism, which the author assails as not authentic. Brimelow sums up the outlines of his argument in a series of theses, and among them are the following: "1. Canada is merely a geographic expression." "2. There are at least two and conceivably seven incipient sub-nations within Canada. By far the most important division is that between English and French Canada, but there are also lesser distinctions within English Canada: Ontario; the West, with or without British Columbia; the Maritimes, with or without Newfoundland; and the native-dominated North. All these divisions constitute political fault lines underlying the Canadian polity." "3. Within the Canadian framework, Quebec is merging as a genuine nation-state." "4. All of Anglophone Canada is essentially part of a greater English-speaking North American nation."

What might this "greater English-speaking North American nation" represent? It appears to represent the Theodore Roosevelt thesis that Anglo-Saxon racial and linguistic unity is more important than the ideas of 1776 and the Civil War that preoccupied such figures as Franklin, Washington, John Quincy Adams, and Lincoln. The crucial differences between the British monarchy and the British Empire, on the one hand, and the U.S. federal Constitution, on the other, are dissolved by these vague pseudo-cultural generalizations.

Brimelow also argues that the Canadian political class has developed a set of synthetic policies, such as the concept of a nationwide bilingual system, and imposed them on the constituent parts of the country. Brimelow notes that Canadian national politics are becoming increasingly volatile, in which "federal elections are a Canadian version of Russian roulette. One day, the Confederation may get shot." Among other things, Brimelow predicts that with the growing assertion of an Anglophone "North American identity," "the Quebec issue in Canadian politics may become not whether Quebec will secede—but whether it should be expelled." As for the Anglophone subdivisions, Brimelow



Green extremism, applied on a devastating scale in the West, is imposed to meet the Russian demand for guaranteed strategic parity. U.S. Environmental Protection chief William Reilly (left at rear of table) and his Soviet colleague Valentin Sokolovsky are pictured at the 12th Meeting of the U.S.-U.S.S.R. Joint Committee on Cooperation in the Field of Environmental Protection in Washington last January.

foresees that especially the western provinces may seek either to loosen their relation to "central Canada" and the Ottawa government or to establish a "closer relationship with the U.S." Pro-American and anti-Ottawa tendencies in the prairie provinces have indeed been strong during the 1980s.

The nine nations scenario

Among the more fatuous modern scenarios for economic and "cultural" sectionalism and separatism is *The Nine Nations of North America*, published in 1981 by Joel Garreau of the *Washington Post*. These "nations" include: Quebec, with its center in Quebec City; New England, consisting of the U.S. New England states plus Nova Scotia, Newfoundland, and Labrador, all centered on Boston; The Foundry, including the area around the Great Lakes, the Ohio River Valley, New York State and the Atlantic seaboard from the Delmarva peninsula to New Haven, Connecticut; Dixie, corresponding to the Old South, from St. Louis to central Florida and from Houston to about Fredericksburg, Virginia; The Islands, including south Florida, the Greater and Lesser Antilles and the north coast of South America; MexAmerica, including Mexico, southern California south of Sacramento, and the southern parts of Arizona, New Mexico, and Texas; Ecotopia, being the strip along the Pacific coast endowed with sufficient precipitation, between Point Conception and Homer, Alaska; The Breadbasket, including the upper Mid-

west and the High Plains from Houston to north of Regina and Winnipeg; and the Empty Quarter, including the Rocky Mountains, the Great Basin, and the prairie provinces of the Canadian Shield, from Denver and Las Vegas to Point Barrow, Alaska, Ellesmere Island, and Baffin Island.

Much about these divisions is arbitrary and deliberately frivolous, even in the rarefied world of scenarios, but they do reflect a continuing search for "fault lines" and parochial interests that could cut across existing political and administrative boundaries and challenge the existence of established nation-states. A version of these or similar ideas was presented in the context of the ABC television mini-series "Amerika" of some years ago, which used a scenario based on Soviet-Cuban military occupation of the United States to spin out a tale about the political boss of a group of Midwestern farm states calling itself "Heartland" seeking to secede from the rest of the U.S.A. and establish its own national apparatus.

Bankruptcy fuels sectionalism

Today scenarios for secession can start from the oppressive bankruptcy of most of the existing levels of government, starting with the bankrupt U.S. federal government in Washington with its \$3 trillion of public debt. Economic sectionalism is stimulated by the unfolding violent deflationary contraction in the United States, which was concentrated in the Southwest and in such oil states as Colorado and Alaska some

years ago, but which has now spread with a vengeance to the Northeastern states: In New York and New England, every state government in facing deficits and Schachtian austerity, and many of the governors in these states have been forced to declare themselves lame ducks. Jurisdictions like New York State and New York City are in effect under receivership to committees of bankers, as in the form of the city's Municipal Assistance Corporation. The threat that Moody's Investors Service or Standard and Poor's might downgrade the bonded debt of states and cities like these is now a very potent force coercing their governing bodies toward the imposition of Schachtian austerity.

Under these circumstances, we can expect an attempt to popularize the idea of secession from debt-burdened and bankrupt local or state governments as the more advanced form of tax revolt, with the secessionists announcing that their alternative represents a way of throwing off the burdens of austerity provoked by the incompetent or corrupt administrators at city hall or the state house.

Economic sectionalism can also be provoked around issues of electric power, especially in the context of the current fragmentation of electricity grids. U.S. localities that have hydroelectric power resources, for example, might argue that the proceeds from the sale of the power belong to the local residents, and not to more or less distant authorities. The same kind of conflict can be generated around water rights, as has already been noted. Racial tensions around black against white, Caucasian against Asian, or Anglophone against Hispanic conflicts could also be employed to manufacture new synthetic conflicts with secessionist content.

A possible pilot project and laboratory for these variants can be seen in the New York City Borough of Staten Island, where a growing agitation demands secession from the City of New York and its looming second bankruptcy. The institutional framework for this secessionist agitation was provided some time ago, when the U.S. Supreme Court declared the New York City charter, the form of government of the City of New York, to be unconstitutional. A new city charter therefore had to be improvised, with attendant conflicts. Staten Island has a higher median income and a higher percentage of white population than any other borough of New York City, and the secessionist argument is based on the idea that this affluent borough derives no benefit from being associated with the racial conflicts and financial crises of City Hall in Manhattan, and therefore ought to break away and form a separate city.

Since these events would play out in the accessible backyard of the national and international electronic media, hyping a Staten Island independence movement would represent an obvious way for the Anglo-American finance elite to give new currency to secessionism, which they have carefully kept alive in the New York area over recent years through such devices as the mayoral campaign of author Norman Mailer in 1985.

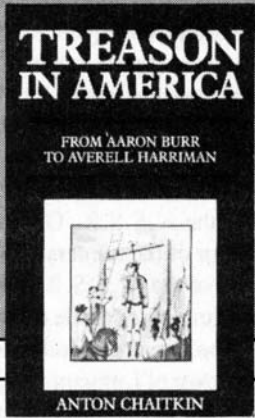
Beyond this, there will be other opportunities to raise separatist and secessionist arguments: questions about the future status of the Commonwealth of Puerto Rico are being raised again with increasing frequency. There is a crisis of governability in the District of Columbia, with the Marion Barry administration and many others advocating statehood against the opposition of Republican U.S. congressmen and senators from the Maryland-Virginia area and also nationally. In the midst of this, Gov. William Donald Schaefer of Maryland recently made what amounted to an offer to take over the administration of the District of Columbia. As the United States economy slides into deflationary contraction and depression, efforts will be made to present the redrawing of political boundaries, or a switch to a confederative framework, as the answer to bankruptcy and impoverishment.

The pressing need in the United States is certainly not for a change in political boundaries, or a return to the regime of the Articles of Confederation or the Confederate States of America, but rather for the institution of a program of national economic recovery along the lines indicated by Lyndon LaRouche. As in the time of Lincoln, the hope for liberty and the defense of the Union remain one and inseparable.

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Moscow imposes blockade to strangle free Lithuania

by Konstantin George

The Anglo-American "Munich II" policy of appeasing Moscow, both to support Mikhail Gorbachov and to prop up President George Bush at all costs, a policy exemplified by the sellout of independent Lithuania, has produced as an inevitable consequence a Soviet drive to "go in for the kill" against that brave republic. The Soviet move to strangle Lithuania into submission by a blockade began on the late evening of April 18, when the flow of crude oil from the U.S.S.R. to Lithuania's Mazeikiiai oil refinery was abruptly and totally cut off. The cutoff was declared in a terse telephone message from the U.S.S.R. Oil Industry Ministry, received by the director of the refinery. It said: "In accordance with the resolution of the [U.S.S.R.] Council of Ministers, we are halting the pumping of crude oil to your refinery."

The move was followed the next morning with the shutting down of Lithuania's Ignalinas nuclear power station, the only one in the republic, and later in the day, with 80% of Lithuania's natural gas supplies being cut off, thus creating a full-scale energy crisis.

Lithuania, under normal consumption requirements, has only three weeks of oil supply on hand. These three weeks are the last chance for the major Western countries to reverse their appeasement policy and come to Lithuania's assistance, not with words, but with concrete aid, beginning with supplying oil.

Moscow confident West will not act

The Kremlin leadership only shut off the oil to Lithuania *after* it became confident that the action would meet with continued appeasement from the political heirs of Neville

Chamberlain in the West. The chronology of Soviet pre-blockade moves, gridded at each step with the Bush administration's response, demonstrates this.

First, the blockade was pre-announced in an ultimatum to Lithuania issued on April 13. It was signed by Gorbachov and Prime Minister Nikolai Ryzhkov, and ordered Lithuania to revoke all post-independence laws it had passed, or else face a cutoff within 48 hours of commodities from the U.S.S.R. that could instead be "sold for hard currency" on international markets. The two commodities which account for some 80% of all Soviet hard currency export earnings are oil and natural gas. Thus, it was clear as of April 13 that Moscow was about to attempt to strangle Lithuania with a cutoff of oil and natural gas.

Not only did Washington and London do nothing in the face of this ultimatum but, at the April 14 Bermuda summit between Bush and Prime Minister Margaret Thatcher, both reiterated their policy of supporting Gorbachov, and called for "both sides" to "settle the conflict" through "dialogue." This line has been widely parroted in the Western media and promotes a false picture of two "intransigent" parties.

Lithuania makes generous offers

Lithuania's new government has been extremely statesmanlike in its posture towards Moscow, bending over backwards to meet every legitimate Soviet security and economic interest, under the sole condition that Moscow repudiate the Hitler-Stalin Pact and recognize Lithuanian independence. While Gorbachov was issuing his ultimatum, the Lithuanian government was making the following generous offers to

Moscow as the basis for negotiations:

1) Lithuania offered to stop drafting new laws until May 1, in return for state-to-state negotiations with Moscow.

2) Lithuania offered to grant full language and cultural rights to its minority populations of Russians and Poles, and to settle amicably the status of members of these minorities who do not want to become Lithuanian citizens, by giving them rights similar to those normally granted in Western countries to resident aliens.

3) The Lithuanian Parliament drafted over the Easter weekend a statement offering negotiations on the basis of restoring Lithuania's condition of existence prior to its 1940 annexation by the U.S.S.R., leaving intact the agreements concluded by Lithuania with Russia in the year between the signing of the Hitler-Stalin Pact and the country's annexation. The draft specified that Moscow could thus retain its military bases in Lithuania, under the terms of the Lithuanian-U.S.S.R. agreement of Oct. 10, 1939, which established Soviet military bases on Lithuanian soil.

4) Lithuania will guarantee Moscow transit rights over its territory for supply and travel to and from the Russian exclave of Kaliningrad on the Baltic coast, and Soviet use of Lithuania's ports as before.

5) Lithuania's government will continue to honor all its goods-delivery commitments to the U.S.S.R. Any stoppages would only occur as the unavoidable result of Soviet curtailment of supplies to Lithuania's industry.

The intransigent party that has rejected all talk and dialogue, has been Moscow, solely.

As Moscow's stranglehold tightens, Margaret Thatcher was rivaling Neville Chamberlain's "Peace in Our Time" declaration: She characterized Gorbachov's declaration of war on Lithuania as a "moderate ultimatum."

Russians, however, are cautious before crossing the point of no return, and thus Moscow still did not plunge ahead. It prepared another test for the West, before commencing the blockade. On April 16, a telegram was dispatched to Lithuania signed by the Soviet natural gas pipeline concern, Zapadtransgas. It read, dispensing with all diplomatic niceties: "Executing Order No. 81D on April 16, 1990 by the Government of the U.S.S.R. and the natural gas concern, the supply of natural gas to the Lithuanian S.S.R. will be severely restricted as of April 17 of this year."

President Bush, wishing to do nothing to upset Gorbachov, or to "ruin" the May-June Washington summit, declared that he would not act to "inflamm" the situation and stressed that any U.S. moves would be "measured responses." Even those would fall strictly into secondary and tertiary economic realms, such as denying Moscow observer status at the General Agreement on Trade and Tariffs (GATT) talks.

White House spokesman Marlin Fitzwater said on April 19 that "President Bush has begun a series of consultations with our allies on appropriate responses." Bush spoke by telephone with West German Chancellor Helmut Kohl on

April 18, and will discuss it with Mitterrand during their day of talks on the 19th. "We will be in touch with all of the allies either directly or through diplomatic channels in the next few days," Fitzwater said.

Asked if joint NATO or Western action was being considered, Fitzwater said, "I wouldn't put it in that category. I think it's more a consultation about what individual countries might do, what their approach might be."

Just to be doubly certain that acting against Lithuania would not incur any trouble from Washington and London, Moscow did *not* cut off natural gas or oil on April 17, or during the day on April 18. The first response by the White House to the cutoff tragically confirmed that Moscow's pre-aggression confidence was justified. Radio Moscow of April 19 dutifully quoted White House spokesman Marlin Fitzwater that "the Lithuanian crisis makes all the more important holding the Soviet-American summit."

Lithuania fights for its life

Lithuanian President Vytautas Landsbergis responded instantly and defiantly to the oil blockade. Calling it "an act of economic warfare," he declared that Moscow's move "reflects a great crisis in the U.S.S.R. The Soviet Union, being unable to find a human solution, is resorting to economic coercion and economic warfare against a neighboring country. No one would do this to himself. Truly, this is a recognition of the independence of Lithuania." Landsbergis emphasized that now, "the West must take a clear stand."

From the Bush administration, Landsbergis and Lithuania can expect nothing. On April 14, directly after Gorbachov's ultimatum, Landsbergis had sent an urgent letter to President Bush, appealing for immediate "concrete help" (see *Documentation*). No reply ever came from the White House.

Help could come from Scandinavian quarters. Lithuanian Prime Minister Mrs. Kazimiera Prunskiene arrived in Norway, Europe's second largest oil producer after Britain, the evening of April 18, just before the blockade began, to begin talks with Norwegian oil and shipping companies for the supply of oil to Lithuania. Norway's state oil firm Statoil, according to spokesmen, would be prepared to discuss possible oil sales if contacted by Lithuania. "We would have no problems delivering oil to Lithuania as long as it pays a market price and it fits into our delivery schedule," he said. Other Norwegian oil companies have said sales would be on a purely commercial basis and that such sales would have to be paid for in hard currency. Whether that oil can physically reach Lithuania depends on the Western powers. Lithuania has the ports and the huge Mazeikiiai refinery, but Russia has the Baltic Fleet, which could blockade Lithuania's ports.

Such a blockade, which could only be prevented by resolute Western response, is likely. Moscow's choice of an oil and energy blockade against Lithuania as the form of strangulation was not accidental. Oil supplies are Lithuania's

weakest flank. Russia's move, designed to gain a quick victory, is also a gamble and a reflection of desperation. This is what makes the crisis so dangerous. If Lithuania survives the next several weeks, Moscow's blockade will backfire, and cause much greater devastation in the economy of the U.S.S.R. than it will in Lithuania.

This will certainly be true if Lithuania is allowed to receive oil from abroad. Western media commentaries that Lithuania allegedly cannot do this because it has no foreign exchange, are hogwash. Lithuania has something far more valuable than foreign exchange: the Mazeikiai oil refinery. This refinery has an annual production of 11 million tons, which meets Lithuania's annual consumption requirements of 2.7 million tons, and exports over 8 million tons per year, most of that to the West for foreign exchange. Therefore, Lithuania, through the proceeds from refined oil products alone, can easily pay for its crude oil imports and acquire a hefty hard currency surplus to finance imports of Western technology and machinery to modernize its industry.

Moscow is in no position to engage in any lengthy economic warfare against Lithuania. The consequences for the Soviet economy will be devastating. Lithuania's factories are the sole suppliers of critical components for all Soviet household appliances, and of critical components for Soviet agricultural machinery and trucks. Some 20% of all Soviet refrigerators are manufactured in Lithuania, 30% of all TV sets, 55% of all TV tubes, and the list goes on. The energy blockade of Lithuania, once it forces these plants to close, will cause shutdowns of hundreds of large industrial enterprises throughout the Soviet Union, creating labor unrest and explosions in the empire's already disgruntled heartland.

The disruption of component and product supply will only be one of the shock waves to hit the Soviet Union. Given the physical layout of Soviet oil and gas pipelines, the pipelines that have been closed are the same pipelines which run through Lithuania to the Russian Republic's Kaliningrad exclave, which now faces much worse economic devastation than Lithuania does. The disruption of oil and the nuclear plant closure, will likewise produce devastation beyond the borders of Lithuania. Lithuania is part of an electricity grid that includes Kaliningrad region, the southern half of its Baltic republic neighbor, Latvia, and the northwest part of Belorussia.

Moscow has thus embarked on a course which is not only brutal and aggressive in the mode of Hitler, but like Hitler, irrational, even from the standpoint of Russia's own vital economic and security interests. In short, Russia has taken a path which will aggravate its systemic crisis, and that will, in turn, feed a very dangerous increase in the level of irrationality prevailing in the Kremlin. This, while Bush and Thatcher remain intent on repeating the tragic appeasement policies of Neville Chamberlain. There is still time to act and save Lithuania, and by doing so, to contain the Kremlin before it's too late.

Documentation

Lithuanian President Vytautas Landsbergis appealed to President Bush for help, in a letter written April 14, one day after Soviet President Mikhail Gorbachov delivered an ultimatum to the Lithuanian government insisting that it repeal certain laws or face an economic blockade. The letter was delivered to the White House April 18 by a visiting Lithuanian parliamentarian. The Washington office of the Lithuanian Information Center released the letter:

We are very grateful for, and have been very much encouraged by, the repeated statements on the part of the United States over the last few weeks in support of Lithuania's expression of its right to self-determination. What we very much need today, however, is your strong political support—your recognition of the new Lithuanian government.

At this point, we need your concrete help; use of Soviet military force and political pressure on other countries to not recognize Lithuania continue, and now there is the threat of an economic blockade as a new Iron Curtain is drawn around Lithuania on the Baltic Sea and the Polish border. This aggression must be recognized for what it is, and labeled as such by the West.

A Sajudis news bulletin reported that at the April 18 session of the Supreme Council of the Republic of Lithuania, the parliament adopted the draft of a letter to the President Gorbachov and Prime Minister Ryzhkov, which was sent by telegram along with a resolution which was adopted the same day. The text is as follows:

The Supreme Council of the Republic of Lithuania has carefully read and discussed your appeal containing the notice of possible economic sanctions and has prepared an answer including proposals which have been developed at an earlier date. Unfortunately, having received concrete announcements about future sanctions as well, we have little to add to the statement by the Council of Ministers of April 16, 1990, except to possibly express regrets on the position and methods chosen by the U.S.S.R. On our part, as earlier, we are prepared to discuss any issues, taking into consideration all justified interests of the U.S.S.R., foremost those of its citizens and those of a strategic nature. We are ready not to adopt new legislative political acts during the period of preliminary parliamentary consultations, if they were to begin, until May 1, 1990. We are composing a delegation of deputies for such consultations, which will arrive in Moscow at the nearest possible date in hopes of a meeting with persons authorized by you.

War talk in the Asian subcontinent

by Susan Maitra

On or around April 20, Pakistan Prime Minister Benazir Bhutto reportedly conveyed unofficially that Pakistan does not want a war with India, and sought an opportunity for informal talks to prevent hostilities from breaking out between the two countries. At the instance of Pakistan, Foreign Minister Yaqub Khan and Indian Foreign Minister I.K. Gujral plan to meet in New York during the special session of the United Nations General Assembly starting April 21, for "an exchange of views on Indo-Pakistan relations, in the context of recent developments," according to the Indian Foreign Office.

The "recent developments" at issue pertain to the heightened tension around India's Muslim-majority state of Jammu and Kashmir, now in the grip of a new and escalating round of secessionist violence. The disputed province of Kashmir—Pakistan occupies a part of it, called Azad Kashmir—is a legacy of Britain's partition of the subcontinent, and is at the core of the adversarial relationship between India and Pakistan that has already led to three wars since then.

Singh warns of pre-emptive strike

On April 11, Indian Prime Minister V.P. Singh intervened in the parliamentary debate on India's defense budget and told the Indian people to be prepared for war. Pakistan had moved up its radar system to the border, and had made operational its advanced airfields, he said. Since Pakistan lacked geographical depth, it could go for a preemptive strike against India: "This has happened in the past, and cannot be ruled out in the future," V.P. Singh stated.

In his remarks, which sent the financial markets into a tizzy, Singh referred to the political scene in Pakistan, and to Prime Minister Benazir Bhutto's recent call to wage a thousand-year war with India for possession of Kashmir. The Pakistani army, Singh observed, has shifted its stance from an anti-communist to an Islamic force, and the government itself was joining in the mass hysteria in Pakistan over events in Kashmir. The government in Islamabad had provoked civilians to cross the border into Jammu and Kashmir, he said, referring to the "little invasion" from Azad Kashmir in early March. Pakistan was using insurgency as a weapon to

achieve territorial aims, the Indian prime minister charged.

Pakistan was quick to react. Pakistani armed forces were put on high alert, with all leaves canceled, following what Army Chief of Staff Gen. Mirza Aslam Beg described as "serious threats" from India. Defensive measures had become imperative, Beg stated, in the face of massing of special troops by India on a section of the Rajasthan border. Pakistan's claims that India has deployed its strike force within 80 kilometers of the border adjacent to Pakistan's troubled Sind province is disputed by Indian officials.

The danger behind the words

The informed view in Delhi is that when all is said and done, it is still very difficult to predict that a war is imminent—at least not until the "war season," the months of September through December when the temperature comes back down out of the 100s. The danger is that the Kashmir crisis, as complex and highly charged as it is, could be the setting for a slide into war from which nothing can be gained.

At the moment, there is no war hysteria in Pakistan, as there was before the 1965 and 1971 wars, Indian correspondents based in Islamabad report. Not even the extreme chauvinists have raised war slogans, and the media has played down the war stories. Bhutto's government has used the tension with India to slap \$350 million worth of additional taxes on petroleum and fertilizer, but that is seen as an opportune financial move, not a military one. Yet, as Anwar Iqbal of the India Abroad News Service does note, Pakistani officials believe that if tension persists over the Kashmir issue for several more months, war could become a real possibility.

"We are still a long way from war, but we can circumstantially be pushed into it," is the way Air Commodore Jasjit Singh, director of India's Institute of Defense Studies and Analysis (IDSA), puts it. A joint seminar in Delhi between the IDSA and its Pakistani counterpart set for April was recently postponed indefinitely. "War is dependent on the degree of control which the government can establish in Kashmir," Singh states.

Indeed: Hours before V.P. Singh's intervention in parliament, it had been confirmed that hostages held by the Jammu and Kashmir Liberation Front (JKLF), including a university vice chancellor and head of a public sector industrial complex in the province, had been executed. A day earlier, JKLF chief Amanullah Khan, who is based in Pakistan's capital Islamabad, had held a press conference at the United Nations to announce the murders. During the following days, bomb blasts in Delhi and Bombay took scores of lives, and were claimed by the JKLF.

The latest news from Jammu and Kashmir indicates that the government headed by Governor Jagmohan is steadily regaining control. The ambiguity around New Delhi's policy, that hobbled the governor's efforts for two months, has been removed, and Jagmohan has been given a free hand for priority law enforcement measures that might hopefully

create conditions for future political initiatives. The JKLF and a dozen other secessionist sects have been banned, and newspapers printing anti-national propaganda have been shut down. A strict curfew, combined with house-to-house combing operations, has reportedly begun to put the extremists in a box.

From the Indian standpoint, dealing a critical blow to the Pakistani military must be a tempting proposition. Pakistani strategy in the Jammu and Kashmir insurgency this round is by all accounts more effective than that which led to the 1965 war, and there is no doubt that the situation there is very difficult for India. Indian diplomacy on the Kashmir issue had made clear that there is no international support for Pakistani aggression, and it is conceivable that a weakening of the Pakistani military would take the steam out of not just the Kashmiri militants, but the Khalistani terrorists as well.

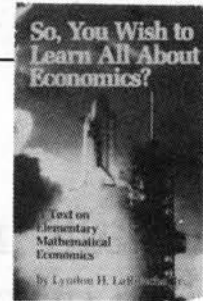
Pakistan's troubles

But it is the political dynamics in Pakistan that are perhaps more worrisome. The fact that the Pakistani military under General Beg would like to establish itself as a crusader for Islam is not necessarily problematic by itself. Beg, like the majority of military men in Pakistan today, represents the post-British, post-Sandhurst generation of nationalists. He is an open critic of Pakistan's 1965 and 1971 military debacles. But, all things being equal, the stakes are probably too high for a military move over Kashmir; failure would unleash a new wave of anti-military sentiment which neither Beg nor the political hawks would like.

The trouble is that the shift in the character of the military is taking place in the context of a political situation where a strident opposition is using the Kashmir issue to bait the relatively weak, newly elected Pakistan People's Party (PPP) government. So far, the opposition alliance of mullahs and the late President Zia ul-Haq's men appears to be succeeding quite well, since Bhutto has been at pains to out-shout them to maintain her Islamic credentials.

Adding to the pressure on the Bhutto government is the fact that the situation in Sind is fast slipping out of control. Polarization is complete between the ruling PPP and its erstwhile coalition partner, the ethnic-based Mohajir Quam Movement (MQM) that dominates Karachi. A near-complete breakdown of law and order, and escalating internecine warfare, have become the order of the day. The proliferation of private militias makes Karachi—Sind's capital and the prime minister's home town—look like Beirut.

The crisis in Sind is a much more grave and compelling problem for the government of Pakistan than the Jammu and Kashmir crisis is for India. Sind is the second most important province of Pakistan, and the ruling party has its base there. Karachi, a port city, is *the* commercial center of the country. Thus, one may surmise, the temptation to consider a war over Kashmir as a viable diversionary option must be rather strong in Islamabad, however unrealistic.



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U.N. gets LaRouche rights case

The extraordinary case of the unjustified political prosecutions of Lyndon LaRouche and associates is now before the United Nations. Part II of a series.

The Paris-based Commission to Investigate Human Rights Violations and Helga Zepp-LaRouche, wife of political prisoner Lyndon LaRouche, filed a second petition to the Commission on Human Rights of the United Nations in Geneva, Switzerland on Feb. 2, 1990, seeking U.N. action against human rights abuses committed against Lyndon LaRouche and his political movement by federal, state, and court authorities in the United States. A first petition had been submitted at the end of May 1989, but has yet to be deliberated upon.

In Part I of this series, the petition took up the 20-year history of FBI "dirty tricks" against organizations associated with LaRouche, and the more recent political frameup of LaRouche conducted by the Justice Department under the auspices of Executive Order 12333.

The section that follows describes the unsuccessful attempts to overturn the unjust verdict in the Alexandria, Virginia federal prosecution of LaRouche and six associates. Although this appeal was supported by the highest authorities in the legal science from all over the world, the Appeals Court decided to uphold the verdict and order the "LaRouche Seven" to remain in jail. Also described are the circumstances surrounding the government's move to place three companies associated with the defendants into "involuntary bankruptcy," making it impossible for them to repay loans.

B. Violations of Articles 10 and 11 of the Universal Declaration of Human Rights

1. The Alexandria prosecution

Lyndon LaRouche, William Wertz, Edward Spannaus, Michael Billington, Dennis Small, Paul Greenberg and Joyce Rubinstein (hereinafter called "the defendants") were tried during November and December 1988 in the United States District Court for the Eastern District of Virginia, Alexandria Division, by a federal jury and presiding Judge Albert V. Bryan, Jr. This trial was conducted under violation of the most essential provisions for fair trial procedures. After only

four weeks of trial, all defendants were convicted as charged on Dec. 16, 1988, and on Jan. 27, 1989, sentenced to terms of imprisonment. Judge Bryan ordered that defendants be immediately detained, denying each defendant's application for bail pending appeal. Since that time they have been held in prison. Appeals for release on bond pending appeal have been denied by Judge Butzner of the Fourth Circuit Court of Appeals, by a three-judge panel at the same court and by the Supreme Court.

On Jan. 22, 1990, the Fourth Circuit Court of Appeals upheld the District Court's ruling.

The Alexandria trial represents the culmination of the decades-long persecution of Mr. LaRouche and his associates. It was described in our earlier communication as one of the most telling examples of disregard for constitutional rights in politically motivated cases in the United States.

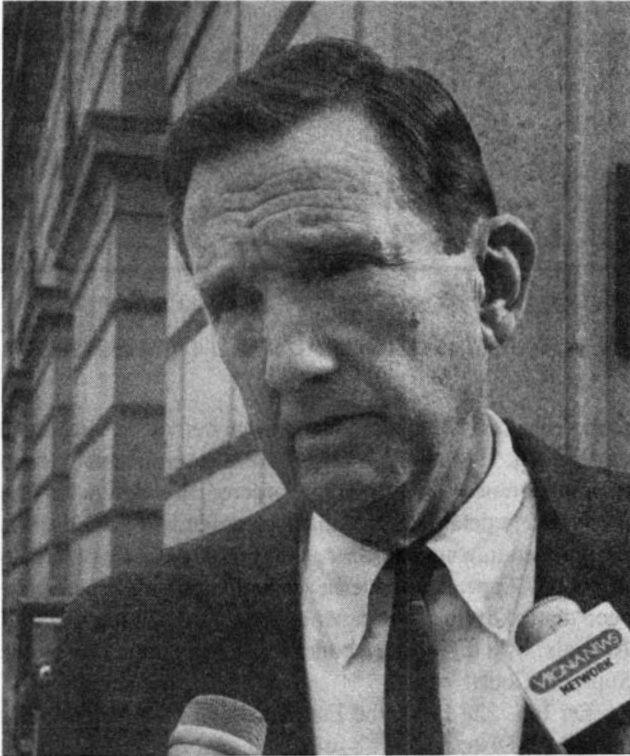
A. THE APPEAL

In face of the important constitutional issues involved in the LaRouche case, former U.S. Attorney General Ramsey Clark joined the team of defense lawyers and argued the appeal for Mr. LaRouche and his co-defendants. In submissions to U.S. courts in this case Ramsey Clark said:

The U.S. government has engaged in flagrant constitutional violations to convict and confine Lyndon H. LaRouche, Jr., whom they perceive as a political enemy.

The fundamental constitutional rights of LaRouche and his associates to a fair trial and to the effective representation of counsel were violated by forcing them to trial within 38 days of indictment in an exceedingly complex case involving millions of documents, many witnesses, and a myriad of complex and novel issues.

The fundamental and constitutional right of LaRouche and his associates to present their defense to a jury was violated by prohibiting them from introducing admittedly relevant evidence concerning the role of the government and others in waging financial warfare against LaRouche and his political organiza-



Shawn Lewis

Former Attorney General Ramsey Clark told the press after he argued the appeal, that the LaRouche case "asks whether the American judicial system is capable of giving a fair trial in an extremely controversial situation. . . . The trial here was not fair."

tions.

LaRouche's right to a jury trial was violated by denying the defense the ability to conduct a meaningfully probing selection of jury (*voir dire*), when LaRouche and his political organization had been portrayed historically by the media in prejudicial and inflammatory terms and when prospective jurors could very well have had personal encounters with his political associates.

The imposition of a 15-year sentence by the trial judge on LaRouche was impermissibly harsh.

This case is an outgrowth of a many-year program of a national multi-agency "Get LaRouche task force."

In a statement attorney Clark gave to the press after he had argued the appeal before the Fourth Circuit Court in Richmond, Virginia, on Oct. 6, 1989, he also said that the LaRouche case "asks whether the American judicial system is capable of giving a fair trial in an extremely controversial situation. . . . The trial here was not fair. . . ."

Accordingly, the appeal brief cites the constitutional violations committed during the Alexandria trial which are so numerous, that the defendants were not even granted the semblance of a fair trial. The circumstances which should

have compelled the Appeals Court to order a new trial are described in our earlier communication:

- The arbitrary choice of venue and rush to judgment.
- The District Court denied the defendants the right to be tried by a fair and impartial jury, because there was no valid *voir dire* examination; the actual *voir dire* was constitutionally inadequate and unconstitutionally general; the trial judge relied on jurors' subjective perceptions and failed to probe outside influences on jurors; defendants were precluded from making effective use of their peremptories.
- By denying defendants' motion for exculpatory material and granting the government's pre-trial Motion *in Limine*, the court deprived defendants of their constitutional right to present their case to a fair and impartial jury.
- The government's Motion *in Limine* denied defendants' right to present crucial evidence to the jury.
- The District Court erred when it refused to grant defendants' motion for continuance and forced counsel to trial without affording them adequate time to prepare their defense. By rushing the defendants to trial, and by denying defendants' motions for continuance, the court left defense counsel unprepared for trial and ineffective in addressing and rebutting many of the government's contentions against the defendants.

B. LEADING INTERNATIONAL JURISTS JOIN THE APPEAL

When attorneys for Lyndon LaRouche and his co-defendants filed an appeal before the Fourth Circuit of the U.S. Court of Appeals in Richmond, Virginia last May, that appeal was accompanied by a series of *amicus curiae* briefs from all over the world. During May 1989, Assistant U.S. Attorney Kent Robinson, prosecutor in the Alexandria trial, contacted each and every of the 144 attorneys who signed the *amicus curiae* brief submitted by Baltimore attorney David R. Pembroke. Robinson told Mr. Pembroke, that he thinks that the attorneys who signed the brief, a collection of some of the nation's most prominent legal personalities, were not well enough informed to legitimately sign the brief. On July 5, the court accepted the brief over the objections of Assistant U.S. Attorney Robinson.

The Department of Justice did also oppose the *amicus curiae* brief written by attorney Edwin Vieira, which especially exposed the fact, that Buster Horton, foreman of the jury that convicted Lyndon LaRouche and his six co-defendants in Alexandria, is tied to the "secret government" apparatus which is responsible for the Iran-Contra operations and directed operations against Mr. LaRouche, as well as tied to outspoken political enemies of Mr. LaRouche.

On July 27, 1989, attorney Pembroke went back to the U.S. Court of Appeals for the Fourth Circuit and filed a Motion for Leave to file a supplement to his brief. The proposed supplement added 233 additional *amici* to the original brief, bringing its total signers to 377. On Sept. 13,

1989, Pembroke filed a second Motion for Leave, asking to add the signatures of more than 400 additional jurists to his brief, bringing the total amount of supporters to well over 800.

Among the signers are some of the most prominent American attorneys and legal scholars: one dozen professors of constitutional and interational law from eight of some of the most prestigious U.S. law schools, the deans of three law schools, the presidents of seven regional Bar Associations and two minority Bar Associations, the director of the California Young Lawyers Association, two presidents of state chapters of the American Trial Lawyers Association, two presidents of state chapters of the National Association of Criminal Defense Lawyers, a past president of California Attorneys for Criminal Justice, a former Attorney General of Colorado, civil rights attorneys and functionaries from organizations including the ACLU, Common Cause, the NAACP, and the National Council of Public Auditors, two former U.S. Attorneys, six former district attorneys, five retired Superior Court judges, along with a wide array of nationally prominent criminal law specialists and authors.

A section from the "Summary of the argument" of the original brief says about the Alexandria trial:

The trial judge denied any semblance of a fair trial to the Appellants in this case. The trial court rushed the appellants to trial without adequate time to prepare their defense, denied them the right to a fair and impartial jury, and excluded essential areas of evidence which were critical to the defense case.

If these convictions are allowed to stand, no defendant in the Eastern District of Virginia or any other district in the Fourth Circuit can be assured of a fair trial. . . . Furthermore, such a precedent would be a potential threat to the rights of any accused anywhere in the United States, and would represent a dangerous erosion of the fundamental rights guaranteed by our Constitution and Bill of Rights.

On Sept. 28, 1989, James E. Mann, a former U.S. congressional representative, who served as a leading Democratic member of the House Judiciary Committee during his tenure in Washington, D.C., filed three motions before the court in Richmond seeking permission to add almost 50 additional signatures to a series of European *amicus curiae* briefs in the LaRouche appeal. The court had accepted on June 19, 1989 five briefs sponsored by Mann and authored by six leading European law professors and prominent attorneys from Austria, West Germany, France, and Sweden, among them a former justice minister of Austria. All of the briefs expressed grave concern about the violations of accepted standards of international law and human rights which occurred in the conviction and subsequent imprisonment of Mr. LaRouche and his associates.

C. GOVERNMENT CONTINUES UNFAIR TACTIC

The government's response to the defendants' appeal brief, which raised compelling constitutional questions, confirms the political animus behind the prosecution. The government's opposition brief, which was filed beginning of July, 1989, contains exactly 148 lies and misstatements packed into the 70-page memorandum. Observers characterized the government brief as a transparent effort by the prosecution team to overwhelm the legal issues and drive the court to the conclusion that the evidence of guilt was so great that the compelling constitutional arguments made in the LaRouche appeal could be ignored.

The lies and misstatements included:

- false statements by the government for which there is no support in the record whatsoever, and which are contrary to fact;
- statements or assertions contrary to fact which are based on false testimony which was contradicted or rebutted by other testimony or evidence in the record;
- statements or assertions contrary to fact based on false testimony, which was not rebutted because of court orders limiting evidence, preparations for trial and cross-examination.

The court accepted an unusual *Pro Se* Motion and "Table of Misstatements of Fact in the Government Brief" filed by the Appellants to rebut these falsehoods.

One of the classic examples of the government's tactics is the stipulation: ". . . it was articulated policy and practice of the defendants not to repay loans." Yet at trial at least four government witnesses testified that there was no such policy not to repay loans!

D. THE FIGHT FOR EXCULPATORY MATERIAL

As stated above, one of the constitutional grounds the appeal rested on was the fact, that by denying the request for exculpatory material and granting the government's pre-trial Motion *in Limine*, the District Court deprived defendants of their constitutional right to present their case.

One of defendants' most important pre-trial motions was their Motion for Disclosure of Exculpatory Evidence, which was a specific and detailed motion containing numerous separate requests for particular categories of exculpatory material. Despite the specificity of the requests and their articulated basis, the court denied all of defendants' requests for Brady material without hearing argument on a single request. Many requests were based on documents which were previously disclosed to defendants through Freedom of Information Act requests or discovery in other cases, and which clearly indicated the existence of the types of documents or information set forth in the request.

The pre-trial defense motion sought documents showing:

- government interference with fundraising efforts by associates of LaRouche, including attempts to harass and intimidate contributors;

- government contacts with banks and other financial institutions for purposes of interfering with fundraising and financial affairs of organizations identified with LaRouche;

- efforts by political enemies of LaRouche to discredit him within the Reagan administration and the intelligence community; and

- the role of government agencies in coordinating or aiding news media attacks on LaRouche, including the instigation of slanderous news coverage and illegal leaks of false and derogatory information to the news media.

Simultaneous with papers opposing defendants' motions, the government filed a Motion *in Limine*, seeking to preclude the defense from introducing any evidence, or cross-examining any government witnesses, with respect to: (1) prior FBI investigations, infiltrations, and use of informants; (2) defendants' claims that the government, through the FBI, CIA, and others, had engaged in a pattern of harassment and persecution of defendant LaRouche and his associates; (3) defendants' claim that their inability to repay the loans they were charged with having fraudulently obtained was largely due to the government's "financial warfare"; and (4) the fact that the involuntary bankruptcies against defendants' organizations were initiated by the government.

The court granted this motion in all significant respects and in so doing prevented defendants from raising their fundamental defenses. Please see our earlier communication for a detailed explanation of "evidence of government harassment and interference," which was central to the defense on the loan fraud charges, in that such actions by the government contributed to the organizations' inability to meet the financial obligations at issue in the indictment.

One of the objectives of the appeal against the Alexandria convictions was to obtain an order for a new trial, in which evidence proving the innocence of the accused could be fully presented. It is self-evident, that in a fair trial a defendant in a criminal case is entitled to see and confront all the evidence and witnesses used against him. He is also entitled to see any evidence which is "exculpatory," i.e., which would tend to show he is innocent of the charges against him.

As the defense argued in Alexandria and as was confirmed again after trial, there existed massive amounts of classified documents and information that were relevant and material to the defense case. But the Reagan and Bush administrations had reason to fear the political consequences of disclosure of classified documents into the public domain, and sought to prevent it. As already in the Boston trial and then in the Alexandria trial, the government withheld almost all classified documents from the defense, never even allowing the defendants to see the information in the withheld documents. The government's stonewalling over classified documents even before the Alexandria trial was exemplified by the following:

- In LaRouche's first trial in Boston, prosecutors ridiculed defense assertions about covert operations and classi-

fied information, yet were forced to disclose the existence of hitherto secret files throughout the course of the trial. The prosecutors had agreed to conduct an "all-agency" search for documents pertaining to the defendants. Time and time again, as the trial proceeded, documents would surface from a government agency, which would then assert that no further documents existed only to have additional documents appear a few weeks later.

- On March 7, 1988, one of the defendants independently obtained a declassified document found in Lt. Col. Oliver North's office. The telex, from Richard Secord to North, contained the critical passage: "Our man here says Lewis has collected info against LaRouche." Shortly thereafter, a second FBI document suggested that U.S. government intelligence agencies had been conducting infiltration and disruption operations against LaRouche and his associates.

- At one point the Boston case against LaRouche was almost dismissed over the government's refusal to declassify secret information which had been found to be relevant.

- During that trial, the judge ordered a search of the White House files of then-Vice President George Bush.

The judge and prosecutors read through thousands of pages of classified documents which the defendants were never allowed to see. Instead the government filed admissions as substitute for the withheld information. These admissions stipulated *inter alia* that a key government witness had been a paid FBI informant for many years on both criminal and national security matters. Prosecutor Markham later told one of the defense attorneys that, had Judge Robert Keeton of Boston not accepted the government's final proposal for substitute admissions, the government would have allowed the case to be dismissed rather than release any more classified information to the defendants.

- On Aug. 10, 1988, in a "Memorandum and Order," Judge Keeton found that around the questions of production of evidence involving intelligence agency areas the government had engaged in "institutional and [systemic] prosecutorial misconduct." Keeton's order concerned the evidentiary hearing concerning intelligence community operative Ryan Quade Emerson which in fact had led the case to mistrial in May 1988.

- The DOJ dropped the Boston LaRouche case and re-indicted LaRouche in Alexandria, counting on the fact that the judge there would suppress all classified exculpatory evidence. It was clear that LaRouche and his co-defendants were likely to win in any retrial in Boston. To prevent any recurrence of the Boston events, the LaRouche case was transferred to the Eastern District of Virginia. It was known that Chief Judge Albert V. Bryan, Jr. of the federal court in Alexandria could be counted on to suppress any issues of classified information and government misconduct. Bryan's "rocket docket" court is known for routinely denying virtually all pre-trial motions submitted by defendants, especially all discovery motions. Plus, having sat on the super-secret

special court created by the Foreign Intelligence Surveillance Act (the "FISA court"), Bryan could be presumed to be intimately familiar with covert intelligence operations, including those directed against LaRouche.

- Only after LaRouche and six co-defendants were convicted and jailed on Jan. 27, 1989, did the FBI release a small portion of the 4,700 pages of mostly classified documents they were withholding. Those documents that were declassified and released showed extensive efforts by the FBI and other agencies to discredit LaRouche, and indicated attempts to frame up LaRouche and associates on spurious charges. Most significant was the July 1989 disclosure by FBI agent David Lieberman of the existence of a secret "national security" file on LaRouche which "was compiled . . . pursuant to Executive Order 12333." The FBI is withholding this file.

On Oct. 11, 1989, Warren J. Hamerman, chairman of the National Democratic Policy Committee, wrote to President George Bush requesting that the President exercise his "constitutional power, legal obligation, and duty as President to declassify and cause to be released to the general public now all documents, material and evidence exculpatory to Mr. LaRouche and his associated movement" which were denied in court proceedings. The documents specifically requested tracked intelligence agency activity constituting what the letter called "a private effort" and "secret government apparatus like that which came to public light in the Iran-Contra affair." The letter stated that among those engaged in these activities were Oliver North, Oliver Revell, James Nolan, Henry Kissinger, et al. "Under the Reagan administration's Executive Orders 12333, 12334, and other specific related orders, agencies of the government launched counterintelligence investigations and repressive covert operations against LaRouche and his associates which were aimed at 'neutralizing' his political influence abroad and domestically."

On Oct. 20, 1989, Hamerman sent a second letter to President Bush specifically requesting that he "invoke his powers under Executive Order 12356 to declassify and release all material on Lyndon LaRouche" in the possession of the White House, NSC, FBI, CIA, State Department, Department of Justice, the President's Foreign Intelligence Advisory Board and other government agencies or inter-agency government task forces. Appended to the letter was a list of 15 national security "topics" which were acknowledged by the government to exist but were not declassified.

On Oct. 30, 1989, White House counsel C. Boyden Gray's assistant, Brent O. Hatch, wrote to Hamerman concerning the documents request saying: "The Department of Justice has been handling this matter and is aware of the concerns you have raised. We are confident that this matter has been appropriately handled."

On Nov. 7, 1989, Vernon Thornton, the acting section chief for the Records Section at FBI headquarters in Washington, in a FOIA case that arose from a lawsuit by an associate of LaRouche, submitted an affidavit saying that he had

reviewed the documents in the file acknowledged by Lieberman (see section A.1. *supra*) and determined that they could not be released because the file was a "national security repository."

It is instructive to compare this "stonewalling" to the handling of the most recent Iran-Contra prosecution, that of Joseph Fernandez, former CIA station chief in Costa Rica. Fernandez was accused of lying to Iran-Contra investigators. Any serious investigation of his activities would have uncovered evidence that the Iran-Contra gun- and drug-smuggling operations were run with knowledge and consent of high places in the U.S. government. Alexandria U.S. District Judge Claude Hilton ruled that in order for Fernandez to get a fair trial, information on CIA activities in Costa Rica had to be brought in. To protect former Vice President Bush, whose office as Vice President had been directly tied into the Iran-Contra operations, and the CIA, Attorney General Thornburgh barred any airing of this information, alleging irreparable harm to U.S. national security. Hilton then dismissed all charges against Fernandez, ruling that the secret documents in question were "essential to the defendant" and indispensable for a fair trial.

In the LaRouche case, however, the government got it both ways: The defendants were denied a fair trial and secret documents in the possession of the government have not been declassified to this date!

E. THE GOVERNMENT-INITIATED BANKRUPTCY

Another severe curtailment of the defendants' ability to fully present their defense during the Alexandria trial was Judge Bryan's court order as to the government-initiated involuntary bankruptcy of three LaRouche-related entities.

In relevant part the court ordered:

"1. Reference to the bankruptcy proceedings as a reason for nonpayment of the loans which are the subject of the indictment will be permitted; that the bankruptcy was an involuntary one, i.e. at the instance of other creditors, will be admissible; that the government was the creditor which initiated the involuntary bankruptcy proceeding will not be admitted because the court, pursuant to F.R. Evid. 403, concludes the admission of testimony that United States was the petitioning creditor would necessitate inquiry into the nature of the debts owed the United States as a result of contempt proceedings, and would divert the jury from the issues raised by the indictment."

In effect, the court ordered the defendants to accept a material misrepresentation of the facts of the bankruptcy.

The actual facts are as follows: On April 20, 1987, the United States, through the U.S. Attorney for the Eastern District of Virginia Henry Hudson, petitioned the U.S. Bankruptcy Court to place three organizations operated by associates of defendant LaRouche and the other defendants (Campaigner Publications Inc., Fusion Energy Foundation, Caucus Distributors Inc.) into involuntary bankruptcy. The Unit-

ed States obtained an order, in a highly extraordinary *ex parte* proceeding, appointing Interim Trustees, directing them to seize the assets of the three companies, and directing the Trustees to run the businesses and refrain from any payment of debt other than approved by the Bankruptcy Court. The Interim Trustees, aided by U.S. Marshals, padlocked the offices of the companies in an early dawn seizure on the morning of April 21.

The pretext for this was that fines were owed to the government in the amount of \$16 million imposed on the bankrupted entities for alleged non-production of financial records subpoenaed on order of the Boston grand jury. (For the illegitimacy of these fines see section A.2.) Also the NDPC was originally fined \$5 million, bringing the total of the fines to \$21 million. Proceedings in the New York "LaRouche case" (see section B.4. of this communication), where the government had to produce an inventory of the records which had been produced, revealed that the entities accused of "contempt of court" actually did produce the records at issue!) The government was the sole creditor on the involuntary petitions. However, the court's *in Limine* order directed the parties to state that it was "at the instance of other creditors." There were no "other creditors" when the petition was filed.

Any person hearing evidence that the companies were put into involuntary bankruptcy could reasonably conclude that the companies had been forced into bankruptcy by disgruntled lenders, such as those that testified at trial or that defendants were seeking to avoid their debts through this procedure.

The misrepresentation of the bankruptcy was even more egregious because the prosecutors constantly made reference to nonpayment of loans. Lender-witnesses were invariably asked whether they had ever "to this day" been paid back.

The Alexandria case against LaRouche and six associates was totally dependent upon the bankruptcy shutdown of the three companies. First, Attorney Hudson caused the companies to be padlocked and their operations shut down. This prevented the companies from obtaining any revenues or paying any debts. Then Hudson indicted LaRouche and six associates for conspiracy to borrow money fraudulently, the proof being that the money was not paid back. But, under the Bankruptcy Court's order, the money could not legally be paid back.

Judge Bryan of Alexandria personally made two rulings in 1987 upholding U.S. Attorney Henry Hudson's seizure and shutdown of three publishing companies operated by associates of LaRouche. In order to keep the truth about the bankruptcy from the jury, the same Judge Bryan ordered the defendants to lie about the bankruptcy, preventing them from telling the jury that it was the government alone that initiated the involuntary bankruptcy.

In the summer of 1987, attorneys for the three seized companies appealed the initial order of the bankruptcy court that shut the companies down. The order was appealed to the

U.S. District Court, and was heard by Chief Judge Bryan. The basis of the appeal was the secret, *ex parte* nature of the proceeding, and the fact that the U.S. government was the sole petitioning creditor, in violation of the U.S. Bankruptcy Code (11 U.S.C. 303(b)).

A second motion was brought before Judge Bryan in July 1987, seeking to "remove" the entire case from Bankruptcy Court to District Court. This is allowed when important constitutional issues are involved in a bankruptcy: The issue put before Judge Bryan was Hudson's use of the bankruptcy proceedings to extract testimony to be used in his criminal investigation. Hudson served as chief prosecutor in the criminal trial in Alexandria. Bryan again denied the motion. These rulings set the stage for the convictions of LaRouche and his associations a year and a half later. On May 4-9, 1988, a trial on the propriety and sufficiency of the government's position was conducted in the U.S. Bankruptcy Court for the Eastern District of Virginia. More than a year later, on Oct. 25, 1989, bankruptcy Judge Martin V.B. Bostetter threw out the government-initiated bankruptcy and found that the government had filed the action in "bad faith," that its actions were a "constructive fraud on the court," and that there was "improper use" of the bankruptcy law, especially against debtors who "strived more to expose the world to its political viewpoint than attain private monetary gain." Bostetter ruled in favor of the three companies on each of the three major issues they had raised at trial: (1) that the procedure was illegal because there was only one petitioning creditor the United States government, not three as required by law; (2) that the petition was brought in bad faith, and for an improper purpose; and (3) that two of the three alleged debtor companies were non-profit organizations (FEF and CDI), therefore not subject to an involuntary bankruptcy. Judge Bostetter also noted that the secrecy of the procedure aided the government in obtaining the original bankruptcy order.

In commenting on Bostetter's scholarly decision, observers pointed to the role of Chief Judge Albert V. Bryan, who personally supported the bankruptcy and knew that the prosecution's indictment of Mr. LaRouche and six others in Alexandria could not have been possible without this bankruptcy, but nevertheless presided over the conviction of these defendants and sent them to jail.

It is interesting to note that in a trial against LaRouche associate Donald Phau, which started in January of this year before a Virginia state court in Roanoke, the government filed a Motion *in Limine* to prevent the introduction of the bankruptcy ruling by Judge Bostetter.

The fact that the defendants' appeal against the Alexandria verdict was rejected by the Fourth Circuit Court of Appeals, documents that judgments such as Bostetter's decision, which implicitly define other rulings as illegal and unconstitutional, do not guarantee a sufficient protection against politically motivated prosecutions but rather highlight the abuse of U.S. courts for political purposes.

Book Review

A Lithuanian Catholic's struggle against inhuman Soviet oppression

by Cloret Carl

A Radiance in the Gulag, the Catholic Witness of Nijole Sadunaite

trans. by Rev. Casimir Pugevicius and Marian Skabeikis

Trinity Communications, Manassas, Va., 1987
148 pages, hardbound \$11.95; paperbound, \$7.95

Sister Nijole Sadunaite is known to Lithuanians, at home and abroad, both old and young, as a spiritual and moral leader of the Lithuanian resistance movement. The monumental courage and faith imparted by this saintly woman's chronicle inspire anyone fortunate who reads her words.

On March 25, this writer had the honor of meeting Sister Nijole. I was impressed with her joyful spirit and illuminating grace. Her active dedication to truth and justice through love of God continue to outrage the KGB. Sister Nijole's personal recollections, *A Radiance in the Gulag*, hastily written and smuggled out of occupied Lithuania (circa 1987), document the perverse content of the Russian regime's notions of "justice" and "law."

Born 52 years ago at Kaunas, Lithuania, one year before the Hitler-Stalin Pact annexed Lithuania to Russia, Sister Nijole is the daughter of Veronika Rimkute-Saduniene, an intelligent and religious woman, and Dr. Jonas Sadunas, an agronomist who traveled extensively in Western Europe and Africa teaching scientific agriculture and functioning as a lay Catholic minister to the poor. The Sadunas family circle of friends include the martyred clergymen Bishop Vincentas Borisevicius, Canon Kemesis, and Father Franciskus Gus-

taitis, all executed at the hands of the KGB. The little Felicitas Nijole was profoundly influenced by the lives of these martyrs and was thoroughly acquainted with the brutal torture and executions which they endured.

After the outbreak of war in 1941, Sister Nijole's family, though condemned to Siberian exile, managed to escape and found refuge with the help of Bishop Borisevicius, who arranged for her father to be employed as a teacher in the seminary at Telsiai.

Throughout the late 1940s into the 1950s, Sister Nijole and her family were constantly stalked by the Cheka and its successor, the KGB. Like most Lithuanians, they supported the struggles of the partisans against the Russian occupation. The family endured great personal hardships, including malnutrition, with noble courage. Since the family refused to renounce or conceal its faith, even under direct threats to their physical existence, the Cheka and later the KGB prevented it from establishing official residence or employment for any significant amount of time. The threat of being carted off to the Siberian taiga continually plagued the family's day-to-day life.

From its inception, the Lithuanian resistance has drawn upon the Catholic cultural matrix in its uniquely Lithuanian form of expression, in the struggle for survival of a language with conceptually rich poetry and traditional music.

The crime: publishing a newspaper

"In 1970," Sister Nijole writes, "when a criminal case was brought against Father Antanas Seskevicius for catechizing children, I hired an attorney for him. But to sympathize with and help those who are being persecuted by the KGB is to make oneself a target of the KGB." From this point on, Sister Nijole was placed under continuous surveillance and harassment, being forced out of her job and threatened with

eviction and revocation of her residence in Vilnius. Nonetheless, she regularly copied and passed on the *Chronicle of the Catholic Church in Lithuania*, an underground newspaper which gives accounts of the Lithuanian Catholic struggle to survive totalitarianism.

Four years after the judicial railroad and imprisonment of Father Seskevicius, Sister Nijole was also arrested.

"In my room about 2:00 p.m., I began copying the *Chronicle*. Hearing me, a neighbor woman, a teacher named Mrs. Aidietience, who was an informer I did not suspect at the time, called the KGB and told them I was typing. (Chekist Vytautas Pilelis mentioned this to me during my interrogation: 'you started typing the *Chronicle* when the woman next door immediately informed us of the fact, by telephone.' I replied, 'If she did so convinced that she was right, I respect her. And if she did it for spite, I am sorry for her.')

"When the Chekists came and surrounded the house, that same neighbor hurried at their orders to the Polyclinic to find out whether my brother would be returning home soon, since the Chekists had decided to enter the apartment at the same time as he, and so to surprise me while I was typing. And that is exactly what they did. About 4:00 as soon as my brother returned, a whole group of Chekists tumbled into our apartment. Three of them opened the door to my room, and saw me sitting at the typewriter, talking with Brone Kibickaite, my best friend, who was sitting nearby, and they began shouting, 'Don't move! Hands up!'"

Sister Nijole was charged with violating the Criminal Code of the Lithuanian S.S.R., paragraph 68—anti-Soviet agitation and propaganda.

While awaiting trial, Sister Nijole was whisked off to imprisonment in the KGB cellars. The KGB cellars are the latest trend in interrogation solitary confinement methods, consisting of hot cellars where one is stifled from lack of air, and perspires ceaselessly from heat; or cold, damp cells where the marrow of the bones freezes, and the skin develops festering sores.

"The KGB cells are deep underground, and only the top of a small window at the ceiling reaches the ground outside—the pavement of the KGB yard. The little window is barred with double panes of filthy glass, and you can barely see a patch of sky. To reach that window, one must climb up on a small table, and this is strictly forbidden.

"Those under interrogation are taken outside, for a half-hour of exercise daily (it is supposed to be 45 minutes, but the soldiers cheat on the time) in the little yard, similar to a cement cave—with high cement walls and floor, and above bars with narrow apertures. The little yards are four by five paces, or a bit larger. All around are the high walls of the KGB headquarters. Throughout the interrogation period, one does not see a tree or a blade of grass."

Throughout her confinement in the hot, unventilated cell, Sister Nijole sang hymns to the violent objections of the guards.

David and Goliath

The mere dissemination of truth and propagation of the faith by means of the hand-copied *Chronicle* strike overwhelming fear in the KGB apparatus—an apparatus which possesses "thousands of staff, hundreds of thousands of agents, informers, the best detection and eavesdropping means," which controls all of the army, militia, prisons, psychiatric hospitals, and the court system to boot.

Lacking witnesses against Sister Nijole, each of her interrogators desperately resorted to threats: "You schizophrenic!" "For that we will shut you up in a psychiatric hospital." This failing, they used forgeries and lies: "[Chekist Pilelis] wrote in the space specially left in the witnesses' depositions, after they had signed them and departed, that they had testified that I was a fanatic. . . . Not one of them had said so and some of them did not even know the meaning of the word. The Chekists charge everyone who is on trial for religion with religious fanaticism. From this it is clear that there are secret instructions from Moscow to this effect."

The sentence was sealed before the mock trial even began:

"One day, he [Chekist Pilelis] began to praise me profusely. 'Throughout my career, I have never met anyone like you, who has done so much good for people.' I asked why he was praising me so highly. 'It's not flattery, but the truth,' said the Chekist. 'And in spite of the fact that I have really tried to do only good for everyone,' I said to him, 'at my trial you are going to give me a greater sentence than you do murderers.' 'Yes, you are going to get more than murderers, because you know too much,' affirmed Pilelis."

Following 12 months of interrogation in the KGB cellars—four different interrogators, including Assistant Chief Kazys of the Interrogation Section of the KGB and Maj. Vytautas Pilelis, the much-touted Chekist—Sister Nijole finally went to trial.

The 'trial' and the 'defense'

Securing an attorney for Father Seskevicius had made her a KGB target, and for this reason Sister Nijole served as her own attorney.

"'Don't say what you are prepared to say today, and you'll go home from trial free!' The prosecutor in the Supreme Court offered me freedom in exchange for my silence. How much they feared the truth! I replied, 'I am not a speculator and I refuse to speculate with my convictions. I will speak today!'"

Fearful lest her defense speech and final statement be leaked to the public, the authorities had Sister Nijole escorted to trial by six soldiers (murderers are guarded by one or two soldiers), while in the courtroom she was guarded by young hand-picked Russian soldiers unable to understand Lithuanian.

Aside from the accused, her guards, the prosecutor, and six Chekists, the courtroom was empty.

All witnesses were removed from the courtroom, and it was affirmed by the judge that the trial was secret! At the Sister's objections that, even in secret trials, witnesses "were supposed to be present until the end" of a trial, the "judge threatened, 'One more word, and . . . we'll sentence you *in absentia!*' " Unshaken, Sister Nijole reminded the court that to remove her, the accused, from a trial which already banned spectators and witnesses, would be triply unjust! She remained in the courtroom to represent herself.

Her lengthy defense speech juxtaposed the freedoms guaranteed in the Soviet Constitution, the law, and the Universal Declaration of Human Rights, to the KGB's unbridled perversion of the legal process into an instrument of tyrannical force imposing the arbitrary will of the Russian dictators. She eloquently expounded upon the inviolability of the Creator's law, to which they also are subject, boldly stating, "What you fear is the truth," and warning, "Your crimes are propelling you to the garbage heap of history at an ever increasing speed."

Addressing the souls of her inquisitors, she declared, "Every person has the sacred duty to struggle for human rights. . . . The most important thing in life is to free one's heart and mind from fear, since concessions to evil are a great crime.

"This is the happiest day of my life. I am being tried on account of the *Chronicle of the Catholic Church in Lithuania*, which is struggling against physical and spiritual human tyranny. That means I am being tried for the truth and love of my fellow man. What can be more important in life than to love one's fellow man, his freedom and honor?

"Love of one's fellow man is the greatest form of love, while the struggle for human rights is the most beautiful hymn of love. May this hymn forever resound in our hearts and never fall silent. I have been accorded the inevitable task, the honorable fate, not only to struggle for human rights, but also to be sentenced for them. My sentence will become my triumph! My only regret is that I have been given so little opportunity to work on behalf of my fellow man.

Thirsting for divine justice

"I will joyfully go into slavery for others and I agree to die so that others may live. Today, as I approach the Eternal Truth, Jesus Christ, I remember His fourth beatitude: 'Blessed are they who thirst for justice, for they shall be satisfied. . . .'"

During the two days of her remarks, her Russian inquisitors sat pale, with drooped heads and downcast eyes. They could not look her in the eye.

"On June 17, 1975, Judge Kudiriashov handed down the court's decision: 'for duplicating and disseminating the *Chronicle of the Catholic Church in Lithuania*, she is sentenced to three years loss of freedom, to be served in strict regime labor camps, and three years of exile.' "

This unbreakable woman describes at length her journey

through the hellish Gulag system: dehumanizing conditions of transport, continual mental and physical torment marking her brief stays in the transfer points en route to the Female Political Prisoners Strict Regime Concentration Camp at Mordovia.

That prisoners of conscience still existed in the Soviet Union astounded the criminal prisoners with whom she was transported. To the dismay of their watchful guards, she gave the starving her food and regularly engaged them in conversations. As time passed, even the three armed military soldiers assigned solely to guard her cage took interest in her case. Amid the wide variety of parasites, bedbugs, fleas, lice, roaches, and rats, this woman's unwavering spirit and conscience became a source of hope and strength to the most downtrodden prisoner.

During the exhausting, month-long journey to Mordovia, Sister Nijole lost 33 pounds. But her acts of love and faith in God's justness prevailed: "And how good it is that the small boat of our life is steered by the hand of a good Father. When He is at the wheel—nothing is frightening. Then, no matter how hard life becomes, you will know how to fight and how to love. And I can say that the year 1975 has flown by like the wink of an eye, but it has been my joy. I thank the good God for it."

Throughout her incarceration at the forced labor camp, she organized and participated in hunger strikes and petition campaigns, providing an invincible optimism to her compatriots within the Catholic underground network which reached both male and female political prison camps.

Although hundreds of letters sent to her were confiscated, she was able to have the details of her conviction smuggled out to the public, evading and confounding the KGB prison informers.

Following the end of her concentration camp term, without prior notice, she was shipped off to Siberian exile, spending one week each at jails in Potma, Chelyabinsk, Novosibirsk, and Krasnoyarsk. On Sept. 19, 1977, she and eight male criminal prisoners arrived in Boguchany, scheduled to be shipped to the Siberian taiga, a wilderness of forest-covered hills, largely uninhabited.

She survived her exile, despite continuing attempts to destroy her. Eventually returning to Lithuania, and resuming her underground activity, her life was shadowed with constant threats of re-arrest and assassination, which have by no means ceased to this day. Should Sister Nijole's chronicle become more widely circulated and read, it will profoundly enrich today's growing worldwide anti-Bolshevik movement, by addressing the fundamental moral crisis facing us today in such unmistakably clear and uncompromising terms.

Sister Nijole Sadunaite's written recollections capture both the cruelty of evil in the Russian "blood-and-soil" mentality, and demands of the reader to recognize the power of the divine potential within humanity as the incalculable factor for freedom which its adversaries cannot acknowledge.

Conference in Italy studies cults, and 'anti-cult' movement

by Claudio Rossi

When we hear about the troubling proliferation of cults, our minds run perhaps to strange groups of youths with shaven heads, dressed in saffron tunics, who march through our streets in noisy parades, beating tambourines and obsessively repeating nonsense syllables. Or perhaps we think of the disturbing reports about horrible ritualistic crimes that appear on the police blotters.

These aspects are only the tip of the iceberg, the parts that most strike the popular imagination. The phenomenon of cults, or alternative religious movements, as they are defined by specialists, is very complex and variegated; and what may seem innocuous is not always so.

Recently, a leading expert, Prof. Remi Hoekman, director of the Center for Research and Coordination of the International Federation of Catholic Universities, while stressing that the "numeric importance of the cults must be kept in mind while not overestimated," also noted:

The last 25 years have constituted in the West an authentic spiritual flowering, which has rapidly given rise to a series of religious or pseudo-religious groups and practices. This in the long term could generate transformations and perhaps even certain processes of *disintegration* for society and for the Church.

Such statements are not made lightly. The survival of a civilization is not a simple static event. For a society to survive, its culture has to be transmitted from generation to generation, and hence every generation must be capable of rediscovering, for itself, those principles of spiritual and scientific truth that make up the foundation of that civilization, as well as a correct relationship between man and nature. The active nature of this process, the education of new generations by "profound and impassioned concepts of nature and man," in the words of the poet Shelley, is precisely that which requires the capacity to identify and value what makes man like God.

The spread of relativism in religion and of anti-Christian ideologies in society is a threat for civilization insofar as in perverting God, man, too, is perverted.

The gravity of the problem merits constant reflection, and in the Catholic world has been the subject of intense study. Already in 1984 the Secretariat for the Union of Christians had begun a study of the presence and activities of cults, to which the Catholic Bishops' Conferences of all the continents contributed. In 1986, four departments of the Holy See collaborated to draft a provisional document on "The Phenomenon of the Cults, or New Religious Movements, Pastoral Challenge," in an attempt to give an overview of the complex phenomenon.

During this period, at the impetus of Msgr. Giovanni Marinelli, the Group for Research and Information on the Cults (GRIS) was formed, a Catholic association made up of priests, religious, and laymen which operates within the Roman Catholic Church, to respond to the cult phenomenon. Its purpose is to gather and study information about alternative religious movements and to analyze the appropriate pastoral means to both prevent and deal with this challenge. On Nov. 18-19, 1989, GRIS held a convention in Foggia, Italy on the topic "Let Us Give Reason for Our Faith."

A pastoral response

Msgr. Giuseppe Casale, the archbishop of Foggia, set the stage for the discussions in such a way as to avoid ascribing to the cults more powers than they really have, but also to set the framework for preventing the "disintegration of society and the Church":

Above all we must know our own Faith better. At the root of secularization, even before there is open and convinced hostility toward religion, you find a kind of religious illiteracy. Only if one pays attention to this fact, can one understand why many Catholics are ill-prepared and receive the proposals of cults in an uncritical manner. Therefore this conference invites all of us to make ourselves capable of giving reason for our faith.

He said that Catholics must learn to confront the fundamental problems of the destiny of the soul, the resurrection of the body, and the ultimate meaning of life, to which the cults give a solution which satisfies insofar as it is simple—in fact, often simplistic.

The new religions, together with the growth of indifferentism and practical atheism, are a sign of the times: a sign which calls us back to the great task of our mission, not only in faraway lands, but in the secularized West itself, such that the Faith may again be known and loved. And it must be known in order to love it, because one cannot love that which one does not know.

The monsignor asserted that only those who live the Faith

as certainty, and see in Christ and in his word the source of salvation, can escape the trap of the relativistic Christian for whom all religions are equal. Only the certainty of the Faith can give an answer to projects of "unification of all religions which pervades the world of the new religiosity as well as certain occultist and masonic-type circles":

I think that this relativistic attitude is closely tied to the *collapse of metaphysics*, linked to a dominant historicism which does not want to refer to an objective, ontological criterion of truth, but which sees everything in the flux of history.

Doubtless, he continued, although we see Christians who happily go around believing in reincarnation, perhaps without understanding its implications, we also witness the impoverishment of the capacity of reflecting on ideas that cannot be reduced to a few slogans. And it is perhaps on this ground of simplistic thinking that the answers given by the cults can flourish.

The danger of the anti-cult movement

But to face the problem seriously, first we must pinpoint the criteria for distinguishing cults from churches properly so-called. Attorney Massimo Introvigne, author of a forthcoming book on this subject, stressed the bias of the criteria of sociological or psychological analysis (the use of techniques of mental manipulation, fanaticism, etc.). In particular he exposed the danger represented by the secular anti-cult movement.

The idea that one can distinguish between various types of religious experience *only* on the basis of psychological criteria has been revealed to be completely wrong, even in experiments where the exclusively psychological aspects of the diaries of some Carmelite nuns and some Hare Krishnas are compared. Introvigne observed:

This does not mean that there are no criteria for distinguishing the experience of the Carmelites from that of the Hare Krishnas, but simply that these criteria are rather of a doctrinal order, and that the idea is a total myth, that you can completely take away the doctrine and find parameters by which, without knowing what they believe in, what they think, and what God they turn to, you can still judge if their experience is good or bad.

The American anti-cult movement seems to have become an instrument that threatens freedom of thought and of religion, he suggested:

An American anti-cult group, the *American Family Foundation*, which also publicizes the books of the GRIS, publishes in its newspaper an article which says

that that new catechumens use the same methods as the Unification Church of the Reverend Moon. In my opinion this is not true at all and demonstrates the danger of these approaches which are of an external, and psychological type.

We may add, organizations like the American Family Foundation, the Cult Awareness Network, or Citizens Engaged in Reuniting Families claim to use "deprogramming" techniques to save youths who have been brainwashed. What is worrying, though, is that the psychiatrists who take part in this are frequently the very same ones who 30 years ago took part in those experimental projects for spreading psychotropic drugs, out of which precisely those cults they now claim to combat, emerged. Moreover, their techniques of "deprogramming" are the very same techniques of mind manipulation used in brainwashing. Hence Introvigne's fear is well founded, when he states that the anti-cult movement considers as a cult anyone who does not accept relativism and insists

The secular anti-cult movement's idea that one can distinguish between various types of religious experience only on the basis of psychological criteria, without taking doctrine into account, has been revealed to be completely wrong.

on believing, even in the religious field, in *one* truth. Also well founded was Monsignor Casale's concern when, in announcing that a conference would be held in 1991 in the United States on the anti-cult movement, he stated that "the system of criteria of the anti-cult movement is extremely dangerous, because the behavior they want to be banned by the public authorities is described in terms so vague as to leave ample room for arbitrariness in application. Just think of all this in the hands of dictatorial governments."

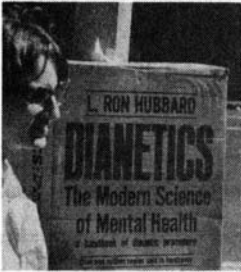
Indeed, it is symptomatic that these "anti-cult" groups have acted to repress political dissent and have played a key role in the persecution of the political movement of Lyndon LaRouche in the United States.

What is a cult?

So the initial question remains open: What is a cult? Introvigne believes that history helps to clarify this. Introvigne, following the papal teaching of *Reconciliation and Penitence*, underlines that the Christian vision of the world and history has been denied in the course of a process and that by retracing the stages of this process we may discover



Philip Ujanowsky



Stuart Lewis



Matthew Moriarty

Three styles of paganism. Above, Hare Krishnas; left, a Scientology recruiter; right, a Gaia display at the "Earth Shrine" in New York's St. John the Divine cathedral.

the route by which the cults have arrived.

The Christian vision presupposes a great framework of theological reference which includes five fundamental elements. 1) The cosmos which has a sacred and mysterious dimension, which reveals its character as created. 2) The religious sense, the question that arises in man before this mysterious dimension of the cosmos. 3) God, as the unique and only adequate response to the question that arises in man. 4) Christ as the way and necessary mediator so that man, despite his sin, can find in God the response to that question which arose in him before the world. 5) The Church as the place which permits man to encounter Christ and find the answer to his question.

Introvigne said that the steps of the denial of the Christian vision started from the fifth point, the denial of the Church's role, which took place with the Reformation and especially with the *radical reformation*, to arrive at the rejection of Jesus Christ:

Thanks to the Enlightenment-inspired Deist out-

look, the search for alternatives to Christianity becomes overt with the French Revolution. This was also documented by Marxist historian Albert Mathieu who, apart from economicist categories, shows that the search for a new religion is one of the primary stimuli of the revolution.

Starting from this quest, many Westerners not only study Oriental religions, as in the past, but now convert to them, Introvigne pointed out.

There also exists a new religiosity which is both Deist and which reserves some role to Jesus Christ, but not his proper role because, either they don't consider him God, or in any case, they don't recognize him as the only Lord. I am here thinking not just of religions that bring together Oriental and Western elements, like Rudolf Steiner's anthroposophy, but also of the vast influx of various masonic currents which are seldom discussed, but with which whoever wants to study the history of the new religiosity in the West will have to come to terms sooner or later.

The next stage of this process is that of denying God's role in the response to the question of the sacred which arises from inquiring about the mystery of the cosmos, he said:

Thus there arose an entire family of new religions which struggle to be called religions and which in effect propose an articulated system of relations between man, the world, and the sacred, but where God either does not exist or has a role that could be considered insignificant. This happens, for example, in Scientology, where one does speak of a God who, however, has no importance in the system.

This process of abandonment of the Christian conception of the world and of history shows a singular parallelism between cults and fascist ideologies. Thus it is that today the secularist ideology, of which the anti-cult movement is an expression, proposes to Catholics an alliance in the name of reason, against the cults' irrationalism and fanaticism, Introvigne said. But the cults themselves, on the other hand, put themselves forward as allies of the Catholics in the struggle against atheism and secularism. The picture is even more complicated, and the well-founded criticisms of the anti-cult movement must not be turned upside-down into a paradoxical pro-cult movement, which is the last thing Catholics need:

These are the two poles between which the Catholic who has formed an idea of what "cult" means, is called upon to find a balance. But this is not a problem that arose with the invasion of the cults in recent years, because our divine Master tried to tell us something

not so different when he invited us to be as pure as doves but at the same time as prudent as serpents. (Matt. 10,16)

Jehovah's Witnesses—worse than they seem

Much of the GRIS convention was concerned with the Jehovah's Witnesses, the most widespread cult in Italy, where it has 160,000 preachers. Hardly any Italian has escaped encountering the hawkers of *Awake!* and *Watchtower*, and from time to time they crop up in the press, when some tragedy results from their refusal, on religious grounds, to take blood transfusions. Few, however, know their doctrine well enough to understand why—other than their periodic and always wrong predictions of the coming of the Judgment Day—the Jehovah's Witnesses so virulently attack the Catholic Church.

The denial of the Incarnation brings on that passivity in the face of this world's injustices which is evident in the Jehovah's Witnesses. They eliminate the constant intervention of God into human history, to create a society which can know God's will only through the unquestionable interpretation of the Watchtower Society.

For one thing, they fiercely oppose the idea of the Trinitarian nature of God. Like the oldest heresies, they deny the fact that Christ, while being truly man, was also truly God. In the Catholic conception, shared by other mainstream Christian churches, God is not just our Father, but is a Father who loves us to the point of becoming incarnate, making himself man, and dying, humiliated, on a cross, for our salvation. He became man to make us like him. The denial of this fact and this idea brings on that passivity in the face of this world's injustices which is evident in the Jehovah's Witnesses. They eliminate the constant intervention of God into human history, to create a society which can know God's will only through the authoritative and unquestionable interpretation of the Watchtower Society's board of directors.

During the convention, the basic boast of the Jehovah's Witnesses—Walter Farneti's statement that "the only basis of our doctrine is the Bible as it is"—was demolished. Msgr. Lorenzo Minuti, the chairman of GRIS in the region of Latium, who has prepared a radio series on this subject, explained:

This is a fraud. He should have said, "The only basis of our doctrines is the Bible as it *has been adapted by us.*"

Monsignor Minuti gave numerous examples of the way in which the Jehovah's Witnesses change the Bible—changes which are almost always nearly imperceptible, but each of which forms the basis for a Jehovahist doctrine. Minuti explained that the GRIS is basing itself rigorously on the Jehovahists' own texts so as to be irrefutable. Let's take one case in the words of Monsignor Minuti:

In the Epistle to the Colossians the Jehovah's Witnesses find a way to demonstrate that Jesus is not God. In the first chapter, verses 16-20, St. Paul says, referring to Christ, "all things were created by him," repeated five times, and they translate, "all other things." Why? When I object to this addition they respond, "But why does this make such a big impression on you? According to you what value does this 'other' have?" So I give my interlocutors an example. If I say to them that "You and the other Mormons use the Bible," they immediately object, "Oh, no! You are trying to make us Mormons." . . . You asked me what importance it has to add *others*, and you have figured it out for yourselves. It is important because it is different to say with St. Paul "all things were created by him," because there the Lord is on the one side, and things, clearly distinguished, on the other. It is different to say "all the other things were created by him." Thus Jesus has become one of the other things. This is so that you can say, there, he is a creature, he is not God.

"But you are saying this." No, it is not I who say this. If you take the little book, *Let Us Reason*. . . . After citing the verses of Colossians they write: "Thus it is indicated that even He is a created being, part of creation." Sure, *thus*. It is true, *thus*, it is indicated. And with just this adverb, *thus*, changing the Bible, one demonstrates that Jesus is not God but a creature. But if the text of the Colossians is respected, you cannot prove that Jesus is a created being, part of creation.

We document that the Bible in the New World translation is no longer the Bible, because there are so many such alterations, additions, and subtractions, albeit imperceptible.

Ecologism, paganism, New Age, and satanism

A very timely theme was addressed by the speech of Giuseppe Ferrari, national secretary of GRIS, on the influx of cults into the dominant cultural parameters of society:

It appears that both faith and reason have retreated, leaving open a kind of no man's land. All this has the

tendency to cause there to be created in many people's minds an attraction, albeit naive, toward cults or alternative religious movements which mix, without much subtlety, *ecology*, *naturism*, faith, morality, esotericism, and occultism, according to more or less utopian or millenaristic perspectives.

The pernicious nature of ecologism had also been observed by Monsignor Casale in a conversation with this author: "A nature without man, I don't know what good it would be. A man who destroys nature destroys himself and his habitat. We must always carry out ecological actions which have man as their center, which do not mistrust man nor idolatry nature."

In fact it is evident in many cases that the ecologist movement feeds on a pagan philosophy which goes back to the mystery cults and especially the idolatry of Mother Earth. Exemplary in this regard is the *Gaia* theory, which considers Earth as a living being, and which was developed by James Lovelock for NASA in the research program about life on Mars. The religious implications of *Gaia* were clarified by Lovelock himself in an interview in *Orion Nature Quarterly*:

Gaia is Mother Earth. Gaia is immortal. She is the eternal source of life. She is surely a virgin, she does not need to reproduce herself as she is immortal. She is certainly the mother of all of us, including Jesus. . . . Gaia is not a tolerant mother. She is rigid and inflexible, ruthless in the destruction of whoever transgresses. Her unconscious objective is that of maintaining a world adapted to life. If we men hinder this objective we will be eliminated without pity.

Even Stephen Schneider, one of the main propagandists of the so-called greenhouse effect, stated in the 1988 *Yearbook of Science and the Future* of Encyclopedia Britannica, that "Gaia seems to be more of a religion than a science." Lovelock is a self-confessed member of the Lindisfarne Community, affiliated with the Cathedral of St. John the Divine in New York, whose current bishop, Paul Moore, in 1977 ordained a lesbian, Marie Ellen Barrett, who had told *Time* magazine that it was her homosexual relations that gave her "the strength to serve God."

This background highlights the depth of Ferrari's observations on the danger of the New Age cults:

In society are manifested, among various tendencies, some which are clearly directly toward the expulsion of God from human thought. . . . Some tend clearly to replace the Christian God with pagan and orientalizing beliefs. In fact some scientists, called neo-gnostics, are inspired by a pseudo-religious kind of scientific knowledge of esoteric type.

These philosophies of "weak reason" and these sciences which have wandered out of their own boundaries open the way to attitudes and beliefs which are strongly irrational and paganizing—so much so, that behind the spread of the so-called *New Age* movement there is an ideology permeated by philosophical and scientific thinking of the sort just mentioned. This movement, which is unstructured, without a centralized organization, formed by a manifold composition of groups which are structurally independent of each other, is mainly attracting people from the middle and upper classes. For the New Age, the world as such is something divine, and whoever knows its laws can reach harmony with it. Jesus Christ is neither the Creator nor the Savior of man, rather man must and can save himself, discovering divinity in himself and becoming God himself.

Ideologies of this sort, which in some cases lead to satanic practices, can today be encountered in various groups which appear to have little in common. . . . We witness the revival of a great number of mystery cults in which divinities such as Dionysius, Osiris, Isis, Mithra are honored and worshiped, and the rise of gnostic beliefs. This phenomenon, however, sometimes attempts to reconcile irrational cults of this sort with Christian beliefs. . . .

Mystery cults and gnostic beliefs have a pantheistic vision of divinity and tend toward more of a physical than a moral union with it; moreover in these beliefs salvation is substantially a conquest of the intellect. Rationalism—which is no more to be confused with reason than pneumonia with lungs—involves for some thinkers the attempt to give value to mystery and gnostic cults, bringing noble and beautiful aspirations into them, presenting them on a plane of the highest mysticism.

On the other hand, the massive harm to humanity caused by the neo-paganism by which Nazism was inspired, is still today before our eyes. In his Apostolic Letter "On the Fiftieth Anniversary of the Beginning of World War II," John Paul II reminded us that "the new paganism and the systems connected to it certainly ruthlessly attacked the Jews, but likewise Christianity, whose teachings had formed the soul of Europe." He went on to make it clear that both Marxist dogma and Nazi paganism allied against Christianity, unified by the fact of being "totalitarian ideologies, with a tendency to become substitute religions."

These are observations that ought to be attentively meditated not only by believers, but by all men and women of good will, if we want to understand that cults are not a marginal phenomenon of shantytowns, but a very real threat to civilization.

LaRouche electoral slate formed

In Rome and its region, the "Democratic Party-Freedom for LaRouche" ticket unites the friends of scientific progress.

For the administrative elections on May 6 in many parts of Italy, co-thinkers of the jailed American statesman Lyndon LaRouche have fielded slates of candidates. In Rome and the surrounding region of Latium, the slate is called "Democratic Party-Freedom for LaRouche."

The slates are committed to putting forward a concept of cultural and scientific optimism, and firmly oppose the wave of irrationalist referenda, such as one which Italian voters will be asked to decide this June, which would ban pesticides.

The leader of the Rome slate, Schiller Institute president Fiorella Operto, explained in an electoral campaign statement: "Last October, for the municipal elections in Rome, we presented the slate of candidates called 'Freedom for LaRouche' for the first time. The symbol of our slate is the stylized figure of the Statue of Liberty, a symbol we took up from the Tiananmen martyrs.

"Today, the 'Freedom for LaRouche' list is again standing for election in Rome and Latium, while Lyndon LaRouche is still in jail in Minnesota. How, and to what extent, does the fate of LaRouche concern us as Italian citizens and Latium voters?"

"Lyndon LaRouche is an American statesman, leader of the opposition movement to the wrong policies enacted in the last 20 years by the various successive White House occupants. He is the victim of a judicial frameup which condemned him to 15 years in jail. To have jailed LaRouche meant, for the U.S. Establishment, sending a signal to the entire opposi-

tion, actual and potential, in the United States (and also a harsh warning to the world) on what destiny awaits those who wish to hinder the activities of those 'born to rule.' "

She continued: "LaRouche is fighting the international drug traffic, and has proposed a detailed alliance program between the United States and the Ibero-American countries to stop this scourge of our youth. Yet, LaRouche has exposed the fact that the biggest battle must take place in the United States, in the Wall Street buildings where drug money is recycled and reinvested in speculative activities.

"LaRouche created an emergency program for increasing world food production so as to feed the whole continent, a program based on using the most advanced technologies and on issuing low-interest lines of credit for farming. This project is called 'Food for Peace.'

"LaRouche is defending the right of Lithuania to independence and sovereignty, in contrast to the criminal consensus given by Bush to Gorbachov for the repression of freedom in that brave Baltic nation.

"The destiny of the United States is a question that must concern every human being on this Earth," she stressed. "In the disquieting question, 'Where is the U.S. headed today?' which we asked ourselves after the bloody U.S. intervention into Panama (which cost 5,000 innocent lives), the reflection on LaRouche's fate is implicit. To crush the opposition by any means is the act of every dictatorship and every totalitarianism. We must

not let the U.S. fall into the hands of a dictatorship. Freedom for LaRouche!"

Among Operto's colleagues in the Rome-Latium slate is Rita Borioni in Matteuzzi, whose campaign statement denounced "Drugs and Ecologism, Two Aspects of the Same Cultural Degradation." Borioni scored the "green opinion makers" who wish to degrade human beings to the level of beasts, while turning nature into a divinity. Mind-altering drugs, she said, have found fertile ground in this cultural context emptied of man's capacity to tell good from evil—the "best way to 'integrate' man into the animal species."

Another Latium candidate is the architect Giovanni Mori, whose platform focuses on infrastructural projects to solve the bottlenecks in local, regional, and national transportation.

Adamo Griffio, age 43, is a small businessman who produces plastic bags, an industry devastated by "ecological" taxes. "If the ecologists were consistent," he points out, "they should give up electricity, cars, and other comforts brought on by industry. They should start going around barefoot, wearing dried leaves, and give up their nice warm houses."

The 65-year-old candidate Stelio Corazza owns a store that sells farm products such as pesticides and seeds. A native of Istria, the Italian-speaking region on the east shore of the Adriatic Sea, he fought in the resistance against both the Germans and the Yugoslavs during World War II. Corazza denounces the ecologists for "making modern agriculture a crime and conditioning the citizens," but says he is optimistic that most Italians are "born farmers" and are "starting to open their eyes" to the conspiracy behind the referendum, especially thanks to the Schiller Institute's bold legal initiatives.

Germans can support Lithuanians

A tripartite deal could easily be worked out among Bonn, Vilnius, and Moscow—if Gorbachov decides it's to Moscow's advantage.

The West German government is afraid of intervening on behalf of the Lithuanians in their confrontation with the central Soviet leadership. This came out in a discussion this reporter had with a conservative member of parliament on the day when the first Soviet sanctions against Vilnius went into effect. "We are only a mid-sized power," he said "We would like to do more for the Lithuanians, but we can't, because among all Western nations, we are in the most delicate position in respect to Moscow. There are certain political-strategic implications."

"We would like to have diplomatic relations with Lithuania, but we cannot make the first step, and have to wait for the Americans to take the lead. Unfortunately, they haven't done that yet, and most likely won't, before the [Bush-Gorbachov] summit is over."

He added that Bonn could take the first step, however, giving economic support for Vilnius long before the summit. A group of West German Christian Democrats, a minority in their own parliamentary group, has called on the government in a letter to launch a national emergency aid program to help the new government in Vilnius. The group, one of whom, Claus Jaeger, attended commemorative events in Riga of the 50th anniversary of the Hitler-Stalin Pact last August, has three main reasons for believing that the West German economy can intervene in this conflict:

1) The Soviets are interested in intensified economic cooperation with the West Germans, having the largest high-tech economy in Europe. In view

of the East German revolution, Moscow knows (but wouldn't admit publicly) that it has to make certain concessions to Bonn in order to get this cooperation going.

This puts the mid-sized power of West Germany in the picture with the Soviet superpower, and although there is a big discrepancy between the two in terms of size, strategic muscle, and political conduct, the potential for deals is there.

One potential deal would be to create favorable conditions for West German and other Western investors on Soviet territory for producing commodities for the Soviets under a Western-style management, and for training workers and engineers in modern industrial skills.

An April 5 article in the Soviet journal *Moskovskye Novosti* pointed in the direction of such an experiment: "There is a necessity to create kind of economic enclaves in our country, where the Germans can lead a developed economy in cooperation with us. Such zones shall be created in areas that offer especially favorable conditions, like Kaliningrad, where a more developed infrastructure exists."

Kaliningrad, the region around the pre-1945 German city of Königsberg, is right next to Lithuania.

2) Close but clandestine contact has been established between West Germany and Lithuania on potential aid programs that can be negotiated, upon Gorbachov's consent, with Moscow.

In a discussion with this reporter on April 18, Prof. Alfred Schueller of Marburg University reported that

various aides to the Lithuanian leaders Landsbergis and Prunskiene have been spending up to several weeks at West German universities and foundations studying perspectives of converting the Lithuanian economy into a Western-style system.

Prunskiene, who herself studied economics in West Germany, is very interested in West Germany's plans converting the East German economy late this spring, including the monetary aspect, as a potential model for Lithuania.

The idea that West German support for the East Germans is proceeding with Moscow's consent, is envisioned as a way also for the Lithuanians.

Prof. Schueller said: "It ought to be in the interest of Gorbachov to make the three Baltic states the showcase for a new type of successful economy which, once it works, can serve as a model in other parts of the Soviet Union. It cannot be in his interest to ruin the Baltic economies and the Soviet one as a whole—at least I would say it isn't."

3) The Kremlin is desperately interested in West German industry giving guarantees for a continued flow of commodities from East Germany to the Soviet Union, already before a formal reunification of the two German states. During the past 12 months, East German industrial exports to the Soviets dropped by 6.4%, while Soviet exports to the East Germans went down by only 13.1%. So who is going to guarantee what?

The upcoming May 21 session in Moscow of the joint West German-Soviet commission on economic cooperation will have this question on its agenda, and it will also play a central role in the series of "2 plus 4" talks on German reunification between the two German and the four allied governments.

Guns and drugs, but no butter

Far from bringing democracy, the military occupation is covering for drug-runners and drug banks.

Gen. Marc Cisneros, head of U.S. Army South in Panama, said that the American troops that invaded Panama will withdraw in June. But General Cisneros said that even after that, a certain number of U.S. soldiers will remain assigned to each police precinct in Panama, according to the Panamanian daily *Crítica* of April 4.

The announcement must come as a surprise to those Americans who rely only on the administration and the Establishment media for their news. Since President George Bush announced in February that the invading troops had been withdrawn, most people probably assumed that Panama was now governed by the U.S.-installed troika of Guillermo Endara, Ricardo Arias Calderón, and Guillermo "Billy" Ford—all of whom are linked to drug-money laundering.

Instead, General Cisneros is running a military dictatorship. During Holy Week, he visited Las Tablas, a town in the Central Provinces, to instruct authorities on how to carry out their functions.

The U.S. military has also retaken installations that had reverted to Panama under the 1977 Carter-Torrijos canal treaties, including Fort Amador and Fort Cimarron. According to sources in Panama, the U.S. is also establishing new military installations in the country, including an electronic monitoring center on the penal island of Coiba in the Pacific Ocean, similar to the existing espionage center on La Galeta Island in Panama's Caribbean.

Borrowing a page from the Vietnam War, Cisneros's occupation troops are carrying out their own ver-

sion of Operation Phoenix, the program under which suspected opponents of the U.S. war effort were exterminated. On April 5, a squad of American rangers in Chiriquí detained Dr. Manuel Pardo, the former provincial director of health services, superseding Panamanian judicial authorities who had planned to let him free on bail.

On April 11, Panamanian secret police, who are being "advised" by the FBI, twice raided the home of Dr. Orville Goodin, former minister of finance, who is being sought on trumped-up charges. That same day, radio commentator Balbino "Nino" Macías, an opponent of the invasion, was shot and wounded by the bodyguard of a pro-government spokesman, and four-year-old Melquiades Rodríguez, grandson of Col. Marco Justine, chief of staff under Gen. Manuel Noriega, was kidnaped and held for ransom.

Balbina de Perinián, an opposition member of Panama's National Legislative Assembly, expressed fear that other supporters of the former government may be subjected to similar terrorist pressures. Mrs. Perinián said the U.S. Southern Command would be responsible for any such attacks against her family, "because they are the ones currently governing the country."

Meanwhile, the war victims, whose homes were destroyed during the invasion, and who have since been living in concentration camp conditions at abandoned hangars at Albrook Field, an old U.S. air base, were told by Housing Minister Raúl Figueroa that they have to wait at least another

four months for permanent housing, because the United States has not provided the promised economic assistance. In any case, most of the money proposed by Bush would go to bail out the banks, not to the war victims. U.S. Ambassador Deane Hinton warned Congress that it had better approve the aid package soon. "If it were a six-month delay, that would be a real danger," he said, according to Reuters on April 17.

How goes the war on drugs, which was the pretext for invading Panama? On April 17, U.S. Attorney General Richard Thornburgh announced that as part of "Polar Cap," the administration has ordered scores of U.S. banks to produce records on 750 accounts used to launder almost \$400 million for the Colombian cocaine cartels. In announcing the move, administration officials bragged that it was yet another "dividend" of the invasion.

But fully a year ago, in a press conference on April 28, 1989, the same Thornburgh *praised* Colombia and Panama's law enforcement, for their assistance in Operation Polar Cap, which enabled the U.S. to shut down a \$1.2 billion money-laundering enterprise. At that time, Panama's law enforcement was run by General Noriega.

Not that the latest stage of "Polar Cap" will do much to advance the war on drugs. Officials said that the banks will not be prosecuted, because they didn't solicit the drug business.

Among those cited are Bank of America, First National Bank of Chicago, Chemical Bank, Chase Manhattan, Marine Midland, Citibank, and Wells Fargo. Most of these banks had Panama branches, and many have previously been cited for drug-money laundering and gotten off with slaps on the wrist in plea-bargaining agreements. Their wrongdoing is now being blamed on Noriega.

Narco-terror versus development

Presidential frontrunner Fujimori would fight drugs by turning the coca region into a national breadbasket.

On April 7, on the eve of Peru's presidential elections, the country's largest anti-drug military base, located in the coca-dominated Upper Huallaga Valley, was the target of a suicidal narco-terrorist assault. Nearly 200 Shining Path terrorists, wielding rocket-propelled grenade-launchers and claiming to be defending the rights of the region's coca-growers, engaged in a furious two-hour firefight with defenders of the U.S.-built Santa Lucia Base. Five hundred Peruvian soldiers fought alongside some 30 Americans—agents of the Drug Enforcement Administration (DEA) and civilian helicopter pilots contracted by the U.S. State Department—to repel the attack.

The combined Peruvian-American defense included the use of flares and helicopter reconnaissance flights to pinpoint the location of the attackers, and machine-gun fire from American-piloted Huey gunships on loan from Washington. When the dust had cleared, some 60 terrorists were reportedly dead and another 70 wounded. An American official at the base told the press, "Since January, we've been knocking out a good-sized lab every two or three days. During the same time, we knocked out 40 to 50 clandestine airstrips." The Santa Lucia base was built one year ago by the DEA at a cost of \$3 million. Its perimeter is fortified by watchtowers and electronically activated mines.

The Shining Path assault was intended as much to destroy the anti-drug base as to force an international incident—the death of an American, perhaps—which would have either

forced an American pullout from the region, or, more insidiously, the threat of a U.S. troop deployment into Peru. In the latter case, Shining Path would be handed a *raison de guerre* and would move to plunge the country—possibly the entire Andean region—into civil war.

In the aftermath of the assault, it has been reported in the U.S. media that the State Department is now planning the construction of several similar anti-drug bases in Peru during the next four to five years. Presidential frontrunner Alberto Fujimori has stated his willingness to allow foreign military advisers to assist the Peruvian military in its anti-terrorist operations, but is explicit that their active participation in those operations would be strictly forbidden. He added, "We will need to put much more emphasis on the military, but also on the social aspects of fighting subversion."

In an April 13 press conference to international journalists, Fujimori was more specific: "Those who think that terrorism can be eliminated solely through a military offensive have a myopic, incorrect concept. It is impossible to maintain a country with one-third of its starving population in a state of critical poverty, with 50% of its children in a state of malnutrition, and with 1,500,000 Peruvians completely illiterate. . . . You have to give the peasants an alternative; otherwise they will die of hunger or join the ranks of the guerrillas." He also proposed an Andean development program to bring schools, roads, health clinics, and impartial justice to rural Peruvians.

Fujimori was sharply critical of the U.S. war on drugs. "The DEA's eradication program has been ineffective, since in five years 5,000 hectares of coca crops have been eradicated, but simultaneously that crop has spread to 100,000 hectares." He urged promotion of rice, corn, and other food crops throughout the coca region of Peru, while noting that a major problem "is that there are no adequate means of transportation for these products."

Fujimori then proposed that if Washington were truly serious about fighting drugs, it would help Peru to construct a 350-mile railroad through the Upper Huallaga Valley, to convert that region into a "breadbasket" that could end the malnutrition that plagues the majority of Peru's population, while providing growers with an alternative vocation.

Fujimori's proposals, clearly popular with the Peruvian electorate, have nonetheless prompted derisive and racist responses from the camp of another presidential contender, Mario Vargas Llosa, and from those in the U.S. who backed his campaign, which lost heavily in the first round of Peru's elections on April 8. Vargas Llosa spokesman Enrique Chirinos Soto called Fujimori a "witchdoctor," who offers "miraculous prescriptions" for the economy, and Vargas Llosa's colleague Gustavo Gorriti wrote in the April 17 *Washington Times* that Peru's "poor, desperate, uncertainty-filled people" turned to Fujimori as to an "acupuncturist" promising instant cures. The *Washington Post* contrasted Fujimori's scatter-shot programmatic proposals to Vargas Llosa's detailed plans for shock austerity, and suggested that Fujimori was a coward for his failure to promise "the privatization of Peru's most bloated state enterprises," as Vargas Llosa has done.

Kidnaping by the Thornburgh Doctrine

Washington is now hiring kidnapers in other countries, when foreign laws stand in the way of "justice."

Washington officials and U.S. government agents are bragging that the U.S. Justice Department arranged for the April 3 kidnaping, on Mexican territory, of a Mexican doctor, Humberto Alvarez Macháin, and his transfer to El Paso, Texas, where he was turned over to agents of the U.S. Drug Enforcement Administration (DEA).

Alvarez is accused by the Justice Department of involvement in the 1985 assassination of DEA agent Enrique Camarena in Mexico, and he was clearly kidnaped in such an illegal manner in order to bring him to trial on May 1, when the first trials in the Camarena case are scheduled to begin in Los Angeles.

Mexicans were shocked. As the Mexican newspaper *Excelsior* wrote on April 16, "The intervention on Mexican territory, once again, is extremely dangerous for the sovereignty of the nation."

The Bush administration, under the so-called Thornburgh Doctrine, has asserted that Washington has the right to violate the laws of other countries, as well as its own, in actions abroad. Indeed, with such illegal actions, the laws and constitutional guarantees of Mexico are being replaced by open interventions by foreign police.

U.S. Attorney General Richard Thornburgh hailed the Alvarez kidnaping on April 17 as an appropriate response to Mexico's claim to sovereignty. "Mexico can continue exercising its sovereign right to not extradite nationals who accused of crimes committed on U.S. territory," Thornburgh said, but "we, as you

know, have had very little difficulty throughout the years in securing the arrest of Mexican suspects who face charges the United States, using a great variety of methods other than simple extradition."

Kidnaping could be ordered in any country which "like Mexico has adopted the position that its nationals are not subject to extradition," he added.

U.S. media have reported that Washington paid a team of Mexicans \$100,000 to carry out the kidnaping. While some claim that those Mexicans were simply mercenary bounty-hunters, Alvarez's lawyer Robert Steinberg told the press that when the kidnapers arrived at Alvarez's house, they flashed badges of the Federal Judicial Police, a dependency of the Mexican Attorney General's office, and told him that he was being arrested for carrying out an illegal abortion. He was then transferred to Ciudad Juárez, and turned over in El Paso.

The facts at hand tend to confirm Steinberg's report that the kidnapers were agents of the Federal Judicial Police (PJF).

The head of the anti-drug division, Javier Coello Trejo, was in Ciudad Juárez the first four days of April, without any explanation. In Mexican political circles, Coello is considered a "gringos' man" who is carrying out everything that the Bush government requests on the drug front, even if this includes violations of human rights and constitutional order.

Coello has been accused of total lawlessness by diverse governmental authorities here. For example, several

weeks ago, four members of his team of personal bodyguards were accused by more than 10 women of mob rape. His bodyguards have subsequently been arrested, despite Coello's protests.

Last year, Coello accused Panama's Gen. Manuel Antonio Noriega of engaging in smuggling of pharmaceuticals on Mexican territory. The investigation was carried out personally by Coello. That dirty little maneuver collapsed, however, when the PJF proved unable to produce any piece of evidence to back up the charge.

The Salinas government has put up few obstacles to the blatant foreign intervention, because it hopes that by docilely following Washington's wishes in drug-trafficking policies, it may receive economic concessions from the Bush administration. Faced with chaos in the cabinet due to the failure of government plans and the Brady debt renegotiation scheme to relieve the debt burden, the Salinas government has become increasingly subservient to Washington.

That was further confirmed by a report in the *Los Angeles Times* April 11, that a U.S. government P-3 plane carrying radar and electronic surveillance equipment overflew Mexican airspace in pursuit of a small Colombian plane believed to be carrying cocaine. When the plane reached an area of Mexico bordering on the United States, the P-3 advised the PJF, and requested that they stop the traffickers.

The article claimed that the overflight of Mexican airspace was legal, because President Salinas de Gortari had authorized, at the beginning of this year, that "planes equipped with radar fly over Mexican territory in anti-drug missions." Salinas, however, neither consulted nor informed anybody in Mexico of said authorization.

International Intelligence

Netherlands denounces Thornburgh Doctrine

Public officials and the media in the Netherlands are in an uproar over the fact that the U.S. Air Force attempted to illegally seize an American airman whom the Dutch High Court refused to extradite to the United States. The action is seen as a further attempt to implement the Thornburgh Doctrine, under which the U.S. Justice Department has given itself the right to arrest foreign nationals on foreign territory if they are deemed to have violated U.S. laws.

The airman's lawyer was quoted in the Dutch press calling the action an attempt to conduct a "little Panama."

The airman, Charles Short, was convicted in a Dutch court for the murder of his Turkish wife. The court refused a request for extradition to the United States, on the grounds that there he would face the death penalty. On March 30, the Dutch High Court turned down an American appeal for his extradition. On the same day, 12 U.S. airmen from the 32nd Tactical Fighter Squadron based at Soesterberg Air Base in the Netherlands, under the command of one Colonel Reeves, appeared at the court in two cars and a van. Dutch media reported that the Americans intended to seize Short.

Although the U.S. embassy denied this, and claimed that the troops were only sent to take custody of him had the court decision been in the favor of the U.S., no explanation was given for the heavy military deployment.

Thatcher upholds policy of Neville Chamberlain

British Prime Minister Margaret Thatcher made it clear in an interview that Britain will do nothing if Soviet President Gorbachov uses force in Lithuania.

In the course of a long interview, *Hinduistan Times* correspondent H.K. Dua asked, "Supposing there is violence . . . and force is used by the Soviet government to check Lithuania's secession or independence,

would it affect the flow of aid and technology to the Soviet Union?" Thatcher replied, "We would have to consider each matter as it arose. For example, there were problems in Azerbaijan and Armenia and it looked at one stage as if there could almost have been a civil war and then, I think, no one complained that the troops had to be put in there because that was the kind of situation that we all understood."

Thatcher's office in London on April 11 confirmed the statement.

'Temple Mount' crazies spark Jerusalem shootout

A group of "settlers" from the fanatical Israeli cult Ateret Cohanim staged a provocation during a Holy Thursday procession to the Church of the Holy Sepulcher in Jerusalem on April 12, leading to riots, gassing, and shooting at the Greek Patriarchate by Israeli troops.

The Ateret Cohanim was exposed by *EIR* as part of the internationally steered "Temple Mount" project to destroy the Muslim mosque of the Dome of the Rock in Jerusalem, and rebuild the Temple of Solomon on the site. The cult is closely tied to the Quatuor Coronati Lodge of the Freemasons in London.

The incident started when the Ateret Cohanim bought the lease to a building near to the Church of the Holy Sepulcher, which was owned by the Greek Orthodox Church. The building is in a neighborhood inhabited by Palestinians. The settlers moved 150 Jews into the building, as part of their policy of occupying as much of Jerusalem as possible.

When the plot was discovered, the church demanded that the settlers leave, but Israeli courts granted an injunction allowing them to stay throughout the Easter weekend. Matters escalated during a procession which passed in front of the building, when a Greek Orthodox priest tore down a Star of David which had been placed over a Crucifix on the building facade. In the ensuing commotion, Israeli troops charged the crowd—firing tear gas, and injuring Greek Orthodox Patriarch Diodoros.

Later in the day, Arab youths raised an outlawed Palestinian flag on the roof of the church, and renewed clashes with police led to stone throwing by the youths and firing of tear gas and rubber bullets by police.

German monetary union talks to begin

East and West Germany began unification talks on April 18, and a Bonn spokesman said crucial negotiations on monetary union could start by Friday, according to Reuter. Government spokesman Dieter Vogel told journalists that formal talks on monetary union would begin after East German Prime Minister Lothar de Maiziere made his debut policy speech on April 19. Asked if the talks, aimed at introducing Bonn's powerful mark in East Germany, could start as early as April 18, he said: "This is possible. I cannot tell you definitely, because the date still has to be discussed with the East German government."

Vogel's statement on monetary union came on the first day of East-West German unification meetings. Interior Ministers Peter-Michael Diestel from East Berlin and Wolfgang Schaeuble from Bonn opened the series of meetings with discussions on police cooperation and how to drop controls for travelers across the now-open border. The two told journalists they agreed that agents from East Germany's former Stasi security police should not continue working in West Germany.

Ethnic conflicts mount in Yugoslavia, Romania

Yugoslavia, the ethnic powderkeg of the Balkans, came one step closer toward explosion on April 13, when the republic of Serbia abruptly and indefinitely cut off all electricity supplies to the republic of Croatia, using the excuse that Croatia owes Serbia some 66 million dinars (about \$6 million) in overdue electricity bills.

The move, two weeks before elections are held in Croatia, has forced Croatia to

ration electricity, and has done more to inflame ethnic hatreds than months of chauvinistic speeches. Serbia's move is a clear political provocation, proven by the fact that the same Serbian utilities which supply electricity to Croatia have been ignoring for years unpaid electricity bills within Serbia itself. In fact, one of the ways that Serbia's demagogic leader, Slobodan Milosevic, has ensured his own support, has been to allow Belgrade households that can't pay their bills to continue to receive electricity anyway.

The Serbian escalation has come on the heels of renewed interethnic conflict in Romania, in this case by a reincarnation of Romania's pre-war fascist Iron Guard, now called *Vatra Romanesca*. *Vatra Romanesca*, which was spawned by the hated Securitate secret services, was responsible for the pogroms against ethnic Hungarians in the country's Transylvania region, and is now spreading its racist propaganda around the country, under the banner of "Romania for the Romanians."

'Battle of dinosaurs' in Dominican Republic

On May 16, voters in the Dominican Republic will be electing a new President, in what local commentators are referring to as "the battle of the dinosaurs." Incumbent Joaquín Balaguer, 84, is seeking a fifth term; his main opponent is former President Juan Bosch, 81, who holds a 2 to 1 lead according to some polls. Bosch's previous presidency was ended by a coup in 1963, an event that led to the U.S. invasion of that Caribbean country in 1965.

An avowed Marxist, Bosch is now pushing free-market nostrums and calling for the privatization of state-owned companies. In exchange, the United States has dropped its long-standing objections to his return to the presidency, and U.S. Ambassador Paul Taylor has become a sort of unofficial adviser to his campaign. Bosch says that the Dominican Republic needs to industrialize rapidly, but he also advocates a return to the International Monetary Fund (IMF).

Balaguer has refused to sign with the IMF, because it would mean an end to his extensive public works program, including the construction of rural roads, a hydro-electric dam, and housing for the poor in the capital city of Santo Domingo. Nonetheless, he has continued to service the estimated \$4 billion foreign debt to the tune of \$700 million per year, 70% of the country's exchange earnings, which has caused mass unemployment, currency devaluations, a shortage of basic goods, and an energy crisis.

Given Balaguer's age, there is a strong possibility that if reelected, his term might be completed by Vice President Carlos Morales Troncoso, former president of Gulf and Western holdings in the Dominican Republic and a chum of Henry Kissinger.

Also in the running are former Vice President Jacobo Majluta and José Francisco Peña Gómez, a voodoo practitioner and protégé of Venezuelan President Carlos Andrés Pérez. His campaign has recently surged thanks to an infusion of funds from the Socialist International and, reportedly, the U.S. Project Democracy.

'Alarming rise' of drug abuse in China

China's *Legal Daily* on March 14 reported an alarming rise of heroin and opium use in southwestern Yunnan Province, where it said heroin use could wipe out some ethnic minorities. The newspaper reported dozens of deaths, mostly of youths, who overdosed on drugs or contracted AIDS from injecting heroin with contaminated needles. Yunnan is near the Golden Triangle opium-growing region.

The number of reported AIDS cases in China saw a more than five-fold increase in February, when the health ministry said 146 addicts in Yunnan had contracted the disease.

At a conference of Asian narcotics experts in Beijing in October 1989, Chinese authorities acknowledged that southwestern China had become a major transshipment point for heroin.

● **THE BRITISH MI-6** intelligence service has cleared Gorbachov of responsibility for the massacre in Tbilisi, Georgia, one year ago, according to the London *Sunday Express* of April 15. MI-6 conducted a top-secret investigation by its agents in the Soviet Union, to find out if Gorbachov had actually given orders for the massacre. They claim they found no evidence of any direct involvement by any Moscow leaders, and blamed local authorities.

● **RADIO MOSCOW** on April 12 praised President George Bush for his sellout of Lithuania. "In a White House meeting with representatives of 14 Baltic groups . . . he insisted that the United States take into account the interests of the Soviet Union as a whole, and not let the Lithuanian problem hamper the upcoming Soviet-American summit," the broadcast said.

● **SCHILLER INSTITUTE** activists are fielding an electoral slate, "Italians for Progress," in the town of Caorso, near Milan, Italy. The candidates are fighting to reverse Italy's ban on nuclear energy. Caorso is the site of one of the nuclear plants shut down three years ago, as a result of the country's anti-nuclear referendum.

● **CHINESE** student leader Chai Ling called on the West to adopt much tougher sanctions against Beijing. She surfaced in France in mid-April after 10 months of hiding in China. "No economic or political sanction is too much against Li Peng's government, which massacres its own people," she told *Le Monde*.

● **EUROPEAN** Community ministers, led by Irish Foreign Minister Gerard Collins, met South African President De Klerk on April 12, following talks with the African National Congress. De Klerk is scheduled to visit Europe in May.

Kurt Masur and the Leipzig revolution

Ortrun and Hartmut Cramer report on one of the most remarkable leaders of East Germany's revolution, who made Beethoven's ideas more powerful than Stasi bayonets.

"I am a conductor and a musician first and foremost; I'm a politician only against my will." This self-characterization ran like a red thread throughout a press conference held late last December by Kurt Masur, director of the world-renowned Gewandhaus Orchestra in Leipzig, East Germany, and recently named as the new director of the New York Philharmonic Orchestra.

The Dec. 29 press conference was held the day after a breathtaking performance of the Ninth Symphony by Ludwig van Beethoven, which had been designed as the kickoff of a long series of "concerts for Leipzig," the historic city which has played such a crucial role in the still-continuing German Revolution of 1989. The citizens of Leipzig, who have gotten used to doing things spontaneously recently, had quickly transformed a dress rehearsal for the traditional New Year's Eve concert of Beethoven's Ninth, into a concert in its own right, which was open—almost exclusively—to residents of Leipzig.

Even before the music began, the ovations for Masur and the Leipzig orchestra more resembled those given at demonstrations than at a concert. And at the conclusion of the last piece, which caught everyone up in the enthusiasm, almost 2,000 listeners showered the director and musicians, including the numerous members of the Gewandhaus Children's Chorus, with storms of applause which seemed to never end. Seldom has there been a more intense performance of this great symphony, and seldom was there a more attentive public than the Leiszipigers at that moment.

Masur, for all his modesty, had a great deal to do with this. Little wonder that his constant "search for the truth-content in music," as shown by his unceasing efforts to pres-

ent great music such as the Ninth Symphony in such a way that each time it sounds "fresh as the morning dew," and "as if it has been composed yesterday," has now flowed into other fields of work. And doing that means putting one's own person in second place to the music itself, in order to let the composer's own thoughts act directly.

Musical truth vs. 'American show'

Masur has a horror of music as "show business." He feels closer to a composer "such as Simon Rattle, who decides to remain in his native Birmingham [England] in the service of music, and therefore forgoing a brilliant career as a star at the podium," than he does to a superstar such as Leonard Bernstein, whose most recent media spectacle in Berlin only received a curt "no comment" from Masur. When pressed by the *Washington Post* for a comment, Masur finally let out a sigh: "American show." The American journalist was visibly relieved that he had let it go at that.

But it also means decisively intervening and acting when that is necessary. This was expressed musically over the last few months, in his suddenly breaking off his production of a recording of Beethoven's symphonies, at the point when it became clear that he and his musicians "simply couldn't put our whole hearts into it. For we all had family members, close friends and acquaintances who were participating in the Monday demonstrations, whose peaceful outcome was anything but assured." His recording of Beethoven's "Eroica" symphony, made during those tumultuous days, will be "heard again in perhaps six months or even later. It certainly has its advantages; but in that situation, we simply could not act as if nothing was happening."

And thus the musician Masur became a politician, albeit an unwilling one. To him, who up to then had held a high representative post in the SED's communist state but had never bowed to it, fell the task of leading the political demonstrations and prevent chaos and the spilling of blood.

(In the meantime, it has turned out that the SED leadership in Berlin had already given orders to shoot at participants in the Oct. 9 demonstration. Live ammunition was given out, all the hospitals, especially the blood banks in Leipzig and the surrounding area, had been put on an emergency alert. According to eyewitness reports, the numerically very strong and heavily armed forces which had assembled behind the Gewandhaus possessed "weapons which we had never seen before," including armored cars with movable gratings upon which sharp pieces of metal had been mounted, apparently intended to halt, or rather to skewer the demonstrators.)

Organizing a peaceful revolution

Masur, together with a representative of the Protestant Church, a night-club star, and three local SED functionaries, drew up the now-famous Leipzig "Call of the Six" for non-violence, and went into the streets with the Monday demonstrators—right in the front ranks. He furthermore kept his promise and invited all citizens to Sunday "Gewandhaus discussions," where all Leipzig citizens could come to present and debate political problems. With this, Masur introduced a style into the political conflict which made substantive dialogue possible, and ensured the *peaceful* future course of the revolution. It is a testament to Masur's fine sense of truthfulness, that he was just as energetic (and credible) in rejecting the pitiful claim of Prime Minister Egon Krenz that it was he, Krenz, who prevented a bloodbath, as he was in rejecting the remark of West German Social Democrat Willy Brandt, played up in the Western press, that "Soviet officers" had prevented it. "That's a nice story; but it's not true," said Masur.

Asked about the future course of political developments, Masur said that the communist SED had been completely discredited, and that the people no longer believed a word they said. People just don't want any sort of socialism anymore; words such as "confidence," "readiness to sacrifice," "labor and reconstruction," coming out of the mouths of SED officials, only elicit revulsion. It doesn't matter what the SED says or does; its political credibility is finished, once and for all. This party can no longer motivate anything for anyone.

Masur saw the greatest threat coming from the press and the alleged "rise of neo-fascism" which the SED was so loudly crowing about, whose appearance he considered to be mainly "provoked." But he also saw danger in the fragmentation of the political opposition. Meanwhile, the most important current theme is not the "in part hair-splitting discussion" about reunification, but rather the country's future economic development. The initiatives of the Modrow transitional caretaker government, as good as they might be, did not have nearly enough "boldness," and were continually tailing

development rather than leading them.

In his discussions with West German politicians, including Foreign Minister Hans-Dietrich Genscher, Christian Democratic leader Kurt Biedenkopf, and Social Democratic leader Hans-Jochen Vogel, he said that economic aid was in the foreground. During his visit with French President François Mitterrand, the latter pointed to the fears which European neighbors had of a reunified Germany. Questioned on this, Masur conceded that of course, any dominant German role in Europe will be problematic, but that a politically enhanced France would make an ideal combination with Germany's enormous economic power.

Masur displayed a great measure of political shrewdness. For instance: "Of course we can't approach these developments naively; no one abroad is going to give us something for nothing. Besides, we don't want alms, but only the opportunity to work effectively and to enjoy the fruits of our labor." But what left the most enduring impression was Masur's honesty and moral uprightness—qualities which can stand a politician in good stead.

Boldness, and beauty

"Boldness is a concept which I value highly," said Masur, and he used it not only in complaining about the lack of that character trait, so necessary today, in the transitional government, but also in order to inveigh against the old regime's suppression of just this quality. "Precisely the most gifted musicians and artists, who had the boldest ideas, were prevented by the government from developing their talents and putting these in the service of society."

On the other hand, Masur used the strongest terms to express his disgust with everything ugly. To him, it is bad enough when Beethoven's Ninth is misused for purposes of political representation; but it is downright "barbaric" when on such occasions, ostensibly on the grounds of insufficient time and concentration-span, only the final movement is performed. To him, and to all Leipzig citizens, it was "barbaric" when the beautiful old university church, Leipzig's only cruciform church, was dynamited in the early 1970s at the behest of the party functionaries of the Karl Marx University. "That barbarism almost led to a revolution then and there," reported one member of the Gewandhaus Orchestra.

It would be a joy for us all, if a man of such integrity could also directly assume a high political responsibility. But the conductor and "politician against his will," when asked what he thought of suggestions that he might become President of the German Democratic Republic, turned this aside with a smile, and referred to his "fortune to be in the most beautiful profession which one can have during these times, that of a musical director." But he was crafty enough to add: "But I will not shirk responsibility."

That's precisely what the author Vaclav Havel, now the President of Czechoslovakia, had said only a few weeks earlier.

‘There came a time when I had no fear’

Following a full press conference on Dec. 29, Kurt Masur, director of Leipzig’s Gewandhaus Orchestra, gave the following interview to Ortrun and Hartmut Cramer of Ibykus magazine. EIR thanks the editors of Ibykus for kindly making it available to an English-speaking audience.

Ibykus: Professor Masur, why did the revolution begin here in Leipzig, and why does it continually get the strongest impulses from this city? The economic and political problems are the same all over the German Democratic Republic. What is the special significance of Leipzig in this respect?

Masur: I think Leipzig is the only large city in our country whose international contacts were never entirely broken off—i.e., through the Leipzig Trade Fair. This twice-yearly contact with influences abroad has had great significance for the citizens of Leipzig—especially because, as you know, many visitors to the fair stay in people’s private quarters. There are many conversations and friendly debates, and always new ideas. This has kept Leipzigers open to everything coming from abroad.

But the Leipzigers have always been open to new impressions. I can make this clear by way of an example which I recently used with President Mitterrand: There are many expressions in Leipzig slang which are originally French. The word *fischlant*, for instance, means the same thing as the French *vigilant*. It happens to be the nicest thing you can say about a Leipziger: “He’s *fischlant*” means he’s clever and can find his way in any situation. Or take the expression: “A child *plärrt*”; this comes from *pleurer*, to cry. This and similar influences come especially from the craftsmen who arrived from Flemish and French regions to settle here in Leipzig.

I believe this openness for new impressions from abroad, which especially comes from the fact that Leipzig is an international nodal point and has also been a nodal traffic point between north and south and east and west, has been kept alive by the Leipzig Trade Fair, even through the era of divided Germany. Because of this, all Leipzig citizens have retained the same or a similar character and sense of themselves. As you know, *Iskra*, the revolutionary newspaper for

the Soviet Union, was published here in Leipzig. I guess you could say that “the Leipzigers have always been in on everything.”

Ibykus: You are not the first German conductor who was forced to pursue your artistic activity under a dictatorial system. Wilhelm Furtwängler, one of your predecessors here in Leipzig, suffered the same fate. The question of whether to stay or leave played a big role in his situation. Do you think yours is similar?

Masur: Certainly—at any rate, from the standpoint of him as a leading personality. But his situation was more difficult. In his day there were concentration camps, which we didn’t have here.

In my opinion, people should not paint what happened in our country so black, that you can’t understand why anyone would have stayed here and lived here. That would be false. On the other hand, it was never hard for me to understand that someone who did not have the strength to live and work under these conditions, would have to leave—as, for example, my friend Klaus Tennstedt did. Klaus simply had to leave. There are others besides him who said, “I can’t stand it any longer,” and when that’s the case, you simply have to tell them, “Okay, then go.”

All this has to be examined more carefully; but it is a fact that we had a whole slew of young people who showed the same symptoms: They were extraordinarily talented and had the bolder ideas; and they either left, or they often suffered such damage that their nerves would not permit them to continue, or they just gave up. There are absolutely tragic individual cases, which cannot necessarily be ascribed to the oppressive situation, but which I would like nevertheless to connect to it.

You feel hemmed in. You hit up against limits—like a man who feels a barrier which he cannot break through. You can’t allow free rein to your imagination. You can imagine things, but you can no longer hold them inside the small container which is permitted you. This was symptomatic of the situation in the G.D.R.; it was a great impediment for us artists.

Ibykus: How did you deal with it yourself?

Masur: I must say that I have always felt quite strong. The blows which I received already in my younger years, have made me strong. As a young person I was driven out of my homeland, Silesia, and came here when I was 17. I earned my keep as a student by playing dance music at night; then, the next morning, my fingers still worn out, I had to play Beethoven sonatas again.

Those were times which have not passed without leaving its marks. But they made us strong. Believe me, they gave me the armamentarium to conquer, and often even ignore, the oppressiveness of my own situation.

There came a time when I no longer had any fear—simply



The square in front of the Leipzig Gewandhaus was the scene of the pro-democracy demonstrations which built up over the months, leading to the fall of the Berlin Wall.

Andrew Spinnatus

no fear at all, not of anybody: not of the American CIA, or of the Soviet KGB. And that's a beautiful feeling.

Ibykus: Together with five other citizens you wrote a call for non-violence; you turned to the citizens of Leipzig and invited them to public discussions in the Gewandhaus. Was that following the famous ninth of October?

Masur: Yes. The invitation to the "Gewandhaus dialogues" was our way of keeping the promise we made to the population in our Oct. 9 declaration. We initiated these discussions immediately after that. We had already thought them up in our "council of six," and had divided up the corresponding tasks among us. And then we held them, a total of five times through Christmas, and with large participation.

Ibykus: Did your call, these discussions, and your almost 20 years of work with the orchestra, along with the reputation enjoyed by the Gewandhaus Orchestra as a centuries-old institution, contribute to the fact that the revolution has been non-violent up to now?

Masur: If people hadn't trusted us, things would have gone differently. I have to honestly say, that I had objected at first, when the other five members of the "council of six" insisted that I should read the call we had jointly written. I told them that I am a musician, and only for an elite layer, only for music-lovers in Leipzig. They overruled me. I did not believe that my actions would have such an effect in the further course of events.

Of course, I'm happy about the result. It has proven that our basic attitude—and it wasn't only mine, but that of the entire orchestra, and had been so for years—was correct. We taught in kindergartens; we went to factories and played there; we organized school concerts, and concerts for appren-

tices. We also gave a concert for the construction workers who built this concert hall. Our musicians have given introductory lectures, and in their external actions have always been loyal to the city of Leipzig and its musical life. All these activities brought us into contact with many people in Leipzig; we've reached practically every layer.

But at that moment, at first, I wasn't all that conscious of this. Then it bore fruit. It was simply the result of the fact that none of us felt like an elitist artist who wanted nothing to do with the "man of the masses." It is this close connection with the citizens of Leipzig, which has led to the fact that now, at this moment, we have reached a happy culmination point where one can say that there just can't exist a happier rapport between public and orchestra.

Ibykus: So you are now experiencing a confirmation of the social role of great art, as Beethoven and Schiller demanded?

Masur: Precisely. This, I believe, is associated with the historic tradition of our 200-year-old orchestra, since the original Gewandhaus Orchestra was the only one both founded and paid for by citizens of the city of Leipzig. It therefore wasn't a court orchestra, as were all the aristocrats' orchestras. No, the Gewandhaus Orchestra is an orchestra born of Leipzig's proud citizenry. The people of this city heard the orchestra each day in the opera house; and when they went to church, they heard it in the St. Thomas Church, and they knew that this was where Johann Sebastian Bach had made music earlier, with the predecessors of this orchestra. All this taken together, is what I think made people conscious that this orchestra is *their* orchestra. Later on they became increasingly proud of the orchestra because of its successes abroad, so that I would like to say that we have now arrived at the high-point of what I had in mind when I took this post in 1970.

ADL caught trying to sway judge in 'LaRouche case'

On April 12, 1990 it was revealed in the Roanoke, Virginia court of Judge Clifford Weckstein, that the Anti-Defamation League of B'nai B'rith has attempted to improperly influence Judge Weckstein against Lyndon LaRouche and his associates. Judge Weckstein is presiding over the ongoing trials in Virginia of associates of LaRouche.

In the extraordinary hearing, Judge Weckstein himself revealed that he had received a letter from the ADL's Virginia regional director Ira Gissen, at the request of ADL national commissioner Murray Janus. The Gissen letter was accompanied by libelous reports about LaRouche and his political movement that had been produced and distributed by the ADL.

Although this was not revealed at the hearing, it was later made part of the court record that the letter also included a copy of a resolution being circulated by the Virginia ADL calling on the Governor to appoint a Jewish judge to the Virginia Supreme Court. Weckstein, who is Jewish, would be a candidate for such a position. Any objective observer could not fail to draw the inference that Weckstein's cooperation in the LaRouche cases would boost his chances of getting the ADL's recommendation for this coveted post!

After receiving the letter, Judge Weckstein wrote Gissen back, thanking him for the information and stating he would not read it. Weckstein included with his return letter copies of leaflets linking Weckstein to the ADL which had been circulated in Roanoke for Mr. Gissen's "amusement" (see pages 59 and 60).

Such conduct, both on the part of the ADL officials involved, and on Judge Weckstein's part, is highly improper and possibly illegal. Incredibly, Judge Weckstein claimed he was not biased and refused to recuse himself from presiding over the "LaRouche" trials.

Demand for Weckstein to step down

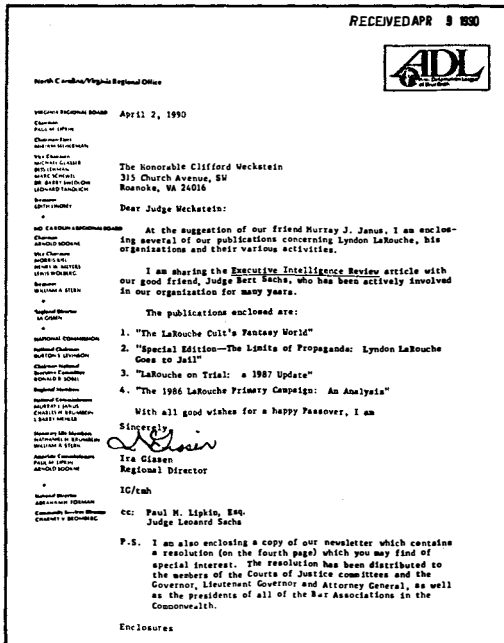
The April 12 hearing was prompted when attorneys for Richard Welsh, the latest associate of LaRouche on trial for so-called securities fraud, filed a motion asking Judge Weckstein to disclose all extra-judicial sources of information and/or recuse himself on the basis of bias. The 18-page motion, accompanied by at least 100 pages of documentary exhibits, targeted Weckstein's connections to the ADL and the *Roanoke Times and World News*.

The motion asked Weckstein to disclose any discussions he may have had or any information learned, either directly or indirectly, about Richard Welsh, his co-defendants, the National Caucus of Labor Committees (NCLC, the philosophical association founded by LaRouche), or Lyndon LaRouche from Murray Janus, or any officer or publication of the ADL. The motion also asked Weckstein to make the same disclosure with regard to any reporter or agent of the *Roanoke Times and World News*. In addition, the motion asked for "any other information . . . gained from any extra-judicial source which would cause a reasonable person to doubt the Court's impartiality toward Welsh, LaRouche, or the NCLC."

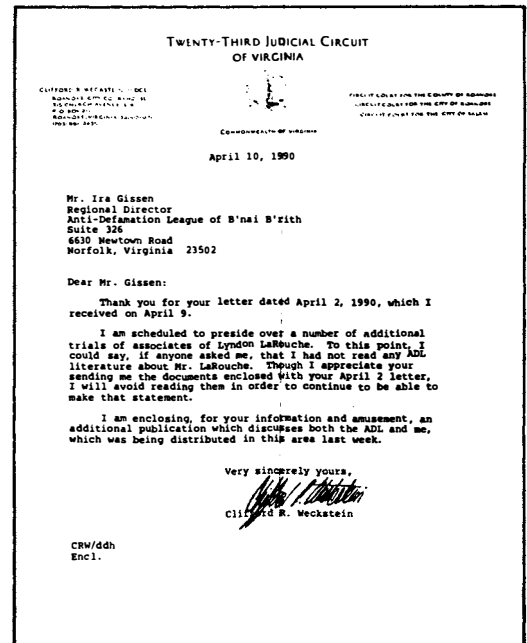
Weckstein tied to hostile press

The *Roanoke Times and World News* failed to mention the ADL's activities in its coverage of the April 12 hearing. The *Times*, however, has been a conduit for anti-LaRouche propaganda, publishing in the past four years over 179 articles and editorials attacking LaRouche and associates, frequently using material originating with the ADL.

In the April 12 hearing, Judge Weckstein admitted to "joking" with *Times* reporters about the LaRouche cases. Not only is Weckstein's brother-in-law Robert Eure the political



These letters were presented in court on April 19, revealing the blatant attempt by his ADL friends to influence Judge Weckstein (left) and the judge's reply (right). On page 60 are photos of some of the enclosures, including—to remind Weckstein that he will benefit by staying in the ADL's graces—their resolution to get a Jewish member appointed to the Virginia Supreme Court!



editor, but his father-in-law is still a stockholder in the paper, and Weckstein has a current outstanding debt to him. The motion also cited Weckstein's willingness to uphold outrageous sentences, as further evidence of bias.

ADL long involved in attacking LaRouche

The fact that the ADL would try to exert influence over a sitting judge in a case involving associates of Lyndon LaRouche comes as no surprise to anyone who has followed the ADL's activities over the last 12 years. Since 1978, after receiving a substantial amount of funding from pro-Soviet grain trader Dwayne Andreas, the ADL has spent a considerable amount of time and resources in an effort to wipe out the worldwide political movement associated with Lyndon LaRouche. The ADL's efforts have included manipulating news organizations, politicians, and state and federal law-enforcement officials, and collaborating with the Soviet KGB. The ADL has bragged in the news media and in its own bulletins and newsletters, of its role in instigating and aiding the political prosecutions of LaRouche. The ADL counts the prosecution of LaRouche among its 10 top accomplishments in 1989. Mira Lansky Boland, the Washington, D.C. fact-finding director of the ADL recently described the ADL as "a national repository of information on Lyndon LaRouche."

ADL collaboration with the Soviet KGB, in particular, involved efforts of ADL official Irwin Suall, in conjunction with the Department of Justice, working with the KGB to pin the assassination of Swedish Prime Minister Olof Palme on LaRouche. It was later learned in 1989, that wiretaps on Soviet officials conducted by Swedish intelligence services had pinpointed Soviet foreknowledge of the assassination.

Included in the 100 pages of documentation filed with

the motion are ADL internal documents demonstrating that the ADL planted negative news stories about the LaRouche movement in local and national news outlets. Also included are documents demonstrating that the ADL has had close contact with the FBI, the National Security Council, and various local and state law-enforcement officials to bring about indictments and convictions of LaRouche and his associates. Among these documents are a letter to then-FBI Director William Webster commending the FBI's investigation and prosecution of LaRouche; a letter to a New York prosecutor enclosing ADL material for use in the prosecution of LaRouche associates in New York; and a June 1987 ADL bulletin referring to a letter of appreciation which the ADL had received from New York Attorney General Robert Abrams, thanking the ADL for helping Abrams in his investigation and prosecution of LaRouche associates.

The motion documents the role of the ADL in the prosecutions of the NCLC since 1975. "The ADL and the FBI since 1975 have described the NCLC as a 'cult.' The ADL has described LaRouche as a 'megalomaniac and a small-time Hitler.' These completely false labels are the most repugnant and inflammatory characterizations which can be attributed to any individual, political movement, or association," the motion reads.

The motion noted that many of Welsh's relatives who failed to escape from Hungary prior to the war perished in the Holocaust. "It is Richard Welsh's experience that individuals tarred with the label of anti-Semite, even falsely and for other purposes as in this case, particularly in the organized fashion in which the NCLC has been attacked, encounter almost insurmountable barriers in re-achieving an objective and impartial footing within the Jewish community.

"There has never been a Jewish member of the Virginia Supreme Court . . ."

Copies of the following resolution have been sent to officials of the Commonwealth government and to bar associations throughout Virginia.

RESOLUTION

WHEREAS, during the history of over 200 years of the judicial system in the Commonwealth of Virginia, many Jewish lawyers endowed with exceptional legal skill, a keen sense of fairness and impeccable integrity have been members of the Bar practicing before the Courts of the Commonwealth; and

WHEREAS, only a very few of the said Jewish lawyers have been appointed to the trial benches of the Commonwealth; and

WHEREAS, despite the large number of highly qualified and widely respected Jewish lawyers who have either practiced law in this Commonwealth, or in addition, served at the trial level of the Virginia Judiciary, the General Assembly and Governor have never deemed it appropriate for more than two centuries to name a Jewish lawyer to the position of Justice of the Supreme Court of Virginia or to the position of Judge of the recently created Court of Appeals of Virginia; and

WHEREAS, Virginia claims among her most revered native sons the third President of the United States, Thomas Jefferson, who, it is said, considered his authorship of the Virginia Statute of Religious Freedom one of his greatest achievements; and

WHEREAS, religious freedom encompasses the right not to be discriminated against on account of the free practice of his or her faith, and freedom of opportunity regardless of one's religious background; and

WHEREAS, vacancies which exist from time to time on the Supreme Court of Virginia and the Court of Appeals afford an opportunity to the General Assembly and Governor to demonstrate that over two centuries of oversight or exclusion will not be permitted to continue and that the Religious Freedom Statute is still more than ever, a viable statute in the Commonwealth today.

NOW, THEREFORE, be it resolved that the Virginia Regional Advisory Board of the Anti Defamation League of B'nai B'rith calls upon the General Assembly of Virginia and the Governor of the Commonwealth to consider and appoint a highly qualified lawyer of the Jewish faith to the position of Justice of the Supreme Court of Virginia or Judge of the Court of Appeals as future vacancies occur.

Anti-Defamation League of B'nai B'rith

By *Paul M. Lipkin*
Paul M. Lipkin, Chairman
Virginia Regional Advisory Board

August 7, 1986

Ms. Katherine Law
New York State Department of Law
2 World Trade Center, Rm. 48-03
New York, NY 10047

Dear Ms. Law:

As per your request, enclosed are 10 copies of ADL's new LaRouche report entitled *The LaRouche Political Cult: Packaging Extremism*. I hope the information contained in the report is helpful to your investigation of Caucus Distributors, Inc. Considering our own interest in this matter, we would appreciate it if you would keep us posted on the developments of the investigation. If you have any questions, please feel free to call me at (212) 490-2525.

Sincerely,

Yitzchak
Seri J. Mann
Assistant Director

GVM:ra

RECEIVED

AUG 14 1986
DEPARTMENT OF LAW
NEW YORK CITY OFFICE

Anti-Defamation League ADL of B'nai B'rith
Washington, D.C. Office

OUTSIDE SOURCE

February 24, 1987

Judge William H. Webster
Director
Federal Bureau of Investigation
J. Edgar Hoover Building
Washington, D.C. 20535

Dear Sir:

I thought you'd like to see the enclosed news release concerning the resolution which our National Executive Committee recently adopted commending the FBI for its efforts in bringing to justice extremists who engage in criminal activities.

Sincerely,

Anti-Defamation League ADL of B'nai B'rith
812 United Nations Plaza, New York, NY 10019 212-490-2525 Telex 980779

Send ADL-10
B'nai B'rith.com

FOR IMMEDIATE RELEASE

New York, NY, Feb. 20....The Anti-Defamation League of B'nai B'rith has commended the U.S. Justice Department, the Federal Bureau of Investigation and the Bureau of Alcohol, Tobacco and Firearms for "their vigorous efforts to bring to justice extremists who have engaged in criminal acts."

"Since the present round of prosecutions of NCLC members began with the Boston grand jury investigation in November of 1984, Welsh believes the ADL has served as a full private sector partner to state and federal investigators in the task force assigned to the investigation."

The motion then documents that two ADL informants, Jimmy Rosenberg and Mordechai Levy, served as government agents and informants in the Boston investigation. The ADL has "figured prominently in a wave of prejudicial publicity throughout . . . Virginia." ADL documents reveal extensive information-sharing and other activities in conjunction with the Loudoun County Sheriff's Department, the FBI, the U.S. Attorney's office, and other prosecutors.

ADL high-profile in Virginia trials

The motion for recusal also outlined that the ADL has played a very prominent role in the ongoing Virginia prosecutions of several LaRouche associates. At the trial last fall of Michael Billington, the first LaRouche associate to be tried before Judge Weckstein, Mira Lansky Boland, the ADL's Washington, D.C. fact-finding director, acted as a *de facto* public spokesman for the prosecution. Boland was quoted in numerous news articles about the trials, personally participated in a civil suit against two of Welsh's co-defendants, and was present when Judge Weckstein imposed an outrageous 77-year sentence on Billington.

During the second trial before Judge Weckstein, that of Don Phau, the prosecutor introduced into evidence a faxed document bearing the ADL's Washington office as the nota-

tion of origin. Now the ADL, not content to exert its influence over the prosecution of these cases, is caught redhanded trying to influence the judge.

The motion states that Weckstein, before becoming a judge, had a "professional and perhaps a personal relationship" with Murray Janus, Esq. Janus is the Virginia state chairman of the ADL, a member of the ADL national commission, and a member of the Executive Committee of the Civil Rights Division of the ADL, which supervises the Fact-Finding Division.

Also, John Lichtenstein, the son of Weckstein's former partner, is a member of Janus's law firm. Weckstein's 1989 financial disclosure forms show a personal debt owing to John Lichtenstein's mother.

The motion pointed out that the book, *Dope, Inc.*, is a major issue in the case, and as *Dope, Inc.* notes, "The ADL has acted as public relations protectors of Jewish-surnamed mobsters, including Meyer Lansky, the Bronfmans, and the Jacobs family, and as an intelligence asset of British and Morgan interests within the establishment. Edgar Bronfman is an honorary vice-chairman of the ADL, and upon information and belief, raises funds on its behalf.

"In light of this record," the motion reads, "Richard Welsh does not believe, with all due respect to the Court's desire to remain objective, that jurors or jurists who have been influenced by or have a view that LaRouche is anti-Semitic, that he is a megalomaniac, that the NCLC is a cult, and similar views promoted by the ADL, can provide him with an impartial trial."

Spannaus files over 500 delegates in Va.

Nancy Spannaus, the only Democrat in Virginia opposing Republican incumbent Sen. John Warner, announced on April 18 that her campaign had filed over 500 delegates in her bid to win the Democratic Party nomination at Party caucuses being held throughout the state on April 21 and 23. Spannaus's announcement of a delegate slate which substantially surpasses the 350 elected delegates needed to qualify the campaign under party rules, throws a monkey wrench into the plans of the party bureaucrats to cede the election to incumbent Republican John Warner by not even putting up a candidate.

Spannaus, a longtime associate of Lyndon LaRouche and the editor of the *New Federalist* weekly newspaper, made the announcement at press conferences in the state capital of Richmond and in Roanoke, as she made a final pre-caucus campaign tour of the southern part of the state. During her tour, Spannaus held meetings with labor, minority, farm, and other constituencies which are being disenfranchised by the Democratic Party leadership's attempts to block her candidacy. She urged constituency and community leaders to mobilize their members to attend the caucuses and elect the 350 delegates necessary to win the nomination.

The party leadership's dirty tricks against Spannaus included a letter to constituents, dated April 16, warning against those unnamed who are making "a mockery of our political process with fraud and intimidation." Spannaus's statement is reprinted in full below.

'Let's have real elections'

"I am pleased to announce that the Spannaus for Senate campaign has prefiled in the range of 500 candidates for delegates to the state Democratic Party convention this week. The delegate slate represents a strong protest to the state party's attempt to cancel the elections.

"Full slates of delegates have been filed in numerous locations, including the Tidewater [southeast] area. Delegates are generally not official representatives of any groups, but come from the ranks of working people who feel strongly that the Democratic Party should not be endorsing John Warner, an advocate of the policies of depression and appeasement being pursued by the Bush administration.

"The hurdles which the party bureaucracy has put before

would-be participants have been substantial—although they violate the explicit intent of the party rules and the party call for the convention. They include: 1) reducing the number of delegates from the normal level; 2) at least in some areas, refusing to carry out the normal practice of refunding pre-filing fees, if the individual is not elected; 3) forcing campaign committees—explicitly mine—to pick up the tab for indigent delegates; 4) providing as little publicity and information as possible on the caucuses and procedures for local Democratic committees and the general public; and overall, in the words of one local Democratic Party official, making the process 'deliberately confusing' and 'discouraging people from pre-filing to be delegates.'

"Now that the filing has occurred, however, I expect more problems. Since Kathy Bolles of the Democratic Party has refused to provide my campaign with a list of caucuses around the state, I am not even sure that some areas will have caucuses. How does the Democratic Party intend to handle that?

"Secondly, what assurances do I have that vote fraud will not be carried out by local party chairmen? It has already been publicly reported at some local Democratic Party meetings that chairman Paul Goldman has let it be known that he wants delegates to prefile for 'no candidate be nominated'—i.e. John Warner. This specifically violates the injunction against preferential treatment contained in the party convention call. A good number of local parties also refused to allow me to speak—although I am the only candidate. If no representative of my campaign is present, how can a fair vote be expected?

"I am asking the Democratic Party to allow a representative of the Spannaus campaign to observe the counting of ballots, and to be given sufficient access to ensure that there is no vote fraud, wherever we have a representative on hand asking for such access.

"In general, this convention process has been carried out with such deliberate chaos and confusion that I believe the Bush Democrats will have little trouble ramming through their cancellation of the state convention and endorsement of John Warner. However, I urge those individuals, from the media or otherwise, who are concerned about this violation of democratic procedures, to serve as watchdogs in whatever way they can.

"As chairman Goldman knows, the intent of the Voting Rights Act, if not the letter, is being grossly violated by the Democratic Party of Virginia through this entire process. We have attempted to play by their rigged rules—and have shown a substantial degree of support throughout the state. Should the party bureaucrats succeed in their objective to cancel the convention, it will mean nothing about what mainstream Democrats think in Virginia. It will only mean that the Virginia Democratic Party has successfully taken up the ways of the Communist parties of the East bloc, and prepared the way for its subsequent demise."

We should base 'Soviet policy' on the American Revolution

by Lyndon H. LaRouche, Jr.

This statement is excerpted from remarks made on April 16 by congressional candidate Lyndon LaRouche.

The policy of the United States toward the Soviet Union over the past 70 years has been a series of follies characterized most conspicuously by alternation between Neville Chamberlain-like conciliationism of the type we've seen since 1983, and ultra hard-line anti-communism.

The problem here is that each of these extremes, conciliationism of the Thatcher variety today or hard-line anti-communism of the McCarthy period mentality, for example, are both based on a false assumption that capitalism and the vital interests of the United States, being one and the same, correspond to liberal British finance capitalism, i.e., that of Adam Smith. This is grotesquely ironical, in the sense that the American Revolution was fought against British liberal capitalism and its philosophy of government, society, and law. So in no place in U.S. policy toward the Soviet Union are the traditional interests of the United States represented in either of these two extremes.

The conciliationist or so-called Trust or condominium view, is associated with Teddy Roosevelt traditions of environmentalism: the attempt to destroy society based upon scientific and technological progress in agriculture, industry, and infrastructure, in favor of a world of kooks overlorded by aristocrats and usury-practicing financiers.

The idea is that since the Soviet Union is a potential oppressive force against the tendency of Western continental Europe to foster agro-industrial scientific and technological progress, the United States and Great Britain should ally with Moscow against these tendencies in Europe and among developing nations. That's the condominium view in the simplest terms.

The mindless anti-communism also assumes that Adam Smith is the source of all virtue and that the only thing wrong with the communists is that they don't worship the god of Adam Smith, who happens to be not the Christian god, of course, but some evil, satanic heathen god—if one reads his writings on morals, economics, and political economy accurately and without mildew over one's eyes.

We have had more than enough of British liberal capitalism. We are now in the denouement of that particular piece of nonsense, and we should be happy to be rid of it. We should be happy to go back to that upon which the United

States was founded, a commitment to the American System of political-economy of Treasury Secretary Alexander Hamilton. It's the only model of modern economy that works—not that Hamilton was himself perfect, but what he defends, together with Ben Franklin, and Gottfried Leibniz before Franklin, and Mathew and Henry Carey, Henry Clay, and Friedrich List after Hamilton, is leading toward what we wish in political-economy. That happens to be the vital interest of the United States—the American System of political economy. And that should be seen as a reflection of Western European Christian civilization.

Use economic policy to civilize Russia

Once we have those things in perspective, then we can proceed to develop a policy toward the Soviet Union.

Now, the Soviet Union is essentially evil because Russia was evil. Great Russia was evil, whether under Ivan Grozny or the commissars, because the culture is satanic, even when it calls itself Christian, generally, because it does not recognize the existence of human individuality; it is rather a collectivist, pagan-modeled society antagonistic to Christianity.

What's wrong with Russia is, essentially, the Muscovite tradition of opposition to the principles affirmed by the Council of Florence. If we could remove that problem from Russia, we have no problem with it any more than we have with any other nation, or that we in the United States have in our own government.

So, our policy is to neutralize and contain Soviet power to the extent that it is an immediate threat; but, at the same time for the medium to longer term, to introduce cultural influences which the Muscovites might discover to be to their advantage, which would lead them out of that which tends to make them an enemy, whether in a Bolshevik or other form.

Louis XI outwitted his enemies

Our attention might well be drawn to France's great King Louis XI, who accomplished the reconstruction of France from a pre-existing shambles by means of a series of measures which included military measures as absolutely required. Louis was not prone to get involved in long, protracted wars—as a matter of fact, he bribed most of his enemies, and outwitted them with a superior approach to political-economy. He defeated Burgundy, England, and others by economic methods.

We should have the same attitude toward the Soviet Union. To the extent we can contain Moscow's evil brutishness and its thrust toward military adventures, and help people being oppressed by the Soviet empire to attain their freedom or less evil oppression from Moscow, we should be moving to provide Moscow with examples of things which might induce the Muscovites to rethink some of their cultural assumptions. And thus we would hope that the Russians, being human, and thus, prone as human beings to the noblest things of which human beings are capable, might be attracted to that.

In contrast, the mindless anti-communist says that the only thing that's wrong with Russia is that it opposes liberal capitalism. Well, the problem is, the mindless anti-communist is actually taking the side of George III against George Washington, and since he doesn't want to face that fact, he says, "The only thing wrong with Russia is its communism," by which he means its opposition, in his view, to Adam Smith. He might recognize a bit of satanism in Russian Bolshevism—all quite true. But he does not want to deal with the issue of economics and related military issues. He does not wish to face the fact that we are incapable of effective cultural warfare against Moscow—where the Pope, for example, is—precisely because we refuse to give up our own insanity, our liberal capitalism, in favor of that choice of weapon, i.e., the American System and what that implies, in order to conduct cultural warfare against the problems represented by the Soviet empire.

So, we must learn lessons today from France's Louis XI. We can and should make what some people would call economic concessions to Moscow, particularly via Western Europe. However, the benefits which we have offered to the

Russians should not merely be a bribe to induce them to behave well. Rather, these should be things which are to the benefit of Russians and which tend to guide them to a perception of better ways of thinking about the relationship of man and nature and, hence, man and man. We ought to proceed in the manner that Louis XI did. Yes, we help the Russians—not as a bribe, not as some kind of a cute trick—but simply because they're human beings.

The underlying strategic point is that if they see the wisdom of our ways and benefit from it, we have a better chance of winning them over to that point of view. We don't wish to harm them unnecessarily. But we will tolerate no nonsense in the matter of imperialist aggression or oppression of national minorities or people.

It's a very simple policy; we ought to stick to it. To do that, we have to get rid of both offshoots of the disease of British liberalism. We must be rid of the condominium freaks such as the Thatchers and the Reagan-Bush administration since 1983, and we must be rid of simple, mindless anti-communism, the latter doing nothing to defeat communism but tending to foster dictatorship in our own ranks.

We must rather affirm that on which we ought to stand as former President and former Secretary of State John Quincy Adams underlined the meaning of community of principle, and serve that principle rather than playing these silly utopian games, which, on one side, the Neville Chamberlains of our time play with their Gorbysmania, their insane infatuation—it's almost a sexual infatuation—with Mikhail Gorbachov, or with the alternative of mindless anti-communism. We've had too much of both of those extremist alternatives. Why don't we affirm that for which the American Revolution was fought?

'No price too great to stop global condominium'

Excerpts of a statement released by Lyndon LaRouche on April 8, which appeared as a full-page ad in the Washington Times on April 18.

... There is no price, there is no risk so great, that it should deter us from sabotaging, from wrecking the attempt to introduce the kind of global empire represented by an Anglo-American-Soviet condominium under the present malthusian pro-environmentalist, so-called, drift of policy. I refer specifically in this connection, to the doctrine reflected, by now-President Gorbachov in his United Nations addresses and other related statements made in New York City at the end of 1988.

If a global condominium among Moscow, London,

and Washington were to be established under that kind of policy, the human race is doomed. Therefore, there is no price so great, that it must not be risked to prevent that sort of condominium policy from succeeding. Anyone who opposes that policy is, in effect, a traitor to the entire human species—not merely to one nation or other. *This must be stopped.* . . .

Is Lithuania an absolute turning point? I don't know, and no one knows. Dare we risk it? In any case, to sacrifice Lithuania, and the Baltic states, is an immoral act, a consummately immoral act. If we think it not immoral, then unleash all our prisons, because there is no prisoner in any prison, in Western Europe or North America, who has committed a crime half so heinous as those who dump millions of Balts to the mercies of the Moloch of Moscow.

The trick is to find strength in ourselves to take the course of lesser risk, the course of preventing the condominium with its present policy-drift, from consolidating its power. . . .

Attorney General Thornburgh's immorality exposed by drug scandal

by Steve Komm and Jeff Steinberg

The revelation that Henry Barr, former special assistant and longtime trusted associate of Attorney General Richard Thornburgh, is under investigation for drug use, has touched off a series of scandals that expose the immorality of Thornburgh and his coterie.

The drug scandal, and the fact that high officials close to Thornburgh are trying to sweep it under the rug, have now been joined by a report in the *New York Times* that a false and illegal leak against a Thornburgh political opponent came from Thornburgh's press secretary, a fact also covered up in a months-long Department of Justice investigation.

Cocaine parties with high officials

Barr, who has been a close adviser and aide to Thornburgh for most of the last 21 years, was reportedly implicated in drug use by a former high-level official who served under Barr in the Pennsylvania Attorney General's office, Richard Guida. Guida has been under investigation by a Harrisburg, Pennsylvania federal grand jury since last May for drug use, drug trafficking, and throwing drug cases (see *EIR*, March 25, 1990).

The drug use and cocaine trafficking in question date back to the late 1970s, according to sources familiar with the probe. Federal investigators looking into the Three Mile Island "accident" apparently uncovered a cocaine-trafficking ring servicing welders at the nuclear plant, as well as prominent Harrisburg attorneys. That initial FBI probe was quashed, reportedly through the direct intervention of then-Assistant State Attorney General Guida. A report issued under the signature of then-Governor Thornburgh, and prepared for him by James West, now the U.S. Attorney in Harrisburg, also apparently completely whitewashed the drug angle.

Guida's involvement with cocaine traffickers in the Harrisburg area again came to the attention of federal investigators last year, according to published accounts, and a formal grand jury probe began last spring.

According to reliable sources, Guida was recently told by the prosecutors that he would be indicted on over 100 counts of cocaine use and trafficking, based on the testimony of grand jury witnesses, unless he cooperated. He reportedly chose to cooperate, in return for being allowed, after he testifies against others, to plead guilty to one count of simple drug possession, at which point he will reportedly receive a suspended sentence and lose his license to practice law. (Gui-

da was still representing drug dealers as a lawyer in early April.)

To compound an already thorny scandal, an indictment of Barr, which was scheduled to be voted on by a grand jury in Harrisburg on April 10, was postponed indefinitely when Barr's attorneys met on April 9 with representatives of DoJ Criminal Division chief Edward Dennis, another Pennsylvania Republican who served as U.S. Attorney in Philadelphia during Thornburgh's tenure as governor. Barr and his attorneys, Daniel Shapira and Charles Scarlata, all served as assistant U.S. Attorneys under Thornburgh in Pittsburgh from 1969-75.

Meanwhile, Thornburgh's press spokesman claimed that Thornburgh and his longtime personal aides, including top special assistants Robert S. "Robin" Ross, Jr., David Runkel, and Murray G. Dickman, as well as the U.S. Attorney in Harrisburg, James West, had all recused themselves from the Barr-Guida matter "as soon as they learned of it." No one has yet asked Thornburgh or Barr why Barr suddenly resigned from his position as Thornburgh's special assistant for liaison with law enforcement agencies at exactly the moment that the federal grand jury was convened in Harrisburg to look into the cocaine-trafficking ring last May 12. From August 1988 through May 12, 1989, Barr was a top aide to Thornburgh at the Justice Department.

American political economist and statesman Lyndon LaRouche, who is currently in federal prison, a victim of a Thornburgh Justice Department frameup, observed that, while Thornburgh may not be criminally culpable for the actions of Barr, Guida, and others in his coterie, he is certainly morally accountable for the quality of people with whom he surrounded himself throughout his political career.

"They might have hidden their cocaine use from the governor and Attorney General, but they couldn't have hidden their overall morals for that long—for 20 years! What do we know about Thornburgh's morality? Should he be dumped because of this morality? Absolutely," LaRouche said.

The Bill Gray leak

Just days after the Barr scandal hit the Washington press, another scandal hit—again relating to a long-standing close aide who moved into the Attorney General's office when the ex-Pennsylvania governor took over as Attorney General from Edwin Meese in the summer of 1988.

According to a story in the April 19 *New York Times*, Thornburgh's press secretary, David Runkel, was identified in an Office of Professional Responsibility probe as the source of a false leak last year identifying U.S. Rep. William Gray (D-Pa.), now House Majority Whip, as the target of a federal grand jury probing corruption.

Gray denied the allegations and both the House and Senate Judiciary Committees demanded a full investigation into the source of the leak, which was clearly aimed at destroying the powerful Democratic legislator's career.

After a Criminal Division probe that cost taxpayers an estimated \$224,000 and involved 109 interviews and 10 polygraph examinations with DoJ employees and reporters, Thornburgh wrote to Senate Judiciary Committee chairman Joseph Biden (D-Del.) last December that the investigation was being terminated without conclusive results.

"Since the investigation has not produced sufficient evidence to enable me to ascertain that any present employee of the Department of Justice was responsible for the disclosure, I have determined that no termination of employment or other disciplinary action is justified in this matter at this time," Thornburgh wrote.

When lawmakers protested that the Department's Office of Professional Responsibility, the unit specifically created to handle such investigations, had not been brought in on the probe, Thornburgh relented and allowed OPR to carry out a review of the Criminal Division's work.

While that probe has not yet been completed, the *Times* reported that Thornburgh's aide David Runkel had failed a polygraph test prior to Thornburgh's letter to Biden; that Runkel was definitely one of several sources to CBS-TV on the false story on Representative Gray; and that DoJ officials believe that Thornburgh covered up the results of the probe in order to protect Runkel and others.

According to sources interviewed by *EIR*, there is an affidavit from another reporter also identifying Runkel as the source of the same leak.

Thornburgh's brazen effort to bully his way out of an embarrassing political scandal targeted at a Pennsylvania political rival did not fool people in his own backyard, where his reputation as a vicious political back-stabber is well known. Shortly after the Gray scandal broke, on Aug. 3, 1989 the *Pittsburgh Press* wrote an editorial pointing the finger at Thornburgh: "He has been an unswerving advocate of the trial balloon. Over the years, he has developed and refined the trial balloon hoist to the point where it has become his personal style of management.

"He tried one, for instance, earlier this summer, when the Justice Department leaked the story that the FBI was investigating U.S. Rep. William Gray, D-Philadelphia, about some unspecified unlawful activity by some unspecified employee of Rep. Gray.

"The balloon didn't fly and Mr. Thornburgh just hauled it back in a week later, proclaiming that Rep. Gray was not

under investigation and pledging to fire the Justice Department official responsible for the leak."

Kidnapings and theft alleged

As the heat was building in Washington, Thornburgh and what remains of his Pennsylvania "whiz kid" team boarded a flight for Mexico, where he was to participate in an anti-drug conference of Organization of American States justice ministers. No sooner had he landed than a new scandal was waiting to greet him.

Mexican authorities were up in arms over the fact that a Mexican citizen had been apparently kidnaped and delivered across the border to El Paso, Texas where a team of Drug Enforcement Administration agents was waiting to take the man into custody for complicity in the February 1985 kidnaping and murder-by-torture of DEA agent Enrique Camarena (see *Dateline Mexico*, p. 51). Accusations flew that the DEA, which is a DoJ sub-agency, had paid a bounty to Mexican police officials or private investigators to grab the Mexican, a medical doctor, on a phony arrest warrant, and pirate him across the Rio Grande.

Last year, DEA sources tipped *EIR* to the fact that then-Acting Deputy Administrator Terrence Burke was planning precisely such a grab inside Mexico. Last month, Thornburgh appointed Burke as the acting head of the DEA, following the retirement of John Lawn.

The case adds a new, even more sordid chapter to what has been branded the "Thornburgh Doctrine."

Not surprisingly, Thornburgh and his entire entourage disappeared from sight as soon as they arrived at the conference.

And if this swarm of scandals and controversies was not enough, the April 16 issue of *Washington Business Journal* reported that Thornburgh was forced to capitulate to demands by House Judiciary Committee chairman Rep. Jack Brooks (D-Tex.) that DoJ officials be ordered to fully cooperate with a congressional probe into the DoJ's role in the bankrupting of a small Washington, D.C.-based computer software firm, Inslaw. While the scheme to drive Inslaw into liquidation and then steal its proprietary criminal justice software package on behalf of a politically "wired" rival firm took place prior to Thornburgh's arrival at the DoJ in August 1989, he placed himself squarely in the center of the controversy by attempting to pressure Representative Brooks into dropping his inquiry into the matter. Senior DoJ officials have said that the Inslaw affair is "bigger than Watergate" and affects the department at every level.

The House Judiciary Committee hearings into Inslaw are scheduled to begin before the summer recess. While those hearings are certain to raise major new scandals, it remains highly speculative whether Thornburgh will still be occupying the top floor offices when Rep. Brooks's gavel opens those hearings.

To be continued.

Bush's green agenda is deep-rooted

by Kathleen Klenetsky

President George Bush is sparing no effort in implementing the deal which he worked out with Mikhail Gorbachov in December 1988, to use "environmentalism" as a weapon against U.S. technological and economic development. With the President's avid encouragement, ecology is being put at the top of the U.S. policy agenda.

Just days after the U.S. Senate passed (with Bush's help) a so-called Clean Air Act, which some analysts believe will put as many as 3 million people out of work in the Midwest alone, Bush played host to a White House Conference on Science and Economics Research Related to Global Change, whose primary purpose was to promote the fraudulent "global warming" hypothesis.

Originally arranged at the Bush-Gorbachov summit in Malta last December, the conference, which ran from April 16-18, drew representatives from 17 countries, including the Soviet Union, as well as the European Community and the Organization for Economic Cooperation and Development.

What occurred during the meeting provided a case study in how Bush is trying to play both sides of the environmental issue—while remaining, at bottom, a full-blooded "greenie" in the mode of his idol, Theodore Roosevelt. Mindful of the political need to pay lip service to the interests of industry, administration representatives—including the President himself—took pains to adopt a "balanced" approach, asserting that economic development and environmentalism must go hand-in-hand.

This produced the expected fireworks: accusations were tossed about that Bush was not seriously committed to the radical measures allegedly required to counter "global warming"—accusations which Bush could then cite as proof that he wasn't being stampeded by the environmentalists into hasty and unnecessary measures.

Yet by the end of the conference, Bush had sided squarely with the radical ecologists. In his second speech to the meeting, Bush offered to host another conference in the future, one which would plan reductions in "global warming" pollutants. "To those who suggest we're only trying to balance economic growth and environmental protection, I say they miss the point," Bush said. "To say that this issue has sides is about as productive as saying the Earth is flat. . . . Above all, the climate change issue is not about research versus action, for we have never considered research a substitute for action."

Global stewardship

That the Bush administration is "green" to its gills, came across loud and clear in the statements made by key U.S. participants. Michael Deland, chairman of the President's Council on Environmental Quality, praised the changes that have taken place since Earth Day 1970, such as the growth of the "environmental ethic," the rejection of "the narrow views of nation-states in favor of more universal values," and "the beginnings of a global stewardship for global quality of life."

Treasury Secretary Nicholas Brady boasted that the President "has taken the lead in focusing national attention on global climate change issues," by, among other steps, formulating such general guidelines as: "First, nations can't afford to wait for a final resolution of the scientific uncertainties before they act." In other words, the administration doesn't think it is first necessary to determine whether the global warming phenomenon even exists before impoverishing the country through industrial shutdowns, pollution taxes, and draconian regulations. So much for Bush's "moderate" tack!

Brady cited other Bush administration environmental initiatives, among them, the President's request for \$1 billion in fiscal year 1991 for research on global climate change, the U.S. commitment to phasing out chlorofluorocarbons by the year 2000, and the push to make World Bank and other government-financed international lending contingent on environmental considerations.

In addition to its campaign to prevent financing for any Third World development project that is not deemed "environmentally sound," the Bush administration is trying to do the same vis-à-vis Eastern Europe. According to Brady, the "U.S. has strongly advocated an environmental emphasis for the programs of the European Bank for Reconstruction and Development."

The Trilats go Gaia

One week after the global climate conference, the President was scheduled for yet another environmentalist fest: the annual meeting of the Trilateral Commission being held in Washington over "Earth Day" weekend.

The timing of the Trilateralists' conference is appropriate: A centerpiece of the meeting will be the release of a new report on global ecology entitled, "Beyond Interdependence: The Meshing of the World's Economy and the Earth's Ecology." The report was drafted by Jim MacNeill, secretary general of the World Commission on Environment and Development. Known as the Brundtland Commission, the WCED produced a notorious eco-fascist report *Our Common Future*, which called for creating a global ecology-based international order that would put stringent restrictions on technological, economic, and demographic growth—in the name of saving Mother Earth.

Bush was slated to confer with his erstwhile Trilateral colleagues at a gala White House get-together on April 23.

Russian fascists taken over the coals in D.C.

by William Jones

What was supposed to be a low-key visit by a group of eight Russian writers, representatives of the Great Russian chauvinist outlook, sponsored by the United States Information Agency (USIA), turned into a fiasco as the anti-Semitic Russophiles were confronted with their writings by a wide variety of Jewish organizations and Russian Jewish emigrés, who unmasked the nature of this weird gathering at the Smithsonian Institution April 18.

Led by the chief editor of *Nash Sovremmenik*, Stanislav Kunyayev, the group was to be introduced to the depth and diversity of American culture and to the principles and practices of a pluralistic society. *Nash Sovremmenik* was noted for having published an article by a Russophile named Shaparevich, who complained that Russia had reached a critical turning point where the character of a "greater people" i.e. the Russians, was being denigrated by a "lesser people," referring to the Jewish people. Vladimir Rasputin, the Russian chauvinist writer who was recently chosen by Gorbachov to be on the Presidential Council, his new "Politburo," was to originally have been part of the delegation, but he withdrew when he was appointed to the council.

If the visit was meant to acclimate the American Kremlinology quacks and the U.S. public with this way-out brand of Russophilism, it was not very successful. For nearly three hours, the Russians were grilled on their writings on the "Jewish Conspiracy," the phony "Protocols of the Elders of Zion," and the rest of their discredited intellectual baggage. Kunyayev tried to shift discussion by stressing that he didn't want the "Russian question" or the question of Russian-American relations reduced to the "Jewish question." "You don't know what the Russians are forced to read every day," said Kunyayev, "about how the Russians have become degenerate, how they are becoming a nation of slaves, how it is pointless to revise the Russian character. How can we tranquilly react to these writings?" said Kunyayev. "We would be poor children of our people if we did so."

This effort to focus on less controversial topics was thwarted when one of the Smithsonian academics read a letter signed by 72 Russian authors to *Sovetskaya Rossiya*, explaining how anti-Semitism had been created by the Jews. When he asked the writers who among them signed this letter, there was a strained silence. Two finally admitted to having signed it, one of them being Kunyayev himself. The

Russians then complained that the letter had been taken out of context. When a Russian Jewish emigré complained that the USIA had spent \$60,000 of U.S. tax money to bring these people here, one of the Russians, who previously had said very little, could take it no longer. "I don't think you know anything about our country at all," cried Leonid Borodin, a writer of fiction from Irkutsk. "We are on the verge of a catastrophe. If it explodes, it will have an influence on you and your taxes."

Russia, the land of mercy?

The delegation was also asked what they expected to gain from the appointment of Venyamin Yarin and Vladimir Rasputin, two noted Mother Russia representatives, to Gorbachov's Presidential Council. Nobody would answer that question directly, but Oleg Mikhailov, head of the literature section of the World Literary Institute of the Soviet Academy of Sciences, said, "I talked to Vladimir Rasputin, and he agrees with me that we must return to the spirituality which is only possible in our church."

He said there was a problem, since the Russian Orthodox Church had become inextricably bound to the Communist bureaucracy. "If we enter that temple," said Mikhailov, "we will be happy." When asked by an American supporter of the late Andrei Sakharov why the Soviet Union didn't use its excellent physicists and mathematicians to put the country back on the road to technological progress, Mikhailov replied, "Sure, technology is important, but the most important thing is the soul."

"Russia showed its national ideals 1,000 years ago," said Pavel Gorelov, chief editor of works by young authors at *Molodaya Gvardiya*, the magazine of the Communist Youth movement and a major organ for the Mother Russia revival. "It chose Christianity. It became the land of mercy. That's what we mean when we speak of Great Russia. The motherland and our soul are the same thing." Stanislav Kunyayev, the chief editor of *Nash Sovremmenik*, noted that "Russia was always a great power. It is a myth that it was only created by fire and the sword." He then tried to explain how all the nationalities that ended up in the Russian Empire sought a haven from other despotisms—the Polish, the Persian, and the Chinese. He also said that Russia was unique in that, at times when Russian armies couldn't stop invading armies, "the strength of the people was called upon."

Kunyayev also said that German unification was a "difficult problem for Russia." He also expressed concern about the "undefined turbulence in the Muslim world." Ernst Safonov, editor-in-chief of *Literaturnaya Rossiya*, said that he didn't believe that Gorbachov would tolerate "the destruction of the state and its military might."

After this first debacle for the Russian chauvinists on their propaganda tour, USIA representatives later said that the Smithsonian meeting was somewhat "unique" on this trip and that no further public meetings are planned.

Helms: Use petroleum reserves for Lithuania

Sen. Jesse Helms (R-N.C.) will submit a bill which would mandate the use of the U.S. strategic petroleum reserves for relief to Lithuania, which has been cut off from its supply of oil and 80% of its supply of natural gas by the Soviet Union.

Helms also sent out a "Dear Colleague" letter to his fellow senators, proposing that Lithuanian President Vytautas Landsbergis be nominated for the Nobel Peace Prize.

Another letter addressed to President Bush and signed by 31 senators, which was circulated by the office of Sen. Don Riegle (D-Mich.), encouraged the President to let Gorbachov know that the "Soviet use of force, under any pretext, to thwart Lithuania's peaceful drive for independence, or continued Soviet refusal to engage in good-faith negotiations with the democratically elected Lithuanian government, will have serious negative implications for U.S.-Soviet relations."

Much ado over elusive 'peace dividend'

Some liberal Democrats are demanding the allocation of the "peace dividend," the sum of money they assume will be available as U.S. defense cuts are implemented, to be spent on domestic programs.

Sen. Edward Kennedy (D-Mass.), who, along with Sen. Alan Cranston (D-Calif.), wants to allocate this (non-existent) quantity for a variety of social programs to thereby regain their Democratic Party "basic identity." Senator Cranston said that the "lion's share of the peace dividend" should be spent in six areas: education, health, drug control, housing, environmental protec-

tion, and public works.

Sen. Phil Gramm (R-Tex.) argues the money should be returned to the people in the form of lower taxes, while Sen. Warren Rudman (R-N.H.), the co-author of the debacle best termed the Gramm-Rudman-Gorbachov budget reduction plan, favors a new Marshall Plan to strengthen the new democracies in Eastern Europe.

In a speech in the upscale Georgetown neighborhood recently, Sen. Kennedy claimed that the "end of the cold war" would make it possible to "change our politics." The "peace dividend" debate is over nothing, since the cuts proposed for the defense budget will cost more than they save in the short term. And with the winds of glasnost blowing cold these days, the proposed destruction of U.S. defense capabilities will soon appear as the utmost folly to most U.S. citizens.

Gorbachov warns: Don't interfere in Lithuania

A Senate delegation to the Soviet Union, led by Senate Majority Leader George Mitchell (D-Me.), was warned on April 12 by Soviet President Mikhail Gorbachov against preaching "sermons" to the Soviet Union, referring to their criticisms of Soviet actions against Lithuania, since this would "cause resentment in our society."

Gorbachov met with the delegation for more than two hours and said that the economic crisis was the "most critical stage of perestroika." The Soviet leader said the Lithuanians were acting provocatively, leaving less and less room for a political approach to resolving Soviet objections to their March 11 independence declaration. "You don't need to teach us that political methods are better," he said. "But

not everything depends on us."

Mitchell told Gorbachov that any recourse to force in Lithuania would reverse détente and have "grave consequences" for U.S.-Soviet relations.

Gorbachov also told the senators that he wants "to speed up the work on START," the Strategic Arms Limitation Treaty, and that he hoped Secretary of State James Baker will not arrive empty-handed in Moscow on May 16 for pre-summit talks.

Committee invites DoJ victims to testify

On April 11, the House Banking Committee invited four victims of the Department of Justice's witchhunt against savings and loan institutions to testify in Dallas, Texas. The *Wall Street Journal* said the congressional committee was attempting to gauge the effectiveness of the DoJ's Bank Fraud Task Force.

Invited to appear were four former owners of bankrupt Texas thrifts: Thomas Gaubert of Independent American Savings, Edwin McBirney III of Sunbelt Savings, Don Dixon of Vernon Savings, and Jarrett Woods of Western Savings. All have been the subject of extensive DoJ investigations, although only Gaubert has been charged with criminal wrongdoing, and was acquitted. None of the four agreed to appear.

Moynihan revives national identification card plan

Sen. Daniel Moynihan (D-N.Y.), at a hearing of his Senate Finance Social Security and Family Policy Subcommittee, tried to revive one of his pet projects of mandating "a plastic, counterfeit-proof Social Security

card" that could be used by employers to verify that job applicants are citizens or legal residents entitled to work in the United States. Moynihan is marketing his Orwellian idea, popular in such liberal totalitarian states as Sweden, as a solution to discrimination against foreign-looking job applicants.

Both Commissioner of Immigration and Naturalization Gene McNary and Social Security Deputy Commissioner Louis D. Enoff warned against converting the Social Security card into some kind of federal identity card. "It's important we don't come up with a national identification card that's going to be carried, that is going to cause people to feel they live under Big Brother," McNary said.

Defense budget on a downhill slope

House Democratic leaders on April 18 agreed to a compromise fiscal year 1991 budget plan which imperils the development of future defense programs. The proposal was billed as a compromise with more radical liberal Democrats who want even greater cuts in defense.

The Democratic proposal claims to cut the deficit by \$36 billion. It would cut \$7.9 billion in the administration's direct spending request for the Pentagon, but would seriously cut future spending. It would set Pentagon spending authority at \$285.9 billion, \$29 billion less than that needed to keep pace with inflation and \$20.9 billion less than the requested. Spending authority represents approval for federal agencies to enter into spending commitments, while outlays are sums actually spent.

A cut in spending authority would prevent Pentagon officials from ini-

tiating programs that would result in higher outlays in future years, sabotaging most of the more promising future defense technologies. "We can't do all the cuts we want this year," said liberal Democrat Rep. Charles Schumer (D-N.Y.), "so let's be damn-well sure to make the cuts in future years."

On April 20, the House Budget Committee voted approval of a \$1.2 trillion FY91 spending plan along straight party lines. It accommodated the liberal Democrats by lowering the spending authority from the proposed \$285.9 billion to \$283 billion. House leadership aides expressed confidence that the budget will win House approval without significant changes.

Conservative Democrats were not happy. "It gives a lot of us conservatives real heartburn," said Rep. Jerry Huckaby (D-La.). "There isn't a consensus among us whether we can support it."

Nunn calls for troop cuts in Europe

Sen. Sam Nunn (D-Ga.), chairman of the Armed Services Committee, called on April 19 for increased reductions in defense spending over the next five years by withdrawing 100,000 more troops and all battlefield nuclear arms from Europe, and scaling back the Navy by two to four aircraft carrier battle groups while putting more ships into the reserves.

Nunn said U.S. nuclear deterrence against Soviet attack "should be achievable at significantly lower levels of weaponry." Thousands of "ground-based nuclear missiles and nuclear artillery" shells in Europe "should be phased out." He claimed that a nuclear umbrella could be maintained in Europe by basing "air-deliv-

ered nuclear bombs and missiles" at airfields throughout the European NATO countries. Addressing the Navy, Nunn said the fact that "virtually all deployable ships have to either be at sea or be able to get under way within days becomes increasingly unnecessary and unaffordable."

Dole criticized for mooting Israel aid cut

Senate Minority Leader Robert Dole (R-Kan.) has come under attack by some of his colleagues for having suggested a cut in aid to Israel.

In an interview in the April 13 *Jerusalem Post*, Dole accused American Jewish leaders of "selfishness" on the aid issue. While making a week-long trip to the Middle East earlier this month, he said that a Senate resolution March 22 that called for U.S. recognition of Jerusalem as Israel's capital was a mistake that was disrupting peace efforts in the region.

In a joint letter to Dole, House Republican Whip Newt Gingrich (Ga.), Vin Weber (R-Minn.), and Bill McCollum (R-Fla.), members of the House GOP leadership, urged Dole to reconsider his comments. "I think it goes without saying that stereotyping people ethnically is not acceptable to Republicans," said Weber. "It's not what our party stands for. Further, it's simply not accurate."

Dole denied he urged repeal of the resolution but admitted that he thought it was a mistake to pass it, calling the remarks that appeared in the *Jerusalem Post* "out-of-context excerpts." "The clear context of the interview was my assertion that the leaders of the pro-Israel lobby were shortsighted and selfish, in their zealous efforts to protect Israel's aid levels at any cost," said Dole.

National News

GOP recruiting 'green' candidates

The Republican Party is making a big push to recruit 'green' candidates, and to be the party of environmentalism.

Environmental Protection Agency dictator William Reilly told the April 11 *Christian Science Monitor* that the Republicans have a national environmental strategy. "If you talk to Lee Atwater or Newt Gingrich, they will tell you the environment is one of four or five issues on which the Republican Party must prevail if it is to distinguish itself and become the majority party," he said.

Together with the Republican National Congressional Committee, Reilly is telling potential candidates that they must go green to get party support; he is personally recruiting greens to campaign for office, including one Trudy Coxe, a radical ecologist who is running as a Republican for Congress in Rhode Island.

"At the center of the revitalized GOP green-consciousness is President Bush—the self-proclaimed environment president. Whether or not environmentalists think his clean-air plan is soft, or his EPA chief too weak, Bush has raised the stakes on the issue," the *Monitor* commented.

Walsh presses Iran-contra probe

Special Prosecutor Lawrence E. Walsh told the April 13 *Washington Post* that he is "pressing forward with his investigation into the Iran-Contra affair and is concentrating on what he now considers the "essence of the crime: a pattern of deceit" at the highest levels of the Reagan administration.

"Regardless of who knew what about particular details of the operation, was there any doubt that Congress was not being told these details honestly?" Walsh asked.

Walsh said the issue driving administration lying was not fear of violating the Boland amendment restrictions on military aid to the Contras, but fear that the Congress would not provide direct military aid if the

knowledge of the activities of the enterprise—aid to the Contras, and arms for hostages—were made public. The diversion of profits from the sales was a "distraction" from that more fundamental issue, in his view.

Walsh said he intends to pin down Reagan, Bush, and Ed Meese on exactly what they knew and when they knew it, and will aim his investigation at officials who lied to Congress.

Walsh said that the Iran-Contra cases have established an important principle: that lying to Congress is a crime even if an official is not questioned under oath.

Council urges separate Soviet-U.S. Mars trips

The United States and Soviet unmanned missions to Mars should be separate, though coordinated, the National Research Council concluded in a report for NASA released April 16.

In a policy statement dealing with U.S.-Soviet relations in space, the committee stated that a mission highly dependent on cooperative efforts would be a "potential hostage to political events that might disrupt communications and interaction between the two nations."

Not mentioned in the press coverage of the report, nor anywhere else, except in *EIR*, is the fact that there is no objective reason why the U.S. should *want* to cooperate with the Russians on missions to Mars, since 80% of their missions have failed, including both of the Phobos spacecrafts launched to Mars last July.

Euthanasia groups in deadly embrace

The Society for the Right to Die and the Concern For Dying, the two organizations that evolved out of the Euthanasia Society of America, are joining forces again. They allegedly dissolved their affiliation in 1979 to focus on different strategies of "education" and legislative changes to achieve their

shared goal of making Nazi euthanasia policies prevail throughout U.S. medical and legal education facilities and health care institutions.

After a decade of "accomplishments" that include making the acceptance of starving patients to death and the indoctrination of judges and attorneys on the "right" to die and to kill, the euthanasia mob is being retooled for broader targets and institutional authority. On April 16 board members of both the Right to Die Society and Concern for Dying will vote on the proposed merger and a new name.

The Euthanasia Society of America (ESA) was founded in 1934 by leading advocates in the fields of eugenics, population control, and "voluntary" and compulsory euthanasia for all ages. But the terms eugenics and euthanasia became hated during and after World War II, as Nazi crimes became publicized.

Now, instead of demanding that society terminate "sub-human life" at all ages and "defective" newborns, the new merger will add a sanitized veneer to their Nazi policies. This can be seen in their close relations with the 30-million member American Association of Retired People, which is co-funding the conference in May, along with Prudential Insurance's "New Jersey Citizens' Committee on Biomedical Ethics," the group that promoted the lies that have led New Jersey into the worst pro-euthanasia court decisions of the nation.

East German hero named to N.Y. Philharmonic

East German conductor Kurt Masur, a man many thought might become head of state following his active role in the pro-democracy movement as a member of Neues Forum, on April 9 was named music director and conductor of the New York Philharmonic. He will replace Zubin Mehta starting with the 1992-93 season.

Masur was named with the enthusiastic support of the orchestra's members, who for the first time in this century were actively involved and consulted in the selection process. "We have a conductor who was chosen with the consent of the governed and we

went to Eastern Europe to find our 'democratically elected' leader," said Joseph Robinson, the principal oboist of the orchestra who, with four other members of the Philharmonic, interviewed Masur in Paris on April 9.

Masur has been music director of the Gewandhaus Orchestra of Leipzig for 20 years. Robinson said that when the orchestra was told of the choice, its members burst into applause.

In December Masur had granted an exclusive interview to *Ibykus*, a magazine founded by Helga Zepp-LaRouche (see p. 56).

EMP tests targeted on environmental pretext

Electromagnetic pulse experiments conducted by the U.S. Army at its Woodbridge, Virginia, research facility are under attack in a 10-part series in the *Potomac News* of Woodbridge.

The attack on EMP research lends credibility to Virginia congressional candidate Lyndon LaRouche's warning that Gorbachov is bent on using environmental issues to shut down U.S. industry.

The *Potomac News* cites the fact that two Woodbridge employees, one a guard and the other an Army environmental official, allegedly suffered health problems and later died as a result of the EMP research. One of the two, John Ganz, complained of being "branded as [an] environmental whistle-blower."

U.S. NATO officials in Europe as well as German officials believe that the Soviets are making advances in the field of EMP weapons, and that use of such weapons by the Soviets may have been responsible for the 1988 crash at the Ramstein, West Germany, Air Show.

New Bush administration police state moves

The FBI has been submitting draft legislation to the Congress which would substantially expand its powers, the *New York*

Times reported April 12.

The draft legislation would allow the FBI to seize office documents, bank files, and related records, without a grand jury subpoena. Currently, the FBI requires a subpoena to enter a suspect's home in order to acquire such material.

Under the new proposal, the FBI would have the right to unilaterally issue what would be known as an "administrative summons," which would compel the target of any investigation to turn over documents of any sort.

The proposal would require no review of the FBI action before a judge or grand jury, and consequently, no proof, outside of an internal FBI decision, that seizure of the documents would be necessary. There would be no need to even show that there were credible reasons for having the target of the seizure under investigation.

FBI spokesman Mike Kortan admitted that "the FBI supports exploration of this issue. We've been in discussion of this with the Department of Justice and United States attorneys."

Court okays death sentence of retarded man

The Supreme Court has refused to hear the death-sentence appeal of a retarded man, opening the way to his execution.

The Court's decision, made without comment, effectively lifts the stay of execution it granted four months ago to Dalton Prejean, who was convicted in 1978 of having killed a state trooper in Louisiana. At the time, Prejean was 17 and was said to have had the IQ of a 13-year-old. Now 31, Prejean's IQ measures 76. He has been on death row since 1978.

The Court's move in the Prejean case is congruent with the increasing tendency toward outright barbarism that has marked its deliberations in the recent period. Last June, in two 5-4 decisions, the Court ruled that the Constitution does not forbid executing murderers who are either mentally retarded or were teenagers at the time of the crime. They did not cite the Constitution, or any principle of law, but "prevailing popular opinion" on the issue of capital punishment.

Briefly

● **CONCERN** about the safety of the blood supply because of AIDS and other infectious diseases led the independent Richmond Metropolitan Blood Service, which supplies blood to 13 hospitals, to urge individuals who are about to undergo surgery to store their blood in advance.

● **RALPH DAVID ABERNATHY** died of heart failure on April 17 at the age of 64. The leader of the Southern Christian Leadership Conference was a close collaborator of Dr. Martin Luther King in the struggle for civil rights.

● **MICHAEL BOSKIN**, chairman of the President's Council of Economic Advisers, warned that reducing "global warming" gases could cost the United States \$200 billion a year, the *Wall Street Journal* reported April 16.

● **TWENTY-NINE** percent of U.S. teenagers believe in witchcraft, while 50% believe in Extra Sensory Perception, according to a recent Gallup poll of 13-17 year-olds, the April 11 *USA Today* reported.

● **ARCH MOORE**, the former governor of West Virginia defeated for re-election in 1988 by Democrat Gaston Caperton, was indicted by a federal grand jury April 12 on charges of fraud, extortion, obstruction of justice, and filing false income tax returns. Moore allegedly accepted and spent \$100,000 in cash during the 1984 election campaign in violation of state campaign laws.

● **THE WINTER 1990** issue of *The News Media and The Law* magazine carried an article on the favorable ruling by the bankruptcy court last fall in the involuntary federally enforced bankruptcy of the Fusion Energy Foundation. It described FEF board member Lyndon LaRouche as a "conservative politician," and emphasized that the judge found the government acted in bad faith.

Editorial

The spirit of a free people

This Easter, as church bells rang throughout the world, Lithuanians could celebrate the Resurrection with great joy; yet Mikhail Gorbachov's message to them was that he would initiate an economic blockade against their nation unless they capitulated and renounced independence. The Pope, in his Easter message, spoke for all of us, when he said that his heart was with this brave people.

There is a special, beautiful quality to the Lithuanian Revolution, which reminds us of the American Revolution, and the poets like Friedrich Schiller, and the musicians like Ludwig van Beethoven who celebrated the existence of a new republic in which man's spirit was no longer enslaved. Indeed, Beethoven chose the text of Schiller's famous "Ode to Joy" as the theme for the close of his Ninth Symphony.

On April 19, Lithuanian President Vytautas Landsbergis gave an exclusive interview to U.S. Cable News Network television. He called upon President Bush to clearly state the U.S. position on Lithuania, and to reiterate that the Soviet Union has no constitutional or other rights over Lithuania. He asked the U.S. President to publicly acknowledge that Soviet dealings with Lithuania constitute a new form of aggression.

Landsbergis's remarks up to that point were true, but not unexpected; but then he was asked whether he would wish President Bush to get tougher with President Gorbachov, to which he answered, yes. However, when he was asked what Bush might do, his answer was that he could offer no advice, *except that they need support which is best expressed by music.*

What kind of music? the interviewer asked; to which Landsbergis replied: Beethoven, the Fifth or the Ninth Symphony—yes, the Ninth.

Taken aback, the interviewer could not understand why the Ninth in particular. Landsbergis explained: The Ninth is the symphony of hope, the symphony of the future.

Landsbergis also had outlined steps the Republic of Lithuania had taken to counter the economic warfare launched by Moscow, stating that several other republics and the Scandinavian countries were prepared to

supply Lithuania. He also answered the question, whether a young government pitted against a big government could stand up to that pressure. We are a young power, he said, a power of the future, and the future is on our side.

President Landsbergis is himself a musicologist, and we are reminded not only of the special role that the playing of Beethoven's Ninth Symphony has had in reaffirming the true German spirit—as the eastern zone of Germany has struggled to free itself from the tyranny of the Soviet puppet regime which ruled it—but also of the special role in that revolution of conductor Kurt Masur.

Not only is he the conductor of the prestigious Leipzig Gewandhaus orchestra. It was he who averted violence in October of last year, when communist chief of the German Democratic Republic Erich Honecker sought a pretext to unleash the police on a population demonstrating for freedom. When Masur addressed the crowd, even the police were moved—so moved that they refused to carry out the orders of the tyrant Honecker, but instead left the demonstrators unharmed.

Now is the time for freedom-lovers everywhere to act on President Landsbergis's suggestion. Let Beethoven's Ninth Symphony voice our support for the Lithuanian people against Soviet tyranny. We would urge in particular that Masur's performance of the Ninth be broadcast by the Voice of America.

The United States has recently taken the disgraceful path of blasting satanic rock music into the home of the Papal Nuncio in Panama, as a way of driving General Noriega from that sanctuary. This outrageous act of barbaric warfare was followed up by the U.S. government-funded radio station Radio Marti, which is now beaming rock music into Cuba.

Enemies of the human spirit have attempted to pretend that rock music is emblematic of freedom in the West. In reality, it is emblematic of the hedonism which is destroying Western culture. Now President Landsbergis has set the record straight in one master stroke. We fully support his call.

"There is a limit to the tyrant's power."

—Friedrich Schiller,
Wilhelm Tell.



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